

**SORBONNE SCHOOL OF MANAGEMENT  
(UFR06)**

**DEPARTEMENT DES LANGUES  
(DDL)**

# **Booklet**

## **English for Economics and Management**



**L1-S1-UFR06**

**First Semester 2020-2021**

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# Introduction

Ce fascicule est destiné à servir de base à l'enseignement de l'anglais appliqué à l'économie et au management pour tous les étudiants qui suivent le cursus de l'UFR06 en première année de licence, 1<sup>er</sup> semestre 2020-2021, y compris les double licences droit-gestion et gestion-cinéma.

## Objectif du cursus d'anglais en première année :

- Consolider le niveau B2 (selon le *Common European Framework of Reference for Languages*, CEFR) pour les activités suivantes : production écrite et orale, compréhension écrite et orale.
- Apprentissage progressif du vocabulaire et des expressions spécifiques de l'anglais de l'économie et du management
- Travailler la production écrite : rédaction d'emails (en S1) et les commentaires des graphiques (en S2)
- Introduction aux thèmes et débats liés à l'économie et au management dans le monde anglophone
- Révision systématique des bases de la grammaire anglaise

Bien que l'accent principal soit mis dans un premier temps sur la compréhension écrite, les autres dimensions de l'apprentissage linguistique ne sont pas oubliées : les enseignants sont invités à employer l'anglais à l'exclusion du français à tout moment, y compris dans les échanges en dehors de la classe proprement dite, sauf cas exceptionnel ou urgence, de manière à produire un bain linguistique (même s'il est très limité dans le temps).

Des séquences de cours peuvent fournir l'occasion d'expression orale (questions, débats ou exposés), et le travail à la maison peut laisser une place à l'expression écrite libre. Enfin, les enseignants sont libres de consacrer une partie du cours à des exercices ou séquences supplémentaires, par exemple autour de la prononciation ou des difficultés spécifiques de l'anglais oral ou écrit.

Par tradition, l'année de L1 en anglais est surtout consacrée à l'économie, la seconde année (L2) abordant plus spécifiquement le management.

Le contenu du cours est divisé en deux unités de deux chapitres chacune pour le premier semestre : A. What is Economics? / B. Trade. Chaque unité propose des textes de base et des textes d'actualité liés au thème, accompagnés de questions et d'exercices, ainsi qu'une section dévolue à la grammaire. Elle comporte également une liste de termes souvent techniques dont les étudiants seront supposés connaître le sens et la définition en fin de semestre. La liste pour le 1<sup>er</sup> semestre est fournie en annexe et des définitions sont proposées pour chaque chapitre.

En annexe, les étudiants trouveront également une liste de verbes irréguliers, des conseils pour éviter les erreurs les plus fréquentes, ainsi que deux parties sur la discussion et sur la rédaction de courriels professionnels en anglais. Vous trouverez dans les pages suivantes un rappel des modalités de contrôle des connaissances, du calendrier du semestre ainsi que des recommandations pour travailler l'anglais par vous-mêmes.

Nous vous souhaitons à toutes et à tous une excellente année d'études,

*and welcome to Paris 1!*  
Pour l'équipe de L1 anglais,

Brochure rédigée par C. Selzner, modifiée par N. Rajapakse.

**Règlement de fonctionnement des TDs d'Anglais L1**

**1. Absences :**

- pendant les 11 semaines de TD : Plus de 3 absences même justifiées = défaillant.e pour le semestre (rattrapage en juin).
- A l'examen (12<sup>è</sup> semaine du semestre) : Note de 0 au partiel
- A un contrôle : Pour justifier une absence vous devez fournir à votre enseignant.e un justificatif valable (certificat médical, convocation officielle) dans un délai de 48 heures à compter de votre absence. Si votre absence est justifiée votre enseignant.e vous proposera un rattrapage ou de substituer votre note du partiel à la note du contrôle écrit.
- A l'exposé : Si votre absence est justifiée (voir, ci-dessus), votre enseignant.e décidera les modalités pour vous faire passer un autre jour, si cela est possible, ou vous serez évalué.e différemment. Si votre absence n'est pas justifiée = note de 0.

**2. Retard :**

Si votre retard est conséquent, vous pouvez ne pas être accepté.e en TD.

**3. Assiduité / participation :**

Pour ce point, nous valorisons votre participation active en cours, sans vous pénaliser sur votre niveau de langue.

**4. Modalités d'évaluation :**

La note d'anglais pour le semestre sera la moyenne de la note de contrôle continu (CC) et de la note obtenue au partiel (PA). Des informations plus amples sur le partiel (modalités détaillées, contenu) seront données dans les TD au cours du semestre.

La note de contrôle continu est quant à elle composée d'une note d'écrit (50%) et d'une note d'oral/participation (50%) selon des modalités définies et communiquées par chaque enseignant.

**Note CC = Moyenne (CC Ecrit ; CC oral)**

**Note d'anglais S1 = Moyenne (CC ; PA)**

La date des évaluations vous sera communiquée en avance. Toute absence non justifiée au contrôle vous donne une note de 0.

**5. Plagiat :**

Tout travail (écrit, oral) qui n'est pas le vôtre, qui est copié ou mémorisé d'un travail d'un.e autre, sera considéré comme du plagiat et entraînera automatiquement la note de 0 pour les devoirs et fera l'objet d'un procès verbal pour les contrôles.

Tout travail doit être le fruit de votre propre réflexion.

## **6. Méthodologie de recherche :**

Vous devez pouvoir citer les sources de vos recherches (pour la préparation des exposés, devoirs, etc.).

Une traduction anglaise d'un travail d'un.e autre en français (ou autre langue) n'est pas acceptable et sera considérée comme du plagiat.

## **7. Les délais pour vos demandes :**

Toute demande (lettre de recommandation, certificat, attestations...) doit être adressée dans un délai minimum de 2 semaines avant la date limite.

## **8. Cours supplémentaires :**

Vous pouvez demander à assister à des TDs supplémentaires, en obtenant l'autorisation au préalable de l'enseignant.e., comme cours de soutien. A noter : cela ne pourra pas rattraper vos absences dans votre propre groupe de TD.

### **Conseils et ressources pour le travail personnel**

L'apprentissage d'une langue étrangère est un processus de longue haleine, qui nécessite persévérance et efforts et qui durera de longues années. Quel que soit votre niveau de départ et quelles que soient vos expériences passées (stimulantes ou déprimantes), les enseignants d'anglais de l'UFR06 seront là pour vous épauler et vous faire progresser – si vous en manifestez l'envie, notamment en participant activement en cours – de nouveau, quel que soit votre niveau, de débutant à bilingue.

Par ailleurs, le temps limité passé en classe gagnerait à être complété par vos efforts personnels et le travail à la maison. Consacrer ne serait-ce qu'une heure par semaine en dehors des cours au perfectionnement de votre anglais aura des effets à long terme sur votre maîtrise de la langue, et nous ne saurions trop vous conseiller de vous engager dans une telle démarche. Vous trouverez ici des conseils pour vous guider.

Le département des langues met à la disposition des étudiants un centre de ressources en langues en salle A.708 (7<sup>e</sup> étage, centre Pierre Mendès-France) comportant des postes de travail et une bibliothèque de logiciels susceptibles de vous aider. Il est ouvert à tous plusieurs demi-journées par semaine. Renseignez-vous : <http://crl.univ-paris1.fr>. Le département propose également chaque semestre des séances de préparation aux certifications comme le TOEFL et le TOEIC. Renseignements : <https://www.univ-paris1.fr/ufr/sgel/toeic-toeflr/>

Une partie de votre apprentissage technique porte sur le vocabulaire. Vous gagnerez à consulter systématiquement les dictionnaires en lignes, généraux ou spécialisés, en privilégiant les dictionnaires monolingues anglais. Ceux-ci permettent aussi souvent d'entendre un enregistrement de la prononciation du mot en anglais britannique ou nord-américain :

#### **• Généraux:**

- [www.dictionary.cambridge.org](http://www.dictionary.cambridge.org)
- [www.macmillandictionary.com](http://www.macmillandictionary.com)
- [www.dictionary.com](http://www.dictionary.com)



- [www.thefreedictionary.com](http://www.thefreedictionary.com)
- [www.howjsay.com](http://www.howjsay.com) (pour la prononciation)
- 

• **Spécialisés :**

- [www.investorwords.com](http://www.investorwords.com)
- [www.businessdictionary.com](http://www.businessdictionary.com)
- [www.investopedia.com](http://www.investopedia.com)
- Michel Marcheteau *et al.*, *Dictionnaire de l'anglais économique, commercial et financier*, BMS Pocket 2003 (papier)
- Cathy Parc, *English Words for Economics*, Ellipse, 2015 (papier)
- Michel Van der Yeught, *Manuel d'anglais de la bourse et de la finance*, Ophrys, 2013 (papier)

Si vous sentez la nécessité de réviser/perfectionner votre **grammaire** anglaise, les ouvrages suivants peuvent vous y aider :

- Serge Berland-Delépine, *Grammaire anglaise de l'étudiant*, Ophrys, 2014
- Peter Strutt, Market Leader, *Business Grammar and Usage*, Pearson Longman, 2010
- Michael Duckworth, *Business Grammar and Practice*, Revised edition, Oxford UP, 2013

Tout apprentissage de l'anglais économique ou managérial passe par la fréquentation de la presse anglo-saxonne, en ligne ou bien en version papier. Vous y apprendrez à la fois les usages les plus récents mais vous y trouverez aussi traités des thèmes élargissant vos connaissances :

- The Times, The Guardian, The Independent (general, UK)
- The New York Times, The Washington Post (general, US)
- The Economist, The Financial Times (general and specialized)
- BBC World, CNN, Fox News and many other channels...

Enfin, internet met à disposition une quantité presque infinie de ressources pour quiconque souhaite perfectionner son anglais. On trouve des leçons gratuites d'anglais en ligne sur tous les aspects qui vous intéressent – elles sont inégales, mais souvent utiles et certaines sont tout à fait remarquables. Exploitez donc cet univers sans modération (tapez 'English lessons' sur youtube ou google par exemple et explorez les résultats...).

Bon courage à toutes et à tous !

### **IMPORTANT : MODALITES DE COMMUNICATION AVEC LES ENSEIGNANTS**

Le courrier électronique (mail/courriel) est désormais le mode privilégié de communication dans le monde professionnel, mais aussi le monde universitaire, et il est extrêmement important que vous maîtrisiez au plus tôt les codes de politesse minimaux en usage dans ce cadre.

Vos enseignant.e.s ont l'obligation de vous donner en début de semestre une adresse électronique de contact – préférentiellement, si cela est possible, leur adresse professionnelle de Paris 1, de la forme Prénom.Nom@univ-paris1.fr. La communication avec eux (ou elles) doit passer par ce truchement, notamment à travers votre propre adresse 'professionnelle' de Paris 1, désormais sous la forme Prénom.Nom@etu.univ-paris.fr. Vous êtes par ailleurs tenus de consulter cette boîte mail officielle régulièrement (au moins une fois tous les deux jours), car des informations importantes peuvent vous être communiquées par vos enseignants et par l'administration par ce moyen.

Vos enseignant.e.s sont tenus de vous répondre dans un délai raisonnable (fin de semaine exceptée bien entendu), et de même pour vous si l'urgence de la situation l'exige. Vous serez initié à l'écriture de courriels professionnels en anglais (appendice II p.85sq, Booklet S1), qui diffèrent des mails français mais obéissent eux aussi à des règles de politesse et d'étiquette minimale. Nous vous encourageons d'ailleurs fortement à écrire vos courriels en anglais car c'est un bon entraînement et vos enseignant.e.s vous répondront alors dans la même langue.

Par exemple les mails suivants ne sont pas acceptables et j'invite même les enseignants à ne pas y répondre (exemple d'emails réellement reçus...) :

« *Pourriez-vous me dire si nous ayons court la semaine prochain. Mrci de répondre rapidement.* »

« *Salut. Quel est le travail pour demain svp.* »

« *Travail maison du 12/4 – envoyé de mon iPhone* » (voire un message vide avec juste le fichier-joint... sans commentaire ! tout message doit être un message !)

Le mail qui suit est à peine plus poli :

« *Bonsoir, je ne peux pas venir aujourd'hui pour mon exposé. Cdl't.* »

Tout courriel à vos enseignant.e.s, à l'administration et aux agents de Paris 1 doit être rédigé dans une langue correcte, éviter les abréviations et le langage texto, comporter une ligne de sujet claire, commencer par une salutation polie (« Bonsoir M. X », « Bonjour Madame », voire 'Dear professor/teacher' en anglais ; 'Hi prof' est acceptable seulement si l'enseignant.e vous y autorise au préalable), un message qui prend la peine de faire des phrases et d'expliquer, et qui se clôt sur une formule de politesse : « Bien cordialement », « Best regards » ou « Best wishes » en anglais, etc., SUIVI DE VOTRE NOM COMPLET ET DU NUMERO DE TD.

Plus tard, des employeurs, des clients ou des collègues se formaliseront sans doute qu'on ne prenne pas la peine de s'adresser à eux avec le minimum d'effort requis pour être poli, avec des conséquences négatives pour vous et votre carrière. Prenez le pli dès maintenant, c'est dans votre intérêt et nous vous y invitons fortement.



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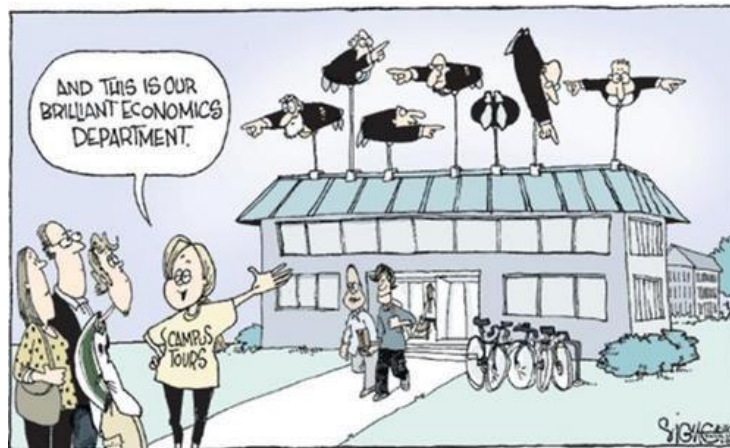
# Part A. Basic Economics

In the first chapter, you will learn about this strange science known as economics: what it is about, what economists do for a living, how it relates to our lives, and even how science-fiction writers imagine whole new economic worlds. The second chapter deals with this most basic of commodities, and one that is economically central: money. Money is a weird thing indeed, real and unreal at the same time, and definitely a source of concern for everyone, not least for the people who are supposed to be responsible for its creation, circulation and regulation: governments and bankers.



# Chapter 1

## *What is Economics?*



### Vocabulary

**Company** (pl. companies): a business organization that sells goods or services in order to make money; any entity engaging in business—also called a firm or enterprise (<> society: association of persons, usually exclusive of business purposes Δ)

**Consumer:** an individual who buys products or services for personal use, to satisfy their needs and not for manufacture or resale.

**Consumption:** using a product or service until it has no remaining value

**Customer:** a person, company, or other entity which buys goods and services produced by another person, company, or other entity

**Demand** (n.): the amount of a particular economic good or service that a consumer or group of consumers will want to purchase at a given price

**Economic** (adj.): relating or pertaining to the economy (<> economical: saving money Δ)

**Economics:** the study of how the forces of supply and demand allocate scarce resources

**Economist:** a social scientist who works in or studies the field of economics

**(The) Economy:** activities related to the production and distribution of goods and services in a particular geographic region.

**Factors of production:** various resources which contribute to the production of a product or service.

**Factory** (pl. factories): a manufacturing facility (place or building), also called a plant

**Good** (n.): a tangible commodity or other item that is subject to demand in the market

**Input:** anything that is used in a production process

**Labour** (US: Labor): work of any type

**Market:** any physical or virtual place where buyers and sellers come together to trade in goods

**Opportunity cost:** the value of something that is lost because you choose an alternative course of action

**Output:** the quantity of goods or services produced, in a given time period, by a firm, industry, or country

**Policy** (pl. policies): a plan or course of action, as of a government, political party, or business, intended to influence and determine decisions, actions, and other matters

**Productivity:** the amount of output per unit of input (labour, equipment, and capital); productivity is often taken to measure efficiency

**Raw materials:** unfinished goods consumed by a manufacturer in providing finished goods

**Resource:** a person, asset, material, or capital which can be used to accomplish a goal

**Scarcity:** a lack of supply of some commodity or item

**Supply:** the total amount of a good or service available for purchase; along with demand, one of the two key determinants of price

**Want** (n.): something that is desired or needed; the need itself

### Additional vocabulary and notes

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## Section 1. Text 1: “What is economics all about?”

Many people think that **economics** is about *money*. Well, to some extent this is true. Economics has a lot to do with money: with how much money people are paid; how much they spend; what it costs to buy various items; how much money firms or **companies** earn; how much money there is in total in **the economy**. But despite the large number of areas in which our lives are concerned with money, economics is more than just the study of money.

It is concerned with the following:

- The production of **goods** and services: how much the economy produces; what particular combination of goods and services; how much each company produces; what techniques of production they use; how many people they employ.
- The **consumption** of goods and services: how much the population as a whole spends (and how much it saves); what the pattern of consumption is in the economy; how much people buy of particular items; what particular individuals choose to buy; how people's consumption is affected by prices, advertising, fashion and other factors.

But we still have not quite got to the bottom of what economics is about. What is the crucial ingredient for a problem to be an economic one? The answer is that there is one central problem faced by all individuals and all societies: *the problem of scarcity*.

Ask people if they would like more money, and the vast majority would answer ‘Yes’. They want more money so that they can buy more goods and services; and this applies not only to poor people but also to most wealthy people too. The point is that human **wants** are virtually unlimited.

Yet the means of fulfilling human wants are limited. At any one time the world can produce only a limited amount of goods and services. This is because the world has got only a limited amount of **resources**. These resources, or **factors of production** as they are often called, are of three broad types:

- Human resources: **labour**. The labour force is limited both in number and in skills.
- Natural resources: land and **raw materials**. The world's land area is limited, and so are its raw materials.
- Manufactured resources: capital. Capital consists of all those **inputs** that have themselves had to have been produced in the first place. The world has a limited stock of capital: a limited supply of **factories**, machines, transportation and other equipment. The **productivity** of capital is limited by the state of technology.

So here is the reason for scarcity: human wants are virtually unlimited, whereas the resources available to satisfy them are limited. We can thus define scarcity as ‘the excess of human wants over what can actually be produced’.

Of course, we do not all face the problem of scarcity to the same degree but given that people, both rich and poor, want more than they can have, this will cause them to behave in certain ways. **Economists** study that behaviour, and economics studies anything to do with the process of satisfying human wants.



We said that economics is concerned with consumption and production. Another way of looking at this is in terms of *demand* and *supply*. In fact, demand and supply and the relationship between them lie at the very centre of economics: **demand** is related to wants; if goods and services were free, people would simply demand whatever they wanted. Such wants are virtually boundless. **Supply**, on the other hand, is limited, and it is related to resources.

Given the problem of scarcity, potential demand will exceed potential supplies. Society therefore has to find some way of dealing with this problem and try to match actual demand and supply. This applies at the level of the economy overall: *aggregate* demand will need to be balanced against *aggregate* supply, in other words, total spending in the economy will need to balance total production. Economics studies how demand adjusts to available supplies, and how supply adjusts to consumer demands, especially when buyers and sellers meet. This coming together of buyers and sellers is known as a **market**.

Economics is traditionally divided into two main branches—*macroeconomics* and *microeconomics*, where ‘macro’ means big and ‘micro’ means small.

- Macroeconomics is concerned with the economy as a whole. It is thus concerned with aggregate demand and aggregate supply. By ‘aggregate demand’, we mean the total amount of spending in the economy, whether by **consumers**, by **customers** outside the country for our exports, by the government, or by firms when they buy capital equipment or stock up on raw materials. By aggregate supply we mean the total national **output** of goods and services. Macroeconomics studies the determination of national output and its growth over time; it also studies the problems of recession, unemployment, inflation, the balance of international payments and cyclical instability, and the **policies** adopted by governments to deal with these problems.
- Microeconomics is concerned with the individual parts of the economy. It is concerned with the demand and supply of particular goods and services and resources: cars, butter, clothes and haircuts, electricians, secretaries, computers and oil.

Microeconomics focuses particularly on rational choices made by firms and individuals. Choice involves sacrifice: the production or consumption of one thing involves the sacrifice of alternatives. The more food you choose to buy, the less money you will have to spend on other goods. This sacrifice of alternatives in the production or consumption of a good is known as its **opportunity cost**. The opportunity cost of buying a textbook is the new pair of jeans you also wanted that you have to go without. The opportunity cost of working overtime is the leisure you have sacrificed.

Economists often refer to rational choices. By this is simply meant the weighing-up of the *costs* and *benefits* of any activity (also called *cost-benefit analysis*): firms choosing what and how much to produce, workers choosing whether to take a particular job or to work extra hours, or consumers choosing what to buy.

from John SLOMAN, *Essentials of Economics*, London: Prentice Hall, 1998 [edited]

## Comprehension and Vocabulary Exercises

### A. Vocabulary. *Fill in the blanks with a word or phrase from the list on pages 10-11:*

1. .... is the science studying economic activities.
2. Coal, water, timber and iron ore were some of the ..... needed during the Industrial Revolution in Britain.
3. My ..... is making profits again this year, even though we lost quite a few ..... in January.
4. The government's economic ..... are heavily criticised by the Shadow Cabinet.
5. Due to the ongoing recession, we had to reduce our ..... of coffee machines.
6. The depletion of natural ..... is a source of concern for environmentalists.
7. New technologies tend to increase dramatically the ..... of labour in developed and developing countries alike.
8. According to economic theory, when the ..... of a particular good tends towards zero and demand stays the same as it was, prices could theoretically soar to the infinite.
9. When too many ..... save the money they were supposed to spend instead of buying goods, economic crisis could ensue.
10. Many ..... believe in the efficiency of pro-market policies.

### B. True or False?

1. Economics is all about money (T/F)
2. Economics is the study of markets (T/F)
3. Consumption is affected by many factors (T/F)
4. Economists are responsible for satisfying human wants (T/F)
5. Microeconomics is the study of consumers' choices (T/F)

### C. *Try to answer the following questions in your own words and avoid simply quoting from the text:*

1. What is the main problem that economics deals with?
2. Choose a specific company or economic activity (give an example) and describe briefly the factors of production involved in the production process.
3. What is the difference between macro and microeconomics?
4. What is a "cost-benefit analysis"?
5. How does the consideration of opportunity costs help economic agents make rational decisions?

### D. Discussion and further research:

1. Find out about Abraham Maslow's famous hierarchy of human needs, and discuss your findings.
2. One of the basic mechanisms of a market economy is known as "the Law of supply and demand". Read appendix III and explain in your own words how it is supposed to work.

## Grammar: Present Simple/Present continuous

Read through the following examples comparing the present simple and present continuous.

### **A** Routine vs moment of speaking

- 1 James **works** for an investment magazine. Every month he **writes** articles about new investment opportunities.
- 2 Take these figures to James. He needs them for an article **he's writing**.

In 1, we are talking about something that James does as a routine.

In 2, we are talking about something he is doing at the moment of speaking.

### **B** General activities vs current projects

- 1 I work for 'Teletraining'. We **make** training videos.
- 2 At the moment **we're making** a training video for British Telecom.

In 1, we are talking about a general activity.

In 2, we are talking about a specific current project.

### **C** Permanent vs temporary situations

- 1 Peter **deals with** enquiries about our car fleet sales.
- 2 I **am dealing with** enquiries about fleet sales while Peter is away on holiday.

In 1, this is seen as permanently true.

In 2, this is seen as a temporary situation.

### **D** Facts vs slow changes

- 1 As a rule, cheap imports **lead to** greater competition.
- 2 Cheap imports **are leading to** the closure of a number of inefficient factories.

In 1, we are making a statement about a general fact that is always true.

In 2, we are talking about a change that is taking place at the moment.

### **E** Stative verbs

There are a number of verbs which describe states rather than actions. They are not normally used in the continuous form. Common examples are:

Verbs of thinking: **believe, doubt, guess, imagine, know, realize, suppose, understand**

Verbs of the senses: **hear, smell, sound, taste**

Verbs of possession: **belong to, have** (meaning possess), **own, possess**

Verbs of emotion: **dislike, hate, like, love, prefer, regret, want, wish**

Verbs of appearance: **appear, seem**

Others: **contain, depend on, include, involve, mean, measure, weigh, require**

These are usually found in the simple form because they do not refer to actions:

*I'm sorry, I don't **understand** what you mean.*

.....

Exercise 1

Routine vs moment  
of speaking

Decide if the speaker is talking about routine activities or activities going on at the moment of speaking. Put the verbs into the present simple or the present continuous.

- A: How <sup>(1)</sup> do you usually organize (you/usually organize) the delivery of milk to the factory? <sup>(2)</sup> \_\_\_\_\_ (the farmers/bring) it here themselves?
- B: No, <sup>(3)</sup> \_\_\_\_\_ (we/always collect) the milk ourselves, and the tankers <sup>(4)</sup> \_\_\_\_\_ (deliver) it to the pasteurization plant twice a day.
- A: What sort of safety procedures <sup>(5)</sup> \_\_\_\_\_ (you/have)?
- B: As a rule we <sup>(6)</sup> \_\_\_\_\_ (test) samples of every consignment, and then the milk <sup>(7)</sup> \_\_\_\_\_ (pass) down insulated pipes to the bottling plant, which <sup>(8)</sup> \_\_\_\_\_ (operate) 24 hours a day. I'll show you round a bit later, but the production line <sup>(9)</sup> \_\_\_\_\_ (not work) at the moment because the employees <sup>(10)</sup> \_\_\_\_\_ (change) shifts.

.....

Exercise 2

General activities vs  
current projects

Decide whether the verbs refer to general activities or current projects. Put the verbs into the present simple or present continuous.

Our company was founded fifteen years ago, and we <sup>(1)</sup> manufacture (manufacture) and <sup>(2)</sup> \_\_\_\_\_ (supply) clothing to large organizations such as the police, hospitals, and so on. We always <sup>(3)</sup> \_\_\_\_\_ (spend) a long time talking to the customers to find out their needs. At the moment we <sup>(4)</sup> \_\_\_\_\_ (produce) an order for 18,000 shirts for the police. The next order is for a local electronics factory, and our head designer <sup>(5)</sup> \_\_\_\_\_ (have) discussions with them to find out what sort of clothes they <sup>(6)</sup> \_\_\_\_\_ (require).

..... \*

Exercise 3

Permanent vs temporary  
situations

In the following exercise, decide whether these situations are permanent or temporary. Put the verbs into the present simple or present continuous.

- 1 He joined the company 25 years ago and he still works (work) for us.
- 2 We \_\_\_\_\_ (not/send) out any orders this week because we're waiting for the new lists.
- 3 I \_\_\_\_\_ (deal) with Mr Jarman's clients this week because he's away.
- 4 Go down this road, turn right, and the road \_\_\_\_\_ (lead) straight to the industrial estate.
- 5 Because of the high cost of sterling, exports \_\_\_\_\_ (not/do) very well.
- 6 The stock market can be risky because the price of shares \_\_\_\_\_ (vary) according to economic conditions.
- 7 She would be excellent as a European sales rep because she \_\_\_\_\_ (speak) French fluently.
- 8 I'm Heinrich Brandt, I'm German, and I \_\_\_\_\_ (come) from a small town near Munich.
- 9 We \_\_\_\_\_ (spend) a great deal on phone calls due to a postal strike.

## Exercise 4

## Facts vs slow changes

**A** In the following passage, decide whether the verbs refer to general statements about change, or changes that are currently taking place. Put the verbs into the present simple or present continuous.

Political parties cannot last for ever. Normally they <sup>(1)</sup> enjoy (enjoy) a period of great popularity in their early years; then they <sup>(2)</sup> \_\_\_\_\_ (go) through a period of stability and <sup>(3)</sup> \_\_\_\_\_ (put) their ideas into practice. After that, they <sup>(4)</sup> \_\_\_\_\_ (run) out of ideas, and the opposition <sup>(5)</sup> \_\_\_\_\_ (take) power. Now the present government <sup>(6)</sup> \_\_\_\_\_ (become) old and tired. It <sup>(7)</sup> \_\_\_\_\_ (make) mistakes and it <sup>(8)</sup> \_\_\_\_\_ (lose) popularity, and the opposition party <sup>(9)</sup> \_\_\_\_\_ (start) to look like a possible alternative.

**B** Fill in the blanks with the verbs in the box, using the present simple or present continuous.

fall	grow	begin	go	demand	make
------	------	-------	----	--------	------

In many ways, the economic outlook is good. Unemployment <sup>(1)</sup> is falling and is now down to 8% from 14%. The economy <sup>(2)</sup> \_\_\_\_\_ at a rate of 2.5%. However, the real danger is that inflation <sup>(3)</sup> \_\_\_\_\_ to rise. This is dangerous because every time that inflation <sup>(4)</sup> \_\_\_\_\_ up, people always <sup>(5)</sup> \_\_\_\_\_ higher wages, and this in turn <sup>(6)</sup> \_\_\_\_\_ the problem worse.

## Exercise 5

## Stative verbs

In each of the following sentences, put one of the verbs into the present simple and the other into the present continuous.

- 1 We are interviewing (interview) people from outside the company for the new post in the export department, but I think (think) we ought to give the job to Mr Jackson.
- 2 At the moment we \_\_\_\_\_ (carry) out a survey to find out what sort of after-sales service our customers \_\_\_\_\_ (want).
- 3 We've got a competition on at work to do with our new range of cosmetics. The marketing people \_\_\_\_\_ (try) to find a brand name that \_\_\_\_\_ (sound) natural and sophisticated.
- 4 \_\_\_\_\_ (you/know) what Mrs Ericson \_\_\_\_\_ (do)? She's not in her office and nobody has seen her since lunch.
- 5 Could you help me? I \_\_\_\_\_ (try) to translate this letter from a Spanish client and I don't know what this word \_\_\_\_\_ (mean).
- 6 I \_\_\_\_\_ (apply) for a transfer to our London office, but I don't know if I'll be successful. It all \_\_\_\_\_ (depend) on whether or not they have any vacancies.
- 7 Their new 'Own brand' instant coffee \_\_\_\_\_ (taste) very good, so it's not surprising that it \_\_\_\_\_ (become) more and more popular.

## Section 2: Replicator economics



*In his highly influential book Profiles of the Future (published in 1964), science-fiction writer, engineer and futurologist Arthur C. Clarke imagined that a new machine called the Replicator would be designed in the future, which would enable us to replicate or copy any material item (organic or not, such as food for example) at will and at (almost) no cost at all.*

*The Star Trek TV series then made the invention even more famous, prompting debates about 'Treconomics' and the emergence of a new kind of economy eventually freed from the scourge of scarcity. Text 2.1 is an excerpt from the original work by Clarke, text 2.2 (from the newspaper The Economist) shows how close we might be to inventing some kind of replicator.*

### Text 2.1: A Post-Scarcity Economy and Society?

The advent of the Replicator would mean the end of all factories, and perhaps all transportation of raw materials and all farming. The entire structure of industry and commerce, as it is now organized, would cease to exist. Every family would produce all that is needed on the spot – as indeed, it has had to do throughout most of human history. The present machine era of mass-production would then be seen as a brief interregnum between two far longer periods of self-sufficiency, and the only valuable item of exchange would be the matrices, or recordings, which had to be inserted into the Replicator to control its creations. [...]

A society based on the Replicator would be so completely different from ours that the present debate between Capitalism and Communism would become quite meaningless. All material possessions would become as cheap as dirt. Soiled handkerchiefs, diamond tiaras, Mona Lisas totally indistinguishable from the original, once-worn mink stoles, half-consumed bottles of the most superb champagnes – all would go back into the hopper when they were no longer required. Even the furniture in the house of the future might cease to exist when it was not actually in use.

At first sight, it might seem that nothing could be of any real value in this Utopia of infinite riches – this world beyond the wildest dreams of Aladdin. This is a superficial reaction such as might be expected from a tenth-century monk if you told him that one day every man could possess all the books he could possibly read. The invention of the printing press has not made books less valuable, or less appreciated, because they are now the commonest instead of the cheapest of objects. Nor has music lost its charms, now that any amount can be obtained at the turn of a switch.

When material objects are all intrinsically worthless, perhaps then will a real sense of values arise. Works of art would be cherished because they were beautiful, not because they are rare. Nothing – no ‘things’ – would be as priceless as craftsmanship, personal skills, professional services. One of the charges often made against our culture is that it is materialistic. How ironic it will be, therefore, if science gives us such total and absolute control over the material universe that its products no longer tempt us, because they can be too easily obtained.

It is certainly fortunate that the Replicator, if it can be built at all, lies far in the future, at the end of many social revolutions. Confronted by it, our own culture would collapse speedily into sybaritic hedonism, followed immediately by the boredom of absolute satiety. Some cynics may doubt if any society of human beings could adjust itself to unlimited abundance and the lifting of the curse of Adam – a curse which may be a blessing in disguise.

From Arthur C. Clarke, *Profiles of the Future*, 1964 [edited]

NB: check Arthur C. Clarke’s own TV presentation on the Replicator – available on YouTube: <https://www.youtube.com/watch?v=uHbDOUMqffo>

## Text 2.2 ‘Print me a Stradivarius’: How a new manufacturing technology will change the world



The industrial revolution of the late 18th century made possible the mass production of goods, thereby creating economies of scale which changed the economy—and society—in ways that nobody could have imagined at the time. Now a new manufacturing technology has emerged which does the opposite. Three-dimensional printing makes it as cheap to create single items as it is to produce thousands and thus undermines economies of scale. It may have as profound an impact on the world as the coming of the factory did.



It works like this. First you call up a blueprint on your computer screen and tinker with its shape and colour where necessary. Then you press print. A machine nearby whirrs into life and builds up the object gradually, either by depositing material from a nozzle, or by selectively solidifying a thin layer of plastic or metal dust using tiny drops of glue or a tightly focused beam. Products are thus built up by progressively adding material, one layer at a time: hence the technology's other name, additive manufacturing. Eventually the object in question—a spare part for your car, a lampshade, a violin—pops out. The beauty of the technology is that it does not need to happen in a factory. Small items can be made by a machine like a desktop printer, in the corner of an office, a shop or even a house; big items—bicycle frames, panels for cars, aircraft parts—need a larger machine, and a bit more space.

At the moment the process is possible only with certain materials (plastics, resins and metals) and with a precision of around a tenth of a millimetre. As with computing in the late 1970s, it is currently the preserve of hobbyists and workers in a few academic and industrial niches. But like computing before it, 3D printing is spreading fast as the technology improves and costs fall. A basic 3D printer, also known as a fabricator or “fabber”, now costs less than a laser printer did in 1985.

For many years 3D printers were used in this way for prototyping, mainly in the aerospace, medical and automotive industries. Once a design was finalised, a production line would be set up and parts would be manufactured and assembled using conventional methods. But 3D printing has now improved to the point that it is starting to be used to produce the finished items themselves (see article). It is already competitive with plastic injection-moulding for runs of around 1,000 items, and this figure will rise as the technology matures. And because each item is created individually, rather than from a single mould, each can be made slightly differently at almost no extra cost. Mass production could, in short, give way to mass customisation for all kinds of products, from shoes to spectacles to kitchenware.

By reducing the barriers to entry for manufacturing, 3D printing should also promote innovation. If you can design a shape on a computer, you can turn it into an object. You can print a dozen, see if there is a market for them, and print 50 more if there is, modifying the design using feedback from early users. This will be a boon to inventors and start-ups, because trying out new products will become less risky and expensive. And just as open-source programmers collaborate by sharing software code, engineers are already starting to collaborate on open-source designs for objects and hardware.

A technological change so profound will reset the economics of manufacturing. Some believe it will decentralise the business completely, reversing the urbanisation that accompanies industrialisation. There will be no need for factories, goes the logic, when every village has a fabricator that can produce items when needed. Up to a point, perhaps. But the economic and social benefits of cities go far beyond their ability to attract workers to man assembly lines.

Others maintain that, by reducing the need for factory workers, 3D printing will undermine the advantage of low-cost, low-wage countries and thus repatriate manufacturing capacity to the rich world. It might; but Asian manufacturers are just as well placed as anyone else to adopt the technology. And even if 3D printing does bring manufacturing back to developed countries, it may not create many jobs, since it is less labour-intensive than standard manufacturing.

The technology will have implications not just for the distribution of capital and jobs, but also for intellectual-property (IP) rules. When objects can be described in a digital file, they become much



easier to copy and distribute—and, of course, to pirate. Just ask the music industry. When the blueprints for a new toy, or a designer shoe, escape onto the internet, the chances that the owner of the IP will lose out are greater.

There are sure to be calls for restrictions on the use of 3D printers, and lawsuits about how existing IP laws should be applied. As with open-source software, new non-commercial models will emerge. It is unclear whether 3D printing requires existing rules to be tightened (which could hamper innovation) or loosened (which could encourage piracy). The lawyers are, no doubt, rubbing their hands.

Just as nobody could have predicted the impact of the steam engine in 1750—or the printing press in 1450, or the transistor in 1950—it is impossible to foresee the long-term impact of 3D printing. But the technology is coming, and it is likely to disrupt every field it touches. Companies, regulators and entrepreneurs should start thinking about it now. One thing, at least, seems clear: although 3D printing will create winners and losers in the short term, in the long run it will expand the realm of industry—and imagination.

From *The Economist*, print edition, February 2011 [edited]

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## Questions for further discussion and debate

1. In your opinion, would the Replicator really make economists and economics useless? Why or why not.
  2. What would be the main foreseeable problems/issues in this new, post-scarcity society?
  3. Can you think of a field of economic activity or line of business in which something similar to Clarke's Replicator already exists? Discuss the implications.
  4. What other technological innovations have transformed or would transform deeply the way the economy works. Give some examples and discuss them.
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# Email English

Chances are that you will have to write professional or semi-professional emails in English much sooner than you think. Email writing is indeed one of the business skills you will have to acquire in the course of your economics and management studies. Here are some tips by Sandra Thibaudeau and Michelle Fayet, from their book *Ecrire en anglais Professionnel*, Paris: Dunod, 2014.

## Clés de présentation des e-mails professionnels

Voici maintenant quelques conseils techniques concernant la présentation des e-mails tant sur l'objet, que sur la formule d'appel, le plan et les salutations. La partie stylistique, plus centrée sur les nuances du texte, est abordée dans le chapitre 6.

### L'objet

En raison du volume d'e-mails reçus dans le cadre professionnel, le rôle de l'objet est crucial, dans les deux langues, pour s'assurer l'attention du destinataire et pour effectuer un archivage efficace.

La raison présidant à l'envoi de chaque message doit être évidente immédiatement dès l'objet pour les Anglo-Saxons (***Request for Documentation on Model 604 – N***) alors que les Français privilégient souvent une formulation plus synthétique afin de ne pas déflorer le sujet traité ensuite dans le message (Demande de documentation).

Lorsque plusieurs messages sont échangés à partir d'un premier message de départ, il est conseillé d'en modifier l'objet quand les sujets abordés évoluent de manière significative au cours des différents échanges.

En anglais, l'objet s'écrit sans article et sans ponctuation, comme en français, mais en utilisant des majuscules initiales à chaque mot, alors qu'en français la majuscule est exclusivement réservée au début du texte et aux noms propres.

Pour être efficace, il est conseillé d'éviter, en français comme en anglais, d'employer des termes trop imprécis (réunion, locaux, bilan) ou (*information, meeting, conference call*).

## EXEMPLES D'OBJETS PRÉCIS

En anglais	En français
Invitation to General Assembly 24 May (UK)	Invitation Assemblée Générale 24 mai
Agenda for 20 June meeting (UK)	Ordre du jour réunion 20 juin
Request for Documentation on Model604N	Demande de documentation/modèle 604N
Proposal for Recycling Paper	Proposition recyclage papier
Update on New Software	Mise à jour nouveau logiciel

### ► La formule d'appel débutant le mail

Les formules d'appel sont porteuses, dans les deux langues, de nuances subtiles à connaître pour ne pas faire d'erreurs grossières.

#### ➤ Ton formel pour situations déférentes

Dans toutes les circonstances, les formulations les plus respectueuses, quand le destinataire est une personne inconnue, sont les suivantes :

##### Formule d'appel américaine

###### 1 possibilité

*Dear Ms. Smith,*  
*Dear Mr. Jones,*

L'usage américain remplace la virgule par deux points lors de communications formelles pour signifier un ton sérieux :

*Dear Mr. Miller:*

##### Formule d'appel britannique

###### 2 possibilités

Avec nom de famille cité :

*Dear Ms Smith,*  
*Dear Mr Jones,*

Sans nom de famille cité :

*Dear Sir,*  
*Dear Madam,*

### Toutes les femmes dans le même panier : *Ms.*

Afin d'éviter aussi le problème, longtemps rencontré dans les entreprises françaises, d'hésitation entre le choix de Madame ou Mademoiselle, les Américains ont inventé une abréviation (et non un mot) pour englober l'ensemble des femmes : c'est *Ms.* Ce terme a été créé à partir du masculin *Mr.* Les Français ont choisi quant à eux depuis la prise de position de la ministre de la Condition de la femme, Yvette Roudy, d'utiliser le terme générique « Madame » (mis en application officielle depuis le 21 février 2012 – circulaire Bachelot) pour désigner dans les formules d'appel toutes les femmes.

##### Formule d'appel française

###### Situation formelle en français

En français dans la même situation formelle, le nom de famille n'apparaît pas (dans les lettres également) :

*Monsieur,*

*Madame,*

Toutefois, le langage publicitaire par souci de personnalisation amène exceptionnellement à écrire :

*Bonjour Monsieur Martin,*

En français, il est possible lors d'un premier contact neutre, sans précaution formelle, d'écrire :

*Bonjour,*

## Dear n'est pas Cher

Attention! Le mot *Dear* n'a pas la connotation affective du mot *cher* en français. *Hello* possède, lui, cette connotation affective envers les personnes que l'on connaît. On écrit *Hello*, seul, ou *Hello* + prénom, mais *hello* n'est jamais suivi du nom de famille du destinataire. *Hi*, plutôt d'usage américain, est considéré comme très familier.

### › Ton courant utile au quotidien

Quand la relation est moins formelle, on peut continuer dans un e-mail en anglais à utiliser le mot *Dear*, cette fois suivi du prénom.

#### Mail courant en anglais

*Dear Alan,*  
ou  
*Dear Catherine,*

Par ailleurs, en anglais, dans les échanges courants entre collègues de bureau, il est possible d'utiliser :

*Hello Alan,*  
*Hello Catherine,*

#### Mail courant en français

*Bonjour Alan,*  
ou  
*Bonjour Catherine,*

En français, le prénom est utilisé dans des situations conviviales d'égal à égal, donc moins fréquemment qu'en anglais.

Le mot *cher* (plus affectif) n'est pas employé en situation professionnelle, sauf exceptionnellement lors d'un échange entre deux confrères (avocats, médecins...) :

*Cher confrère,*

Le terme *Hello*, trop familier en situation professionnelle en français, est à éviter. Le prénom seul peut être choisi lors d'un nouvel échange dans la même journée pour insuffler un ton chaleureux.

## Le plan du message : priorité à l'ACTION

En anglais, nous l'avons vu, la priorité est à l'action porteuse d'avancées et de solutions. Cette logique pragmatique doit présider à l'écriture de tous vos e-mails. Or, en français, vous adoptez une autre logique plus centrée sur la contextualisation (description d'un besoin ou d'un problème avant d'émettre la demande d'action ou l'énoncé de l'action que vous allez entreprendre). Sans cette approche, le destinataire trouvera votre texte trop abrupt quant à la forme donnée.

Cependant, en anglais, dans les cas de problème, il est nécessaire de contextualiser comme en français afin d'adoucir le ton du message. Il va falloir, si vous travaillez dans les deux langues, être très vigilant(e) pour changer de logique dans chaque langue :

- être plus pédagogue en français ;
- être plus opérationnel(le) en anglais et sensible à la situation dans laquelle vous êtes, pour être moins direct(e) dans certains cas.

Logique française plus longue et pédagogique	Logique anglaise plus brève et opérationnelle
<ul style="list-style-type: none"> <li>• <b>Justification par un constat</b> Formuler le besoin ou le problème ou votre objectif</li> <li>• <b>Action</b> Demander la réalisation d'une action ou signaler l'action que vous entreprenez ou allez entreprendre</li> <li>• <b>Impact de cette action</b> Justifier l'action à entreprendre ou en montrer l'impact</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Action</b> Demander la réalisation d'une action ou signaler l'action que vous entreprenez ou allez entreprendre</li> <li>• <b>Impact de cette action</b> Anticiper tous les détails nécessaires à la réalisation de l'action pour éviter tout retour de question et en montrer, si nécessaire, l'impact pour motiver.</li> </ul>

## ► 1<sup>er</sup> cas : Vous demandez une action autour d'un besoin

La demande de renseignements appartient à cette typologie car il s'agit de l'expression claire d'un besoin.

Version française	Version anglaise
<b>1<sup>er</sup> paragraphe : Justification par un besoin + demande d'action</b> <i>Actuellement à la recherche de..., nous souhaiterions recevoir votre catalogue...</i>	<b>1<sup>er</sup> paragraphe : Demande directe d'action</b> <i>Please send your catalogue (UK) ... Please send your catalog (US) ...</i>
<b>2<sup>e</sup> paragraphe : Impact de cette action</b> <i>En effet, notre société, spécialisée dans... doit répondre à des besoins très spécifiques</i> <b>Formule de conclusion avec expression d'une attente dans les meilleurs délais</b>	<b>2<sup>e</sup> paragraphe : Impact de cette action</b> <i>We are currently looking for ... that will meet the specialized needs of our company.</i> <b>Formule de conclusion avec date butoir de réception</b>

## ► 2<sup>e</sup> cas : Vous énoncez un problème

Il s'agit d'aller droit à l'essentiel en énonçant dès le premier paragraphe le problème, mais en prenant des précautions exclusivement en français :

Version française	Version anglaise
Cet e-mail suit la même logique dans les deux langues afin de faire passer un message plus délicat	
<b>1<sup>er</sup> paragraphe : Problème et son explication éventuelle.</b> <i>Après vérification du matériel réceptionné, nous avons constaté un dysfonctionnement de...</i>	<b>1<sup>er</sup> paragraphe : Problème et son explication éventuelle.</b> <i>Please note that we are unable to assemble the equipment we have just received.</i>

<b>2<sup>e</sup> paragraphe : L'action qui en découle (de notre part ou de la part du destinataire)</b> <i>Afin de régler ce problème dans les plus brefs délais, pouvez-vous programmer rapidement l'intervention d'un de vos techniciens ?</i> <i>Je vous remercie par avance pour votre efficacité.</i> <b>Remerciements :</b> <i>Cordialement,</i>	<b>2<sup>e</sup> paragraphe : L'action qui en découle (de notre part ou de la part du destinataire)</b> <i>Consequently we require the services of a technician. Could you make arrangements as soon as possible for someone to look into this.</i> <i>We thank you for your prompt attention.</i> <b>Remerciements :</b> <i>Sincerely,</i>
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## ► 3<sup>e</sup> cas : Vous demandez d'effectuer une action

Une action peut être demandée immédiatement lors d'échanges très opérationnels. Dans ce cas en français, une justification est nécessaire : *Afin de...*, sauf s'il s'agit d'exprimer l'autorité d'un responsable hiérarchique. En anglais, l'action est toujours demandée de façon très directe sans enjoliver l'expression par le style.

Version française	Version anglaise
<b>1<sup>er</sup> paragraphe : Action demandée avec précautions, en une seule phrase très enrobée</b> <i>Afin d'être en mesure d'effectuer les remboursements de vos frais, je vous demande de me transmettre vos factures du mois, avant le 27 juin.</i> <b>Remerciements :</b> <i>Je vous en remercie par avance.</i> <i>Cordialement,</i>	<b>1<sup>er</sup> paragraphe : Action demandée sans précautions</b> <i>Please submit invoices for this month.</i> <b>2<sup>e</sup> paragraphe : Éléments de motivation à effectuer cette action</b> <i>We require these documents by June 27 in order to send out check by the end of the month.</i> <b>Remerciements :</b> <i>Sincerely,</i>

#### ► 4<sup>e</sup> cas : Vous transmettez une information

Ce type de message est plus neutre. Il s'agit de communiquer, souvent à plusieurs personnes à la fois, un message de type informatif. Toutefois, il est souvent important dans les situations complexes de donner une explication permettant de mieux saisir le sens de cette information pour que tous y adhèrent. Il est également possible d'en montrer les répercussions ou de demander une action.

Version française	Version anglaise
<b>1<sup>er</sup> paragraphe : Transmission d'une information et explication éventuelle (si nécessaire de préciser)</b> <i>J'ai le plaisir de vous annoncer que cette année le pont de Noël est prévu du vendredi 21 au soir jusqu'au 26 décembre au matin.</i>	<b>1<sup>er</sup> paragraphe : Transmission des faits bruts</b> <i>This year's Christmas break will be from the evening of Friday 21 December to the morning of 26 December. (UK)</i>
<b>2<sup>e</sup> paragraphe : Conséquence ou demande d'action éventuelle en découlant</b> <i>Les locaux seront entièrement fermés durant cette période.</i> <i>Cordialement,</i>	<b>2<sup>e</sup> paragraphe : Conséquence ou demande d'action éventuelle en découlant</b> <i>Please note that the premises will be closed during this period.</i> <i>Regards,</i>

Il est conseillé de sauter des lignes entre les paragraphes pour davantage de lisibilité. Le message global ne doit pas excéder une page-écran. Les messages longs, les graphiques ou les tableaux doivent être systématiquement insérés en fichier joint, comportant le message suivant inséré dans le texte :

*Please find attached...* permettant au destinataire d'être alerté par l'absence éventuelle du fichier prévu (si oubli de celui-ci par l'expéditeur).

#### Fiche n° 3 Quelles salutations finales ?

Il est conseillé dans un mail anglais de terminer par une salutation simple telles les formules suivantes classées des plus formelles aux moins formelles.

##### Formules de politesse pour e-mail

Salutations britanniques sans virgule	Salutations américaines avec virgule	Salutations françaises avec virgule
<b><i>Yours sincerely</i></b> Cas très formels à utiliser notamment lorsque la formule d'appel est : <i>Dear Mr Smith</i> ou <i>Dear Ms Miller,</i> <b><i>Your faithfully</i></b> Cas très formel à utiliser notamment lorsque la formule d'appel est <i>Dear Sir,</i> <i>Dears Sirs,</i> <i>Dear Madam,</i> ou <i>Dear Sir/Madam,</i>	<b><i>Sincerely,</i></b> Cas les plus formels	<b><i>Cordialement,</i></b> Terme le plus courant, modélisé sur l'anglais <i>Cordially</i> car les Français, jusqu'à l'arrivée des e-mails, ont eu une tradition écrite de formules de politesses longues et très formelles, encore en usage dans les lettres formelles.
		<b>Cas de grande déférence</b> – Dans le cas où on s'adresse à une personne importante, la formule <i>Cordialement</i> est peu appropriée, on peut alors employer la formule : <i>Respectueusement,</i>
<b><i>Regards</i></b> ou <b><i>Kind regards</i></b> Termes donnant un ton aimable, mais pas trop familier, lors d'échanges courants avec des collègues ou correspondants réguliers.	<b><i>Regards,</i></b>	<b><i>Bien cordialement,</i></b> Dans les cas où on veut rendre le ton plus chaleureux.



<p><b>Best regards</b></p> <p>Termes donnant un ton chaleureux aux échanges courants quand un ton formel est quand même approprié.</p> <p><b>Best wishes</b></p> <p>Termes donnant un ton aimable, mais pas trop familier, lors d'échanges courants avec des collègues ou correspondants réguliers</p> <p><b>Best</b></p> <p>Abréviation de <i>Best regards</i>, très familier. À éviter en contexte professionnel.</p> <p><b>Cordially</b></p> <p>Terme positif pour souligner un lien positif avec ses collègues, correspondants réguliers ou clients. Mais peu usité en anglais UK.</p> <p><b>Thanks for . . .</b></p> <p>Terme informel employé entre collègues en réponse aux services rendus au quotidien.</p> <p><b>Cheers</b></p> <p>Attention ! Terme très informel, réservé aux échanges amicaux hors du contexte professionnel.</p>	<p><b>Best regards,</b></p> <p>Pareil En anglais américain, il est préférable d'éviter <i>Kind regards</i> et de privilégier <i>Best regards</i>.</p> <p><b>Best</b></p> <p>Abréviation de <i>Best regards</i>, très familier. À éviter en contexte professionnel car un peu affectif.</p> <p><b>Cordially,</b></p> <p>Terme positif pour souligner un lien positif avec ses collègues, correspondants réguliers ou clients.</p> <p><b>Thanks,</b></p> <p>Pareil</p> <p><b>Cheers</b></p> <p>Pareil</p>	<p><b>Bien à vous,</b></p> <p>Terme donnant un ton chaleureux mais il faut connaître le destinataire (après plusieurs échanges de mails ou une rencontre).</p> <p><b>Sincères salutations,</b></p> <p>Lors d'échanges à caractère amical. Attention ! Le terme <i>Salutations</i>, employé seul, donne un ton très sec au message. Il ne faut l'utiliser que pour manifester une certaine colère.</p> <p><b>Bien amicalement,</b></p> <p>Ce terme est à employer avec prudence dans la vie professionnelle, car très amical.</p>
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## EXEMPLE D'UN MESSAGE TYPE ENVOYÉ PAR E-MAIL

Ce message transmet bien une volonté d'action. Traduit littéralement en français, le ton serait très sec.

From :	steve.wong@deliverymail.com	
Sent :	jeudi 7 août 2014	
To :	Jim.blake@deliverymail.com	
Subject :	Request for Information on Shipping Goods to Mexico ASAP	<b>L'objet clairement exprimé</b>
Hi Jim,		<b>L'appel très informel</b>
Please get back to me as soon as possible with information on shipping goods to Monterrey, Mexico. In particular I need answers to the following questions.		<b>Phrase introductive demandant une action de manière très directe</b>
<ul style="list-style-type: none"> <li>• How long does a shipment normally take from our factory to Monterrey?</li> <li>• Do we have the necessary American and Mexican customs forms in hand?</li> <li>• What kind of delays are shippers currently experiencing at border crossing points?</li> </ul>		<b>Emploi de puces pour faciliter la lisibilité</b>
Our customers in Monterrey need to know when they can expect to receive a delivery. Tony in production says we will be ready to ship early next week, and I'd like to be as accurate as possible about the schedule when I get back to Alvaro Sanchez.		<b>Justification pour motiver à l'action</b>
Thanks for a quick response.		<b>Mention d'une date limite par souci d'efficacité</b>
Steve		<b>Expression brève et polie pour terminer</b>

# Chapter 2

## *Money matters*

### Section 1. The nature and functions of money



### Vocabulary

**Account** (n.): an arrangement by which an organization (e.g. a bank) holds funds on behalf of a client

**Asset:** any possession that has money value

**ATM (Automated Teller Machine):** a machine, usually in a wall outside a bank, shop, etc. from which you can take money out of your bank account using a special card

**Bank:** a financial institution licensed to receive deposits, make loans, and provide other financial services to its customers

**Barter:** trade by the direct exchange of goods for other goods without using money

**Central bank:** a monopolized and often nationalized institution given privileged control over the production and distribution of money and credit

**Claim:** a right to have something or get something from someone

**Coin:** a small, round piece of metal, usually silver or copper coloured, that is used as money

**Coinage metals:** metals which have historically been used to mint coins, such as copper, silver and gold

**Currency:** any form of money issued by a government or central bank and used as **legal tender** and a basis for trade (e.g. US Dollar, British Pound, etc.)

**Deposit** (n.): money left with a person or organization, especially a bank, for safekeeping, or as security, or to bear interest



**Exchange rate:** the price of a nation's currency in terms of another currency

**Income:** Money that an individual or business receives in exchange for providing a good or service

**Inflation:** a general, continuous increase in prices

**Legal tender:** medium of payment, such as coin and paper money, declared by law to be valid and sufficient for the payment of debts and commercial transactions

**Loan:** an arrangement in which a lender gives money to a borrower, and the borrower agrees to repay the money, usually along with interest, at some future point(s) in time

**Monetary policy:** economic strategy chosen by a government in deciding expansion or contraction in the country's money-supply

**Monetary system:** set of mechanisms by which a government provides money (cash) in a country's economy. It usually consists of a mint, central bank, and commercial banks

**Note (Banknote):** a piece of paper money

**Price:** the sum or amount of money or its equivalent for which anything is bought, sold, or offered for sale

**Rate of interest (or Interest rate):** the percentage (usually on an annual basis) that is paid by the borrower to the lender for a loan of money

**Retail:** the sale of goods to ultimate consumers, usually in small quantities (opposed to **wholesale**)

**Subsistence economy:** a non-monetary economy which relies on natural resources to provide for basic needs, through hunting, gathering, and subsistence agriculture

**Supplier:** a person or organization that provides something needed such as a product or service

**Wage:** money that is received from an employer for work or services, as by the hour, day, or week

**Wealth:** a great quantity or store of money, valuable possessions, property, or other riches

**Wholesale:** the business of selling things in large amounts to other businesses rather than to individual customers (opposed to **retail**)

### Additional vocabulary and notes

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# Text 1: “What is this thing called money?”

Money is more than just **notes** and **coins**. It includes a number of other items as well. In fact, the main component of a country's money supply is not cash, but **deposits** in **banks** and other financial institutions. Only a very small proportion of these deposits are kept by banks in their safes in the form of cash. The bulk of the deposits appear merely as bookkeeping entries in the banks' **accounts**.

This may sound very worrying. Will a bank have enough cash to meet its customers' demands? The answer is yes. Only a small fraction of a bank's total deposits will be withdrawn at any one time. What is more, the bulk of all but very small transactions are not conducted in cash at all. With the use of cheques, credit cards and debit cards, most money is simply transferred from the purchaser's to the seller's bank account without the need for first withdrawing it in cash [from an **ATM** for example].

How should we define money? To answer this we need to identify the functions of money. The main purpose of money is for buying and selling goods, services and **assets**: i.e. as a medium of exchange. It has also three other important functions:

A medium of exchange: in a **subsistence economy** where individuals make their own clothes, grow their own food, provide their own entertainment, etc., people do not need money. If people want to exchange any goods, they will do so by **barter**. In other words, they will do swaps with other people. The complexity of a modern developed economy, however, makes barter totally impractical for most purposes. Someone else may have something you want, but there is no guarantee that they will want what you have to offer them in return. [Besides this necessary *coincidence of wants*, large items such as a cow or a house are usually indivisible, which makes exchange difficult, to say the least]. What is more, under a system of capitalism, where people are employed by others to do a specialist task, it would be totally impractical for people to be paid in food, clothes, cars, electrical goods, etc. What is necessary is a medium of exchange which is generally acceptable as a means of payment. 'Money' is such a medium.

Money may be in the form of some physical item that is actually handed from one person to another: for example, gold, silver, or other **coinage metals**, coin, banknotes, or even something like cigarettes (used as money in prisoner war camps in the Second World War). To be a suitable means of exchange, money must be light enough to carry around, must come in a number of denominations (for easy divisibility), and must not be easy to forge.

A means of storing wealth: Individuals and businesses need a means whereby **income** earned *today* can be used to purchase goods and services *in the future*. People need to be able to store their **wealth**: they want a means of saving. Money is one such medium in which to hold wealth.

A means of evaluation: Money is the unit used to value goods, services and assets. It allows the value of one good to be compared with another. In other words, the value of goods is expressed in terms of **prices**, and prices are expressed in money terms. It also allows dissimilar things to be added up.

A means of establishing the value of future claims and payments: people often want to agree today the price of some future payment. For example, workers and managers will want to agree the **wage** rate for the coming year. Firms will want contracts with their **suppliers** specifying the price of raw materials and other supplies. The use of money prices is the most convenient means of measuring future **claims**.

## Where does money come from? Banks and the monetary system

By far the largest element of money supply is bank deposits. It is not surprising then that banks play an absolutely crucial role in the monetary system. Banks are in the business of deposit taking and lending. As lenders (creditors), banks supply the borrowers (or debtors) with money they can use for investment or consumption purposes. Money borrowed from, and therefore owed to the bank is expected to be paid back with interest usually in several instalments and within a specified period of time.

The most important of the banks in the UK for the functioning of the economy are the **retail banks**. These are the familiar high street banks, such as Barclays, Lloyds, Midland and National Westminster. They specialise in providing branch banking facilities to members of the general public, but they do also lend to business, albeit on a short-term basis. Their business is in retail deposits and **loans** made through their branch network at published **rates of interest**.

The other major category of banks are the *investment banks*. These include merchant banks such as Kleinwort Benson, Morgan Grenfell, Rothschild and Hambro. They often act as 'brokers' or 'middlemen', arranging loans for companies from a number of different sources. Their major specialism is the finance of international trade and capital movements. Most of their deposits are in foreign **currencies**. Investment banks are also known as **wholesale** banks because they specialise in receiving large deposits from and making large loans to industry and other financial institutions.

**Central banks** should be set apart from the others as their role is even more important than the others as far as money is concerned. The Bank of England is the UK's central bank. All countries have a central bank and they fulfil two vital roles in the economy.

The first is to oversee the whole monetary system and ensure that banks and other financial institutions operate as stably and as efficiently as possible, especially to monitor **inflation**. The second is to act as the government's agent, both as its banker and in carrying out **monetary policy**. The degree of independence of central banks from governments varies considerably from country to country. Germany's central bank, the Bundesbank, for example, has always been fiercely independent from the government; at the other extreme, the central banks of Australia, New Zealand and Spain have been much more part of the whole government machinery. The bank of England has traditionally worked in very close liaison with the Treasury, and there used to be regular meetings between the governor of the bank of England and the Chancellor of the Exchequer. Since 1997, however, the Bank of England was given independence to decide the course of monetary policy in general and interest rates in particular.

The Bank of England has a number of different functions. It is the sole issuer of banknotes in England and Wales (in Scotland and Northern Ireland, retail banks issue banknotes) and ensures an adequate supply of liquidity. It acts as a bank to the government by managing its major accounts such as the Exchequer (taxation and government spending pass through the Exchequer), and supervises the activities of banks and other financial institutions which need to be licensed by the bank of England to operate. It also manages the country's gold and foreign currency reserves. By buying and selling foreign currencies on the foreign exchange market, the Bank of England can affect the **exchange rate** of the pound sterling (a.k.a. the British Pound, or GBP).

from John SLOMAN, *Essentials of Economics*, London: Prentice Hall, 1998, p.290-2, 296-8 [edited]

## Comprehension and Vocabulary Exercises

### A. Vocabulary. *Fill in the blanks with a word or phrase from the list on pages 22-23:*

1. We took a ..... from the bank last week.
2. .... is an alternative to using money.
3. The Federal Reserve could be considered as the ..... in the US.
4. The rise of modern economies in the wake of the Industrial Revolution ended the prevalence of ..... in Europe.
5. The Japanese ..... is called the yen.
6. Trade unions traditionally fight for better ..... for workers.
7. The Bank of England is considering lowering its primary ..... in the near future.
8. You get a better deal if you buy goods ..... from your .....
9. Gold and silver are typical examples of .....
10. We need cash. Is there an ..... nearby?

### B. True or False?

1. Barter was used long before money was invented. (T/F)
2. Money is a great way to store wealth. (T/F)
3. Banks are essential elements in the monetary system. (T/F)
4. Paper money has intrinsic value. (T/F)
5. Central banks are always independent institutions. (T/F)

### C. *Try to answer the following questions in your own words and avoid simply quoting from the text:*

1. What are the main problems of barter as a system of exchange?
2. Why do specialization and the division of labour tend to foster the use of money?
3. What are the qualities required for something to be used as money? Why?
4. Describe the role of commercial banks.
5. What are central banks for?

### D. Discussion and further research:

1. Do you believe that money is something 'real'? Why or why not.
2. In your opinion, should central banks be independent from governments? What are the pros and cons in this matter?

# Grammar: simple past and present perfect

## A The simple past

We normally use the simple past to talk about actions that took place at a time that is separated from the present. It is used with expressions like **yesterday, on Monday, last week, in 1989, at 6.30, How long ago ...?**, etc.:

*Yesterday GKN **launched** a takeover bid for Westland.*

*He **did** his MBA at Cranfield in 1991.*

We can use the simple past and **for** to talk about something that happened during a period that has now finished:

*I **lived** in Singapore **for** three years; then I **came** back to England.*

## B The present perfect

The present perfect is used to talk about the present result of past actions and recent events, and is often used with words like **ever, never, just, already, yet**, and phrases of unfinished time such as **so far**:

*British Telecom **has cut** the price of peak rate phone calls by 20%.*

***Have** you **ever tried** Swiss wine?*

*We have spoken to each other on the phone, but we **have never met**.*

*Don't worry about the order from Siemens. I **have already dealt** with it.*

*I'm afraid I **haven't done** that sales forecast **yet**. I'll do it tomorrow.*

*The film was released two weeks ago and **so far** it **has taken** \$45m.*

## C Present perfect simple + **for** and **since**

The present perfect can be used with **for** and **since** and stative verbs, or to refer to actions that are seen as long term or permanent. We use **for** to talk about the duration of a period of time and **since** to talk about the starting point of an action or state:

*I **have been** with the company **since** 1986.*

*I **have lived** here **for** 20 years.*

It is also used in the negative with **for** and **since** to talk about the last time something took place:

*I **haven't seen** her **since** Monday.*

*I **haven't seen** her **for** three days.*

It is used with **since** to talk about completed actions:

*Our market share has increased by 11% **since** we started advertising on TV.*

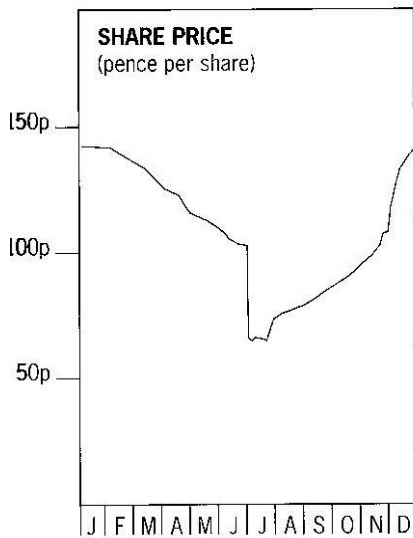
## D Present perfect continuous

The present perfect continuous can be used with **for** and **since** to talk about actions or activities that have gone on repeatedly or continuously for a period of time, and are still going on:

*We've **been producing** over 1,000 units a week **since** the new factory opened.*

## Exercise 1

Simple past vs present perfect (1)



Look at the graph and read the sentences. Put a tick [✓] next to the ones that are right, and correct the ones that are wrong.

- Over the last year or so, shareholders in the holiday group Owners Abroad have had a turbulent ride. ☒
- The shares have risen sharply at the beginning of the year on the news of the Airtours bid. rose
- Then the shares have fallen steadily for three or four months, ending up at 100p at the end of June. \_\_\_\_\_
- In July the shares plummeted to 60p because of the company's difficulties. \_\_\_\_\_
- The shares have stayed at around 60p for most of July. \_\_\_\_\_
- At the beginning of August, the shares began to recover again. \_\_\_\_\_
- Since August the shares have managed to recover. \_\_\_\_\_
- The share price has now climbed back to where it has been before the Airtours bid. \_\_\_\_\_

## Exercise 2

Simple past vs present perfect (2)

In the dialogue, put the verbs into the simple past or the present perfect.

- A: Can I have a word about your trip to Athens?  
 B: Yes, of course. Is everything OK?  
 A: Yes. Your tickets <sup>(1)</sup> have arrived (arrive) and they're in my office now. And I <sup>(2)</sup> \_\_\_\_\_ (just/had) a fax from the hotel confirming your reservation.  
 B: Thank you. What about money?  
 A: I <sup>(3)</sup> \_\_\_\_\_ (already/order) some drachmas for you. I <sup>(4)</sup> \_\_\_\_\_ (ring) the bank yesterday, and they'll have them tomorrow. But there's a problem with your Eurocheque book. I <sup>(5)</sup> \_\_\_\_\_ (ask) them to send one a week ago, but it <sup>(6)</sup> \_\_\_\_\_ (not/arrive) yet.  
 B: That's all right. I <sup>(7)</sup> \_\_\_\_\_ (never/need) a Eurocheque before. I normally use a credit card.  
 A: Really? Are you sure you can do that?  
 B: Yes, I think so. Certainly when I <sup>(8)</sup> \_\_\_\_\_ (go) to France last October I <sup>(9)</sup> \_\_\_\_\_ (take) my Visa card and my Mastercard, and I <sup>(10)</sup> \_\_\_\_\_ (not/have) any problems. But I'll check about Greece. <sup>(11)</sup> \_\_\_\_\_ (you/ever/be) there?  
 A: No, but have a word with Alison Morgan in Production. She <sup>(12)</sup> \_\_\_\_\_ (be) there a couple of times this year, so I expect she would know.

## Exercise 3

Underline the correct form of the verb.

Present perfect and present perfect continuous

- 1 I've stayed/been staying in a hotel for the last ten days, but I hope to find an apartment of my own soon.
- 2 I wonder how Jim is getting on. I haven't heard/been hearing from him for nearly a week.
- 3 Graham is a natural salesman. He has sold/been selling eight cars since the beginning of the week.
- 4 I didn't realize that you and David were friends. How long have you known/been knowing him?
- 5 This report is a nightmare. I have written/been writing it for two weeks, and it is still not finished.

## Exercise 4

Review

Read the following letter. Put the verbs in brackets into the simple past, present perfect, or present perfect continuous.

Darwin, 24 October

Dear Ken,

I am writing to let you know how I am getting on with the marketing trip here. I am sorry I <sup>(1)</sup> haven't been (not/be) in touch for so long, but I <sup>(2)</sup> \_\_\_\_\_ (be) very busy since I <sup>(3)</sup> \_\_\_\_\_ (arrive) here on the 18th.

There is a great deal of interest in the new fertilizer. Last week I <sup>(4)</sup> \_\_\_\_\_ (be) in Sydney, where I <sup>(5)</sup> \_\_\_\_\_ (visit) a number of farmers and <sup>(6)</sup> \_\_\_\_\_ (see) a couple of potential agents. The feedback at all of those meetings <sup>(7)</sup> \_\_\_\_\_ (be) very positive, and I <sup>(8)</sup> \_\_\_\_\_ (already/receive) a number of orders. I <sup>(9)</sup> \_\_\_\_\_ (never/have) such an enthusiastic response about a new product, so I am confident it will be a great success. I <sup>(10)</sup> \_\_\_\_\_ (come) up to Darwin on Tuesday, and since then I <sup>(11)</sup> \_\_\_\_\_ (be) to some more farms and I <sup>(12)</sup> \_\_\_\_\_ (make) two or three useful contacts. Yesterday I <sup>(13)</sup> \_\_\_\_\_ (have) a meeting with Barry Thomas, who you may remember. He <sup>(14)</sup> \_\_\_\_\_ (work) with Agrichem in London for a couple of years in the early 90s, then <sup>(15)</sup> \_\_\_\_\_ (set) up his own business over here, and he <sup>(16)</sup> \_\_\_\_\_ (act) as a distributor of some of our agricultural machinery for the last year or so. Towards the end of our meeting he <sup>(17)</sup> \_\_\_\_\_ (ask) about becoming the sole distributor for the fertilizer. The question is an interesting one, but I feel that we <sup>(18)</sup> \_\_\_\_\_ (not think) enough yet about the precise sales and distribution network that we will need. We must talk about this when I get back.

Anyway, I must fax this off to you now. I <sup>(19)</sup> \_\_\_\_\_ (just/have) another phone call from someone who wants to hear about the fertilizer, so I'll do that now. I'll be in touch again soon, and in the meantime send my congratulations to everyone in R&D.



## Section 2: A World without Money?



*Moralists and spiritual leaders throughout history have claimed that money is the root of all evil. Although this sweeping statement needs qualification, it might bring us to question the pervasiveness of money in our lives, including our economic lives.*

*Is it really impossible to get rid of money in the form we are familiar with? If money was eventually invented to solve the problems of barter, text 2.1*

*shows that barter might be staging a comeback—thanks to the Internet in particular—by solving in turn some of the problems of a world dominated by money. Text 2.2 presents the paradoxical case for the abolition of cash (the most common way people experience money) recently put forward by no less a public figure than the chief economist of the Bank of England.*

### Text 2.1: The businesses bringing barter to the web

**Despite cash's best efforts, bartering just won't go away. The ancient practice has now found a new home online**

The Australian Broadcasting Corporation recently revealed the Northern Territory Police is monitoring the Darwin Beer Economy, a Facebook group in which 14,000 members trade alcohol for things as varied as old video games and fence repairs. The police became interested because the trades fall within a legal grey area in the Northern Territory Liquor Act; they aren't sales, but they are transactions. Local 'buy, swap and sell' groups are common on Facebook, as are other online trading forums such as Craigslist, but these messy services are being replaced with online bartering platforms, creating formal services for such trades.

It was just after the financial crisis, and Jared Krause was looking for his next venture. "I was really pissed at the banks", he said. "I was just really, really angry at the big banks and I was thinking 'What can I do about this problem? What can I do about this intense overrun of power of the big banks?'" His answer was TradeYa, an online platform on which people post and arrange trades; the example given on the website is a digital camera being exchanged for a designer handbag, but trades could as easily include services such as personal training. In essence, the platform facilitates transactions without cash.

Barter never really went away, but it has drifted in and out of obscurity. It most recently lurked at the back of newspapers in the classifieds section, but has now found a new home on the Internet. Barter is exactly the kind of problem technology is great at solving.

There is no shortage of bartering services online. A quick skim will turn up dozens of results, from Yerdle and Listia, which provide person to person trading, to Bartercard, which focuses on business to business trades. These platforms solve bartering's problems slightly differently by employing an internal currency. When people sign up they get a set amount of 'credits' they then use in transactions. This is designed as another solution to the 'coincidence of wants' since everyone inside



the system should want the internal currency. Users receive the benefits of bartering, such as not having to touch cash reserves when transacting, without having to wait for a direct trade to come up or exchanging like-value things. But Krause said that, quite aside from the regulations that come along with running a virtual currency, in practice it doesn't quite work. "What ends up almost always, almost 100 percent of the time, is that virtual currency ends up getting devalued because people won't take it.

### Barter for business



In strained global markets people and businesses are more hesitant to throw around cash, making barter a more tempting option. It can lower expenditure (cash a business might not even have) while keeping productivity up. It obviously cannot replace money, but works as a supplement. While bartering seems to be most effective on a smaller scale, there is no reason the model could not be scaled up like it has in the past.

According to Bloomberg News, more than 60 percent of the sponsorship deals made for the upcoming Rio Olympics are 'value-in-kind' exchanges, where companies are supplying organisers with products or services in exchange for promotional branding. Rental car company Localiza is supplying 150 cars in exchange for marketing space. It seems like a smart move, given the limited cash organisers have at their disposal is probably reserved for employees. And it's not completely without precedence; London made similar deals in 2012.

Bigger still, barter allowed trade with the former Soviet Union when the ruble could not be converted. Pepsi was the first US consumer product to be manufactured there, in 1974, thanks to an agreement whereby the syrup was traded for Stolichnaya vodka, which was then sold in the US. The deal reached a peak in 1990 when PepsiCo received old Soviet freighter ships that were due to be scrapped. At the time the deal was valued at \$3bn. Similarly, Debis, the financial services section of Daimler-Benz, traded bananas from Ecuador in exchange for Mercedes buses in 1994. The swap circumvented EU laws that, at the time, made importing from Latin America difficult.

But bartering can also be the sign of a very sick economy. When Russia's economy was being hammered in 1999, barter became a necessary reality for businesses and citizens. With no cash coming in, what was once the Soviet Union's biggest bicycle company, Velta Co, gave employees a bicycle each month in lieu of a pay cheque. The company's 4,000 employees were left simultaneously trying to rid themselves of the bikes and forced to sell them far below their actual value.

But in a healthy economy, bartering can be good. It is never going to be a complete replacement for money, but can provide an alternative form of trade when the money isn't there. The only challenge is finding a service widespread enough to eliminate most of the coincidences of wants. While it's all well and good for the Olympics, not every business can offer such compelling opportunities. Similarly, the value an online bartering service can bring is only as varied as its user base. Having said that, with new platforms constantly appearing, it only feels like a matter of time until one reaches a scale that makes it a must-have tool.

## Text 2.2: “Scrap cash altogether, says Bank of England’s chief economist”



**ANDY**

**VS.**

**CASH**



Having already decided to cast paper notes aside in favour of plastic, the Bank of England’s chief economist has proposed getting rid of cash altogether.

For many, the idea of abandoning a system that has been with us for centuries in favour of a government-backed digital currency will seem a step too far. But Andy Haldane, the radical thinker at the BoE, argues that such a move would give the bank new flexibility in the event of another downturn.

In a speech to the Northern Ireland chamber of commerce, he said it would help the bank to manage inflation by enabling it to bypass the current constraint against lowering rates below zero. The assumption is that if a central bank introduced negative interest rates — a radical move that would effectively amount to a charge on holding money — people would convert deposits into cash. But abolishing cash would remove that option.

The speech reflects policymakers’ nervousness that they lack reliable tools to boost spending. Other economists have also argued that cash restricts central banks’ ability to stimulate a depressed economy. The Swiss and Swedish central banks have succeeded in setting negative interest rates. But most policymakers still believe in an “effective” lower band not far below zero. Some central bankers argue that if the lower band were removed, they would be better equipped to confront a slowdown.

Mr Haldane said he felt that the world was slipping into a “third phase” of the economic crisis that started in 2008, and that there could be a need to cut interest rates from their current historic low of 0.5 per cent, “to support UK growth and return inflation to target”.

Even though the BoE’s chief cashier insists notes and coins are here to stay, its chief economist said “perhaps central bank money is ripe for its own great technological leap forward, prompted by the pressing demands of the zero lower bound [on interest rates]”.

Mr. Haldane noted that even if the BoE set a negative interest rate, consumers could bypass the charge without spending more by simply hoarding cash. He said that even though interest rates in the US and UK might rise in the near future, “it is much more likely than not [that] interest rates may need to return to ground zero at some point in the future”.

In such circumstances, he added, “central banks may then need to think imaginatively about how to deal on a more durable basis with the technological constraint imposed by the zero lower bound on

interest rates". He said: "That may require a rethink, a fairly fundamental one, of a number of current central bank practices."

Some influential observers were far from impressed with Mr. Haldane's gloomy outlook for the world and UK economies. Rejecting the feasibility of raising the inflation target to 4 per cent from the current 2 per cent as a "voyage into the monetary unknown" and permanently printing money as the way "monetary policy credibility heads down the most slippery of slopes", Mr. Haldane said the best solution was to find ways to charge people to hold cash, thereby encouraging spending.

Highlighting the need for a government-backed electronic wallet, even if it no longer had the Queen's head printed on notes or coins, he proposed a world without cash. "This would preserve the social convention of a state-issued unit of account and medium of exchange, albeit with currency now held in digital rather than physical wallets," he said. "It would allow negative interest rates to be levied on currency easily and speedily," Mr. Haldane added, using technology similar to that embodied in Bitcoin.

The main problem, he said, would be the question of whether the public would accept the new technology rather than cash.

by Chris Giles, *The Financial Times*, September 18, 2015 [edited]

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## Questions for further discussion and debate

### [Text 2.1]

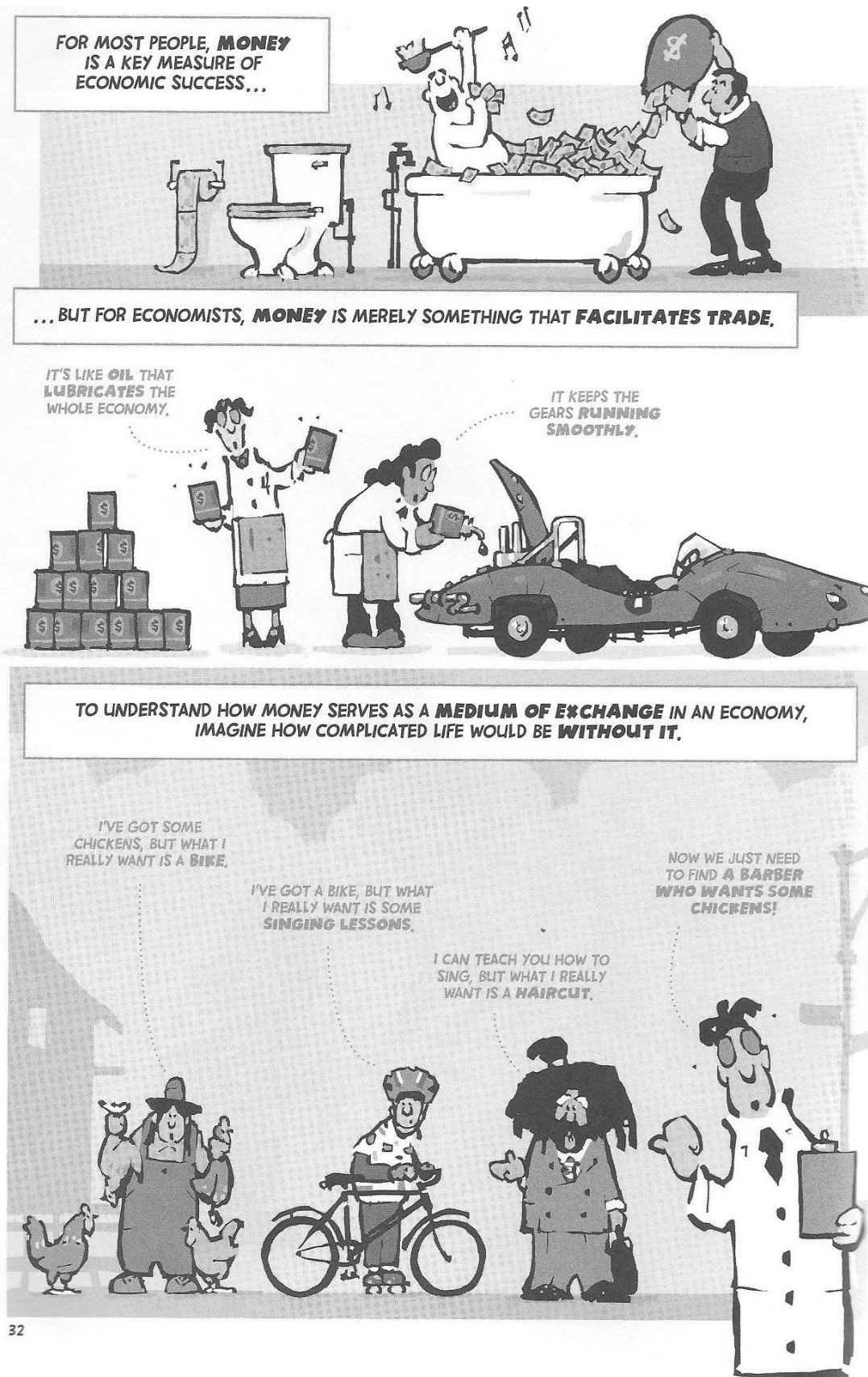
1. In what way does the Internet solve some of the problems formerly experienced with old-fashioned, 'traditional' barter?
2. Find out about the way Bartercard or another online platform works. Is there really no 'money' involved at all?
3. Do you believe in the future of barter?

### [Text 2.2]

4. In what context was this proposal made? Why does it matter?
  5. What are the arguments put forward by Andy Haldane to make his case?
  6. What other benefits might governments expect by getting rid of cash?
  7. Would you welcome a world without cash?
-

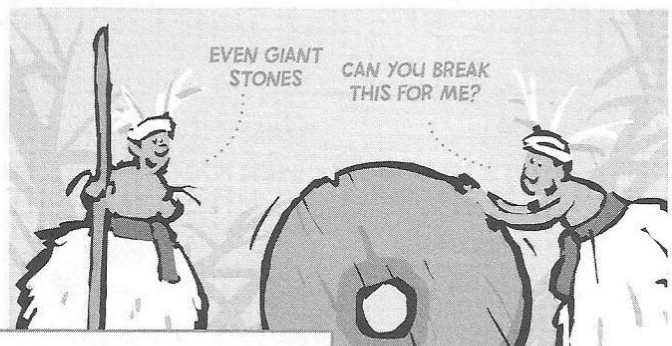
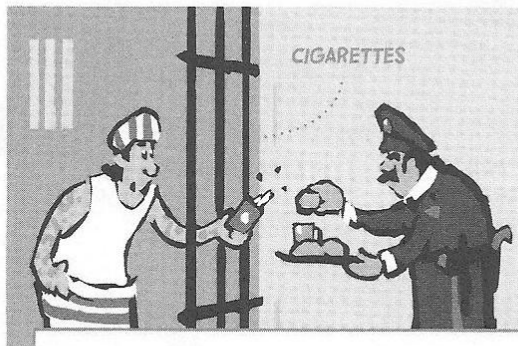
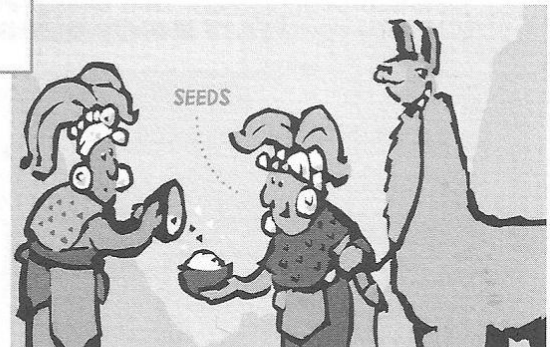
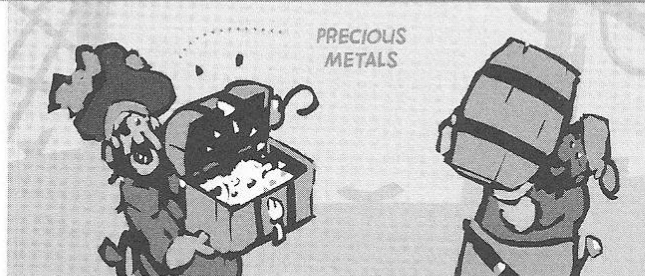
## Section 3: the cartoon introduction to money

From: Yoram BAUMAN and Grady KLEIN, *The Cartoon Introduction to Economics, Volume 2: Macroeconomics*, New-York: Hill and Wang, 2012.





THROUGHOUT HISTORY, PEOPLE HAVE USED  
**ALL KINDS OF THINGS AS MONEY.**



IN MOST OF THESE CASES, THE KEY FACTOR WAS  
THAT "MONEY" WAS SOMETHING WITH **INTRINSIC VALUE.**



WHOSE FACE  
IS ON THAT  
COIN?

AS LONG AS  
IT'S **GOLD**,  
I DON'T CARE!



NOWADAYS, MOST MONEY IS **FIAT MONEY**,  
MEANING THAT IT HAS VALUE SIMPLY BECAUSE  
**EVERYBODY BELIEVES THAT IT DOES.**

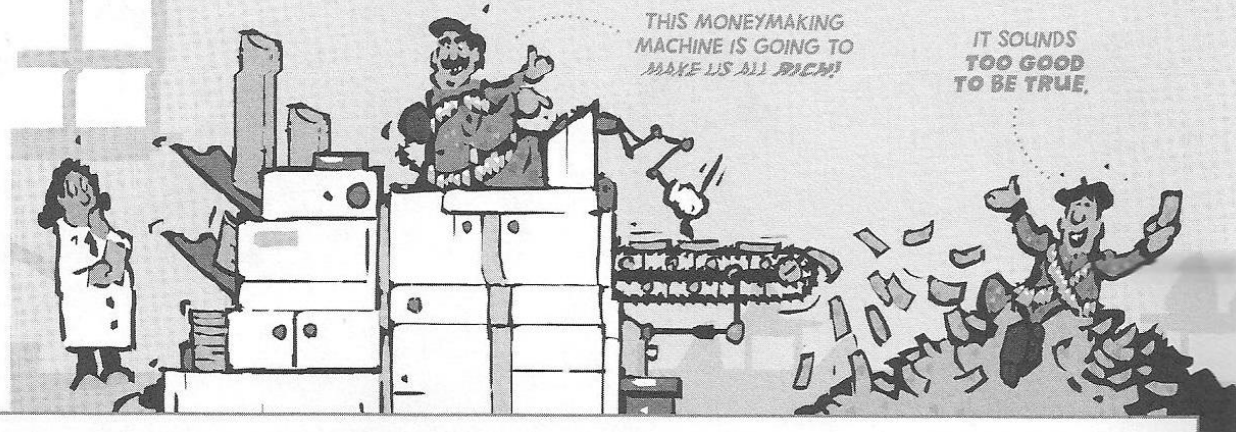


REALLY?  
I DON'T  
BELIEVE IT!

BUT **WE**  
ALL DO!

AND THAT  
MAKES IT  
TRUE!

IT MAY SEEM **CRAZY** THAT GOVERNMENTS HAVE THE POWER TO **CREATE MONEY OUT OF THIN AIR...**



... BUT IT'S **LESS CRAZY** WHEN YOU RECOGNIZE THAT THIS POWER IS OF **LIMITED VALUE.**

COUNTRIES **CAN'T** BECOME **RICH** JUST BY PRINTING MONEY.

IT WAS TOO GOOD TO BE TRUE.

IN FACT, WHEN IT COMES TO LONG-RUN GROWTH, MOST ECONOMISTS SAY THAT **MONEY IS NEUTRAL ...**

... OR, TO MISUSE A RELATED TERM THAT'S MORE FUN, **SUPER-NEUTRAL.**

HELP!  
HELP!

SORRY, WE CAN'T HELP.

I'M NEUTRAL...

...AND I'M **SUPER-NEUTRAL!**





**THE THEORY OF MONEY NEUTRALITY** SAYS THAT  
IF THE AMOUNT OF MONEY IN CIRCULATION WAS TO **DOUBLE**...

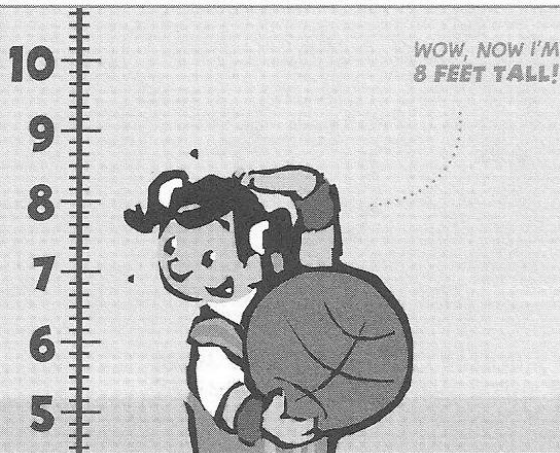
... EVERYONE WOULD MAKE  
**TWICE** AS MUCH MONEY...



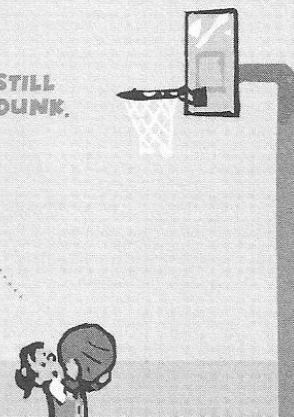
... BUT EVERYTHING WOULD COST **TWICE** AS MUCH.



FROM THIS PERSPECTIVE, CHANGES IN THE VALUE OF A DOLLAR ARE AS **IRRELEVANT**  
AS CHANGING THE DEFINITION OF A FOOT TO BE **6 INCHES** INSTEAD OF 12.



BUT I STILL  
CAN'T DUNK.



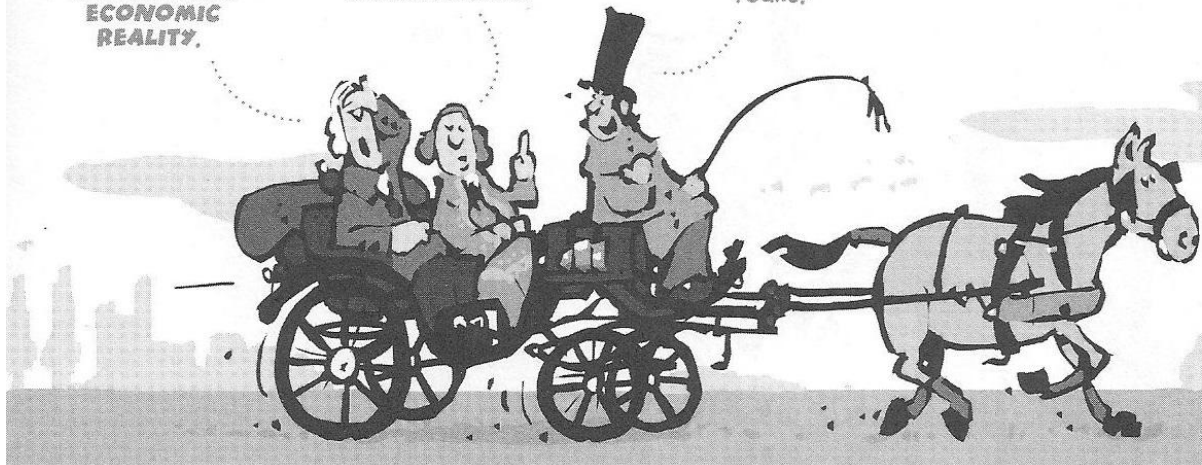
IN SHORT, THE THEORY OF MONEY NEUTRALITY SAYS THAT **MONEY DOESN'T MATTER.**

THIS IDEA GOES BACK TO THE CLASSICAL ECONOMIST  
**ADAM SMITH** AND HIS COLLEAGUE **DAVID HUME,**

MONEY IS A **VEIL**  
THAT DOESN'T AFFECT  
THE UNDERLYING  
**ECONOMIC**  
**REALITY.**

YOU'RE RIGHT!  
MONEY IS OF **NO**  
**CONSEQUENCE!**

IN THAT CASE,  
CAN I HAVE  
YOURS?



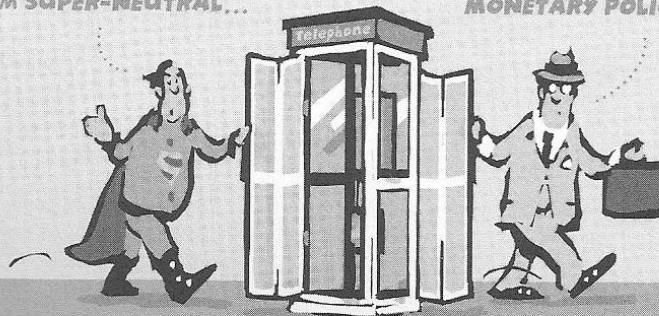
ALMOST ALL ECONOMISTS AGREE THAT  
MONEY DOESN'T MATTER **IN THE LONG RUN...**



... BUT **IN THE SHORT RUN**, MOST ECONOMISTS—ESPECIALLY **KEYNESIANS**—BELIEVE THAT  
**MONEY ACTUALLY DOES MATTER!**

IN THE **LONG RUN**  
I'M **SUPER-NEUTRAL**...

... BUT IN THE **SHORT RUN** I'M  
**MONETARY POLICY MAN**.



THEY ARGUE THAT CHANGING THE VALUE OF A DOLLAR CAN TEMPORARILY ALTER  
THE **UNEMPLOYMENT RATE** AND OTHER IMPORTANT ECONOMIC VARIABLES.

IN ECONOMICS JARGON,  
WE SAY THAT CHANGES IN  
**NOMINAL VARIABLES**...

... CAN AFFECT  
**REAL VARIABLES**.

IN PLAIN ENGLISH, THIS  
MEANS THAT CHANGING  
THE NUMBER OF INCHES  
IN A FOOT...

... **CAN HELP**  
**ME DUNK!**

NO WONDER  
**MONETARY**  
**POLICY** IS SO  
IMPORTANT!



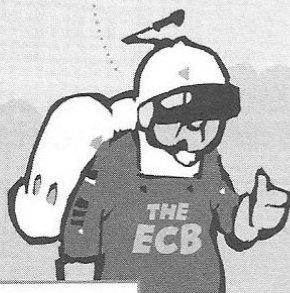


MANAGING **MONETARY POLICY** IS ONE OF THE MAIN RESPONSIBILITIES OF GOVERNMENT ENTITIES CALLED **CENTRAL BANKS**.

LIKE THE **FEDERAL RESERVE** IN THE UNITED STATES...



...THE **EUROPEAN CENTRAL BANK**...



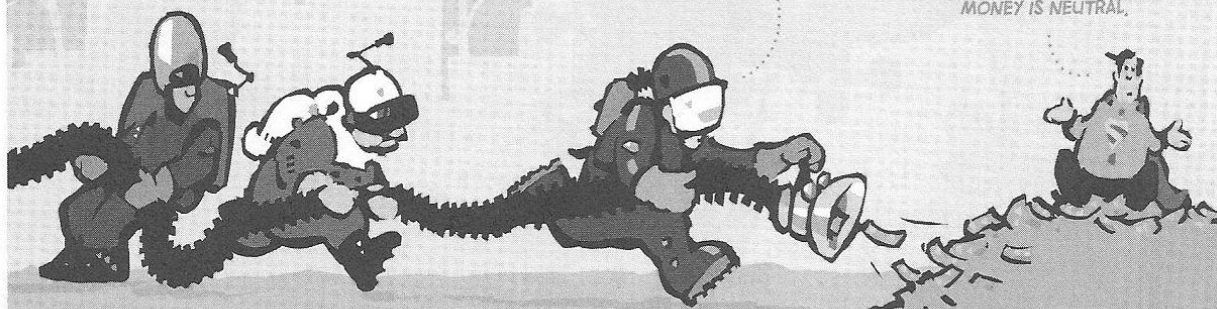
...AND THE **BANK OF JAPAN**.



CENTRAL BANKS CAN'T DO MUCH ABOUT ECONOMIC GROWTH IN THE **LONG RUN**...

MONETARY POLICY IS ALL ABOUT THE **MONEY SUPPLY**...

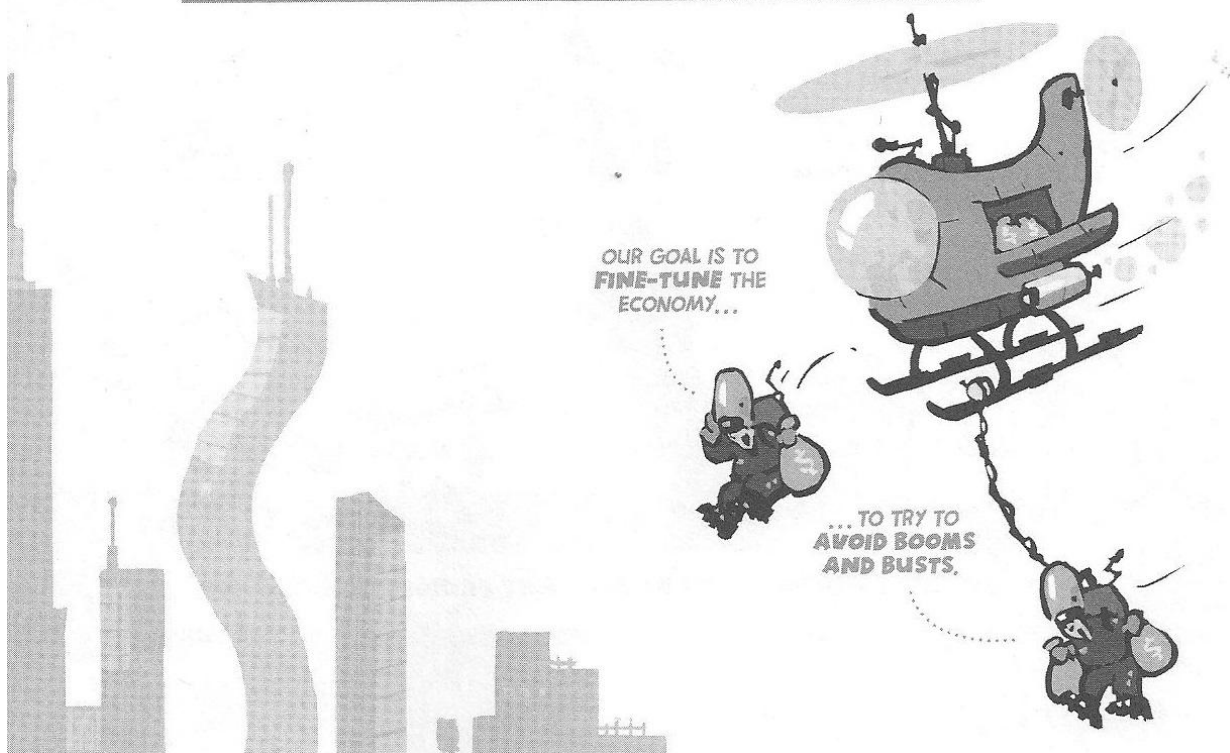
...AND IN THE LONG RUN MONEY IS NEUTRAL.



...BUT THEY WORK HARD TO **PROMOTE MACROECONOMIC STABILITY IN THE SHORT RUN**.

OUR GOAL IS TO **FINE-TUNE** THE ECONOMY...

...TO TRY TO **AVOID BOOMS AND BUSTS**.



TO SEE HOW CENTRAL BANKS WORK,  
IMAGINE A **SICK ECONOMY** THAT  
IS **STUCK IN THE DOLDRUMS**.

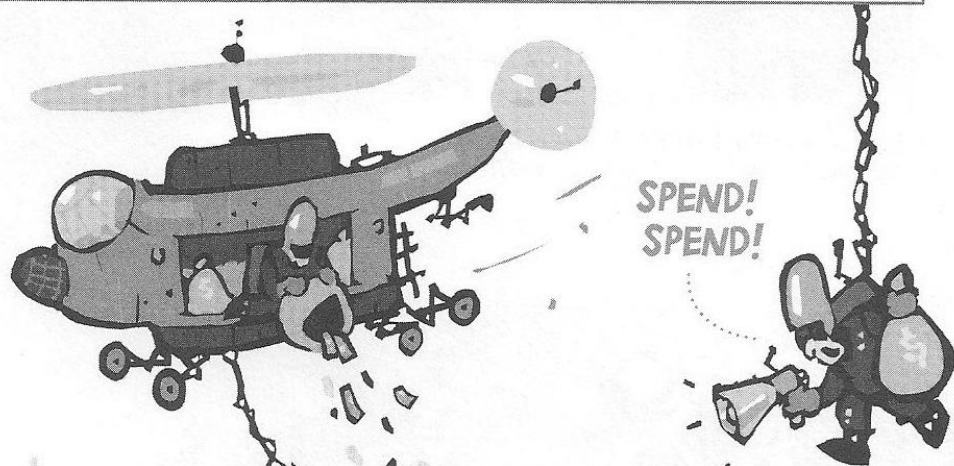
INVESTMENT  
IS DOWN.

EMPLOYMENT  
IS DOWN.

THIS IS THE **WORST  
PARTY EVER!**



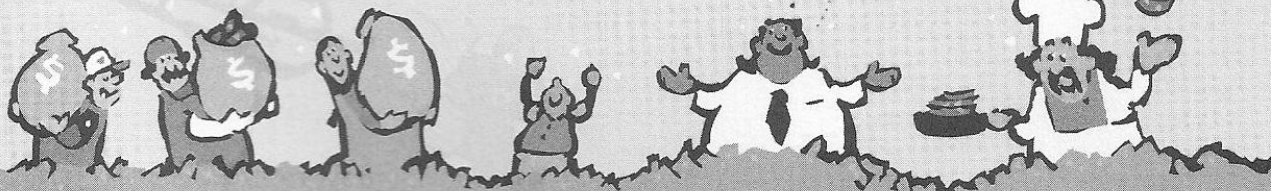
THE CENTRAL BANK CAN STIMULATE THIS ECONOMY BY  
**INCREASING THE MONEY SUPPLY.**



THIS GIVES BUSINESSES  
AND CONSUMERS INCENTIVES  
TO **INCREASE SPENDING**  
IN THE **SHORT RUN...**

I THINK I WILL BUY  
THAT NEW VIDEO  
GAME SYSTEM!

I THINK I WILL BUY  
THAT NEW TACO  
TRUCK!



... AND THAT EXTRA SPENDING HELPS **KICK-START ECONOMIC GROWTH.**

WE'LL GO INTO THE  
DETAILS ON THE NEXT  
FEW PAGES.





ON THE FLIP SIDE, IMAGINE  
A **BUBBLE ECONOMY** THAT  
IS **GROWING TOO FAST.**

BRING MORE  
BUBBLY!

THE CENTRAL BANK CAN PUT THE BRAKES ON THIS ECONOMY BY  
**DECREASING THE MONEY SUPPLY.**

ENOUGH!  
CALM DOWN!

THIS GIVES BUSINESSES  
AND CONSUMERS INCENTIVES  
TO **DECREASE SPENDING**  
IN THE **SHORT RUN...**

ONE VIDEO GAME  
SYSTEM IS ENOUGH  
FOR NOW.

MAYBE I'LL WAIT  
TO BUY THAT  
TACO TRUCK.

...AND THAT REDUCED SPENDING HELPS BRING THE ECONOMY **BACK UNDER CONTROL.**

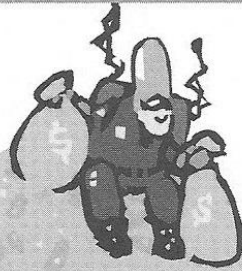
OUR JOB IS TO TAKE AWAY  
THE PUNCH BOWL JUST AS  
THE PARTY GETS GOING.

OF COURSE, CENTRAL BANKS DON'T **LITERALLY** USE HELICOPTERS AND SUCTION PUMPS,

BUMMER, BECAUSE THAT WOULD BE **AWESOME**.

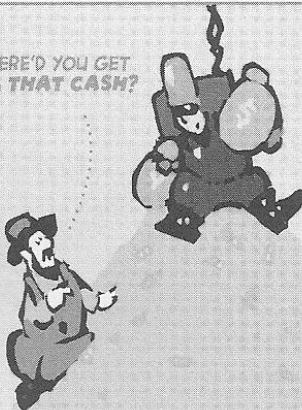


**INSTEAD, THEY CHANGE THE MONEY SUPPLY USING OPEN-MARKET OPERATIONS.**



TO UNDERSTAND THESE, NOTE FIRST THAT THE CENTRAL BANK ESSENTIALLY SITS ON **A MOUNTAIN OF CASH...**

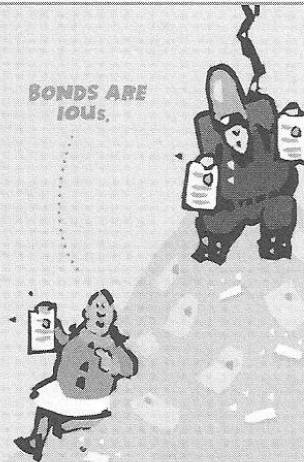
WHERE'D YOU GET **ALL THAT CASH?**



I COULD TELL YOU, BUT THEN I'D HAVE TO KILL YOU.

... AND ALSO ON A MOUNTAIN **OF NON-CASH ASSETS** LIKE GOLD AND **GOVERNMENT BONDS**.

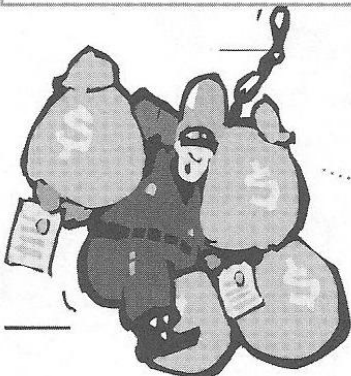
**BONDS ARE IOUs.**

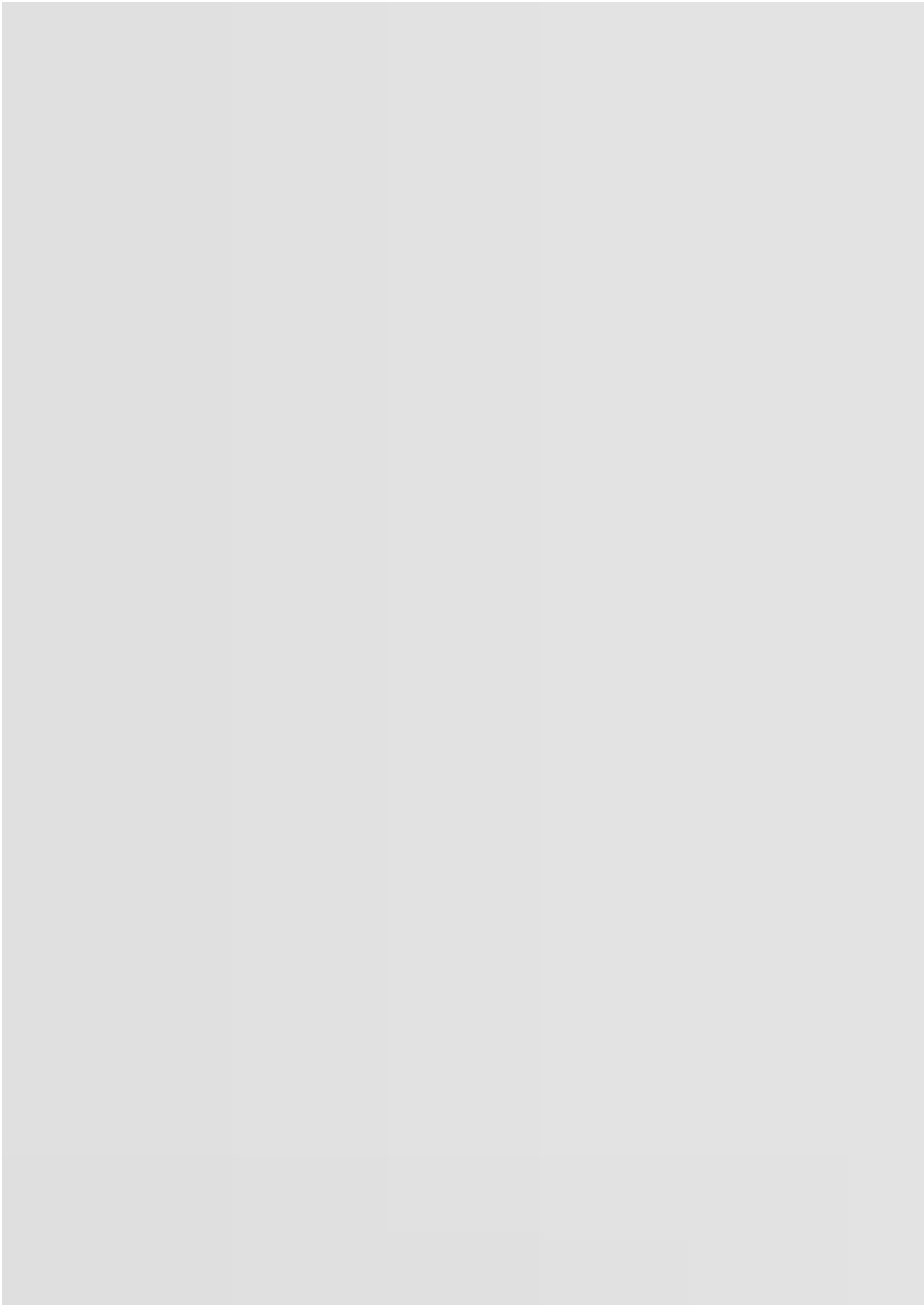


YOU CAN READ MORE ABOUT THEM IN THE GLOSSARY.

**OPEN-MARKET OPERATIONS ARE TRADES INVOLVING THESE PILES OF MONEY AND NON-CASH ASSETS.**

THESE TRADES ARE SO BIG THAT THEY AFFECT THE **WHOLE ECONOMY!**





WHEN THE CENTRAL BANK WANTS TO **STIMULATE** THE ECONOMY...

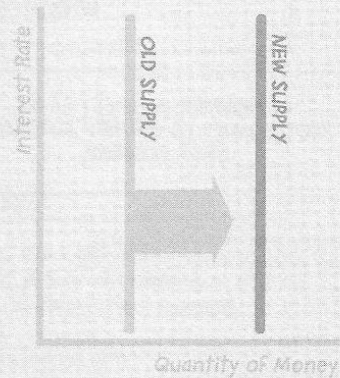
...IT USES ITS PILE OF CASH TO **BUY BONDS**.

I'LL GIVE YOU THIS MONEY...  
...IF YOU GIVE ME THOSE BONDS.

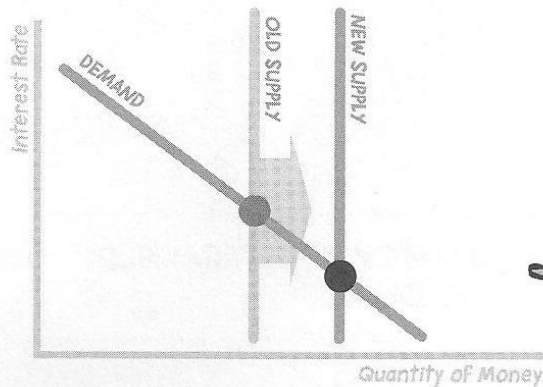
OKAY!

THE RESULT OF THESE OPEN-MARKET OPERATIONS IS **MORE MONEY IN CIRCULATION**.

THE MONEY SUPPLY **INCREASES**.



AN INCREASE IN THE MONEY SUPPLY **LOWERS** INTEREST RATES...



THE NEW INTEREST RATE IS LOWER!

...AND THAT **STIMULATES** THE ECONOMY BY ENCOURAGING **MORE BORROWING** AND **MORE SPENDING**.

I THINK I'LL BUY THAT NEW TACO TRUCK **NOW**.



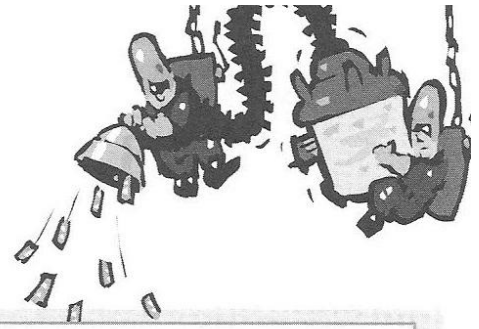
**WHEN THE CENTRAL BANK WANTS  
TO CALM DOWN THE ECONOMY...**

...IT **SELLS BONDS** FROM ITS PILE OF  
NON-CASH ASSETS.

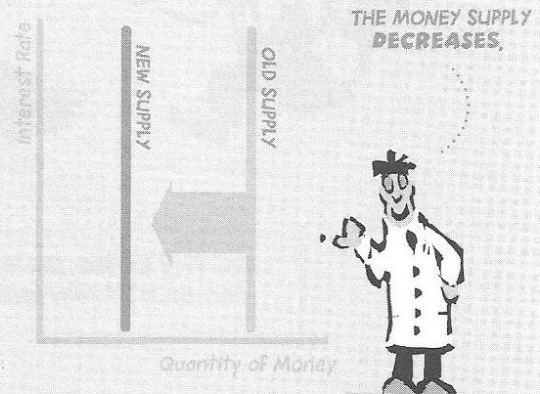


I'LL GIVE YOU  
THESE BONDS ...  
...IF YOU GIVE ME  
THAT MONEY.

OKAY!

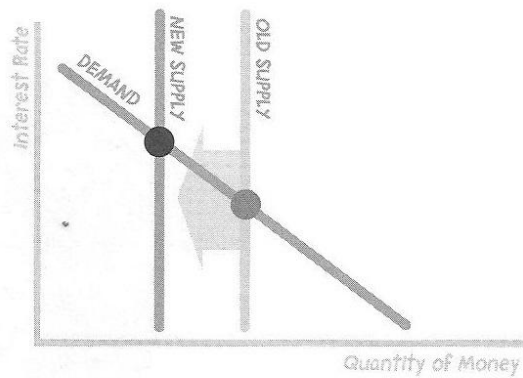


THE RESULT OF THESE OPEN-MARKET OPERATIONS  
IS **LESS MONEY IN CIRCULATION.**

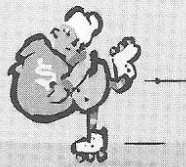


**A DECREASE IN THE MONEY SUPPLY RAISES INTEREST RATES...**

THE NEW  
INTEREST RATE  
IS HIGHER!



...AND THAT **COOLS DOWN** THE ECONOMY BY ENCOURAGING  
**LESS BORROWING AND LESS SPENDING.**



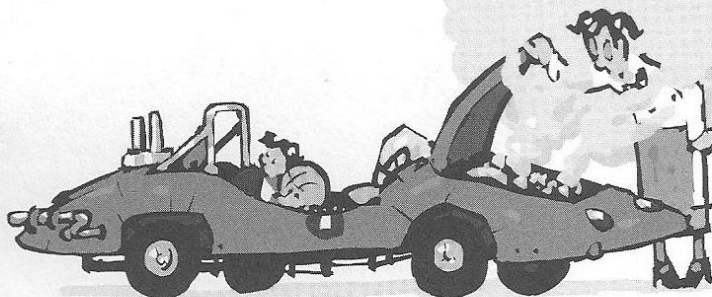
I THINK I'LL BUY THAT  
NEW TACO TRUCK  
LATER.



**BUT REMEMBER, THESE ARE  
SHORT-RUN EFFECTS.**

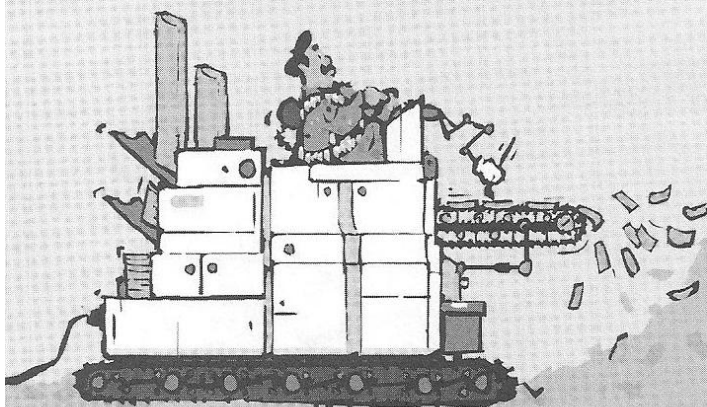
IN THE SHORT RUN,  
MORE MONEY CAN  
SPEED THINGS UP...

...AND LESS MONEY  
CAN SLOW THINGS  
DOWN,



**IN THE LONG RUN, YOU CAN'T  
GET RICH BY PRINTING MONEY...**

...YOU CAN ONLY GET  
**INFLATION.**





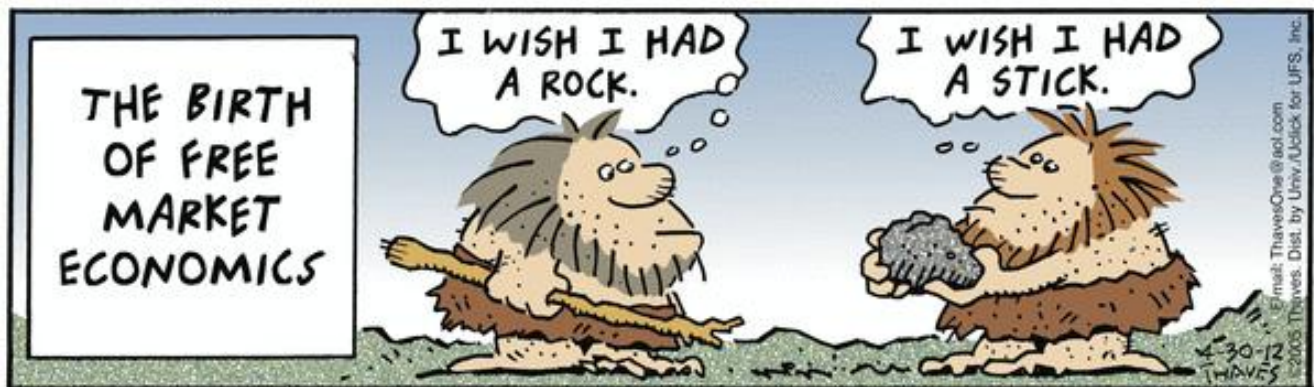
# Part B. Trade

Chapter three looks into the arguments put forward by defenders of trade, and of free trade in particular (“free traders”). Economic liberals, starting with Adam Smith in the eighteenth century, generally believe in the efficiency of markets freed from government intervention, and claim that free trade on a national and international basis will lead us to general prosperity and well-being. Chapter four follows up by introducing protectionism, trade agreements and related issues, such as fair trade in the context of globalisation.



# Chapter 3

## *Trade and Economic Liberalism*



### Section 1. Justifying Trade

#### Vocabulary

**Average:** a number that is calculated by adding quantities together and then dividing the total by the number of quantities

**Balance of trade:** The balance of trade is the difference between a country's imports and its exports for a given time period

**Barriers to trade:** see **trade barriers**

**Benefit:** an advantage you get from a situation, not to be confused with 'profit' which refers to financial gain

**Commodity:** an article of trade or commerce, especially a product as distinguished from a service

**Comparative advantage:** Comparative advantage is an economic law referring to the ability of any given economic actor to produce goods and services at a lower opportunity cost than other economic actors. The law of comparative advantage is popularly attributed to English political economist David Ricardo and his book *Principles of Political Economy and Taxation* in 1817

**Competitive (adj.):** sufficiently low in price or high in quality to be successful against commercial rivals

**Competition:** rivalry between two or more businesses striving for the same customer or market (business rivals are thus called **competitors**)

**Export (n.):** a product that you sell in another country, or the business of sending goods to another country in order to sell them there – it can also be a verb: to export

**GDP (Gross Domestic Product):** the total value of goods and services produced by a country in a year

**(Economic) Growth:** increase in a country's productive capacity and wealth

**Import (n.):** a product brought into a country to be sold there (also a verb: to import)

**Investment:** money used in a way that may earn you more money, usually money invested in the expectation of profit, also called a return on investment

**Liberal (in economics)** (n.): someone who believes in **economic liberalism**, an economic philosophy which favours a free and open market, without government interference (also called *laissez-faire* economics) – not to be confused with *political* liberals (especially in the US...)

**Life expectancy:** the number of years that an individual is expected to live as determined by statistics

**Literacy rate:** the percentage of people who are able to read and write

**Per capita:** a Latin term that translates into "by head," basically meaning "average per person"

**Saving(s) (n.):** the amount of income that is not spent or used, but accumulated or invested

**Schooling:** education, especially when received at school

**Standard of living:** financial health of a population, as measured by per capita income and consumption of goods and services by individuals or households

**Trade:** the activity of buying, selling, or exchanging goods or services, also called commerce

**Trade barriers:** a government imposed restriction on the free international exchange of goods or services

**Underdevelopment:** having a low level of economic productivity and technological sophistication

## Additional vocabulary and notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



# Text 1: International Trade



On the topic of international **trade**, the views of economists tend to differ from those of the general public. There are three principal differences. First, many noneconomists believe that it is more advantageous to trade with other members of one's nation or ethnic group than with outsiders. Economists see all forms of trade as equally advantageous. Second, many noneconomists believe that **exports** are better than **imports** for the economy. Economists believe that all trade is good for the economy. Third, many noneconomists believe that a country's balance of trade is governed by the "competitiveness" of its wage rates, tariffs, and other factors. Economists believe that the **balance of trade** is governed by many factors, including the above, but also including differences in national **saving** and **investment**.

The noneconomic views of trade all seem to stem from a common root: the tendency for human beings to emphasize tribal rivalries. For most people, viewing trade as a rivalry is as instinctive as rooting for their national team in Olympic basketball.

To economists, Olympic basketball is *not* an appropriate analogy for international trade. Instead, we see international trade as analogous to a production technique. Opening up to trade is equivalent to adopting a more efficient technology. International trade enhances efficiency by allocating resources to increase the amount produced for a given level of effort. Classical **liberals**, such as Richard Cobden, believed that free trade could bring about world peace by substituting commercial relationships among individuals for **competitive** relationships between states.

## History of Trade Theory

David Ricardo developed and published one of the first theories of international trade in 1817. England, he wrote, may be so circumstanced, that to produce the cloth may require the labour of 100 men for one year; and if she attempted to make the wine, it might require the labour of 120 men for the same time. To produce the wine in Portugal, might require only the labour of 80 men for one year, and to produce the cloth in the same country, might require the labour of 90 men for the same time. It would therefore be advantageous for her to export wine in exchange for cloth. This exchange might even take place, notwithstanding that the **commodity** imported by Portugal could be produced there with less labour than in England.

If a painter takes twenty hours to paint a house, and a surgeon could do the job in fifteen hours, it still makes sense for the surgeon to hire the painter. The surgeon can earn enough money in a few hours of surgery to pay for the entire house-painting job. We say that the surgeon's **comparative advantage** is in doing surgery, while the painter's comparative advantage is in painting houses.

Ricardo's theory of comparative advantage explains why a surgeon will hire a house painter and why a lawyer will hire a secretary. The opportunity to trade with the painter enables the surgeon to paint her house by doing a few hours of surgery. Similarly, international trade enables one country to obtain cloth more cheaply by specializing in the production of wine and trading for cloth, rather than producing both goods for itself.

### Gains from Trade

All of the economic theories of international trade suggest that it enhances efficiency. In this regard, international trade is like a new technology. It adds to the productive capacity of all countries that engage in trade. Another **benefit** from trade is that it promotes dynamism and innovation within an economy. Improvements in manufacturing quality and productivity in the United States in recent decades have been credited, in part, to the pressure of **competition** from Japan and elsewhere.

An economy that is closed to trade is one in which inefficient industries and laggard firms are well protected. In fact, studies suggest that **barriers to trade** are a major cause of extreme **underdevelopment**. The countries that are most closed to trade tend to be the poorest in the world. Countries that have reduced **trade barriers** and increased the share of imports and exports in their economies tend to be among the fastest-growing nations.

According to a World Bank study, twenty-four developing countries that became more integrated into the world economy in the 1980s and 1990s had higher income **growth**, longer **life expectancy**, better **literacy rates** and better **schooling**. **Per capita** income in these countries, home to half the world's population, grew by an **average** of 5 percent in the 1990s compared with only 2 percent in rich countries. China, India, Hungary, and Mexico are among the countries that adopted policies that allowed their people to take advantage of global markets. As a result, they sharply increased the amount of their **GDP** accounted for by trade. Real wages in these countries rose and the number of poor people fell.

The study also points out that two billion people—particularly in sub-Saharan Africa, the Middle East, and the former Soviet Union—are in countries being left behind. These countries' integration into the world economy has not increased, and their ratio of trade to GDP has stagnated or fallen. Their economies have generally contracted, poverty has increased, and education levels have risen less rapidly than in the more globalized countries. The success of India and China recently, and Japan, Taiwan, South Korea, and other countries in the 1970s and 1980s, is due in large part to trade.

Economic theory thus indicates that international trade raises the **standard of living**. A comparison between the performance of open and closed economies confirms that the benefits of trade in practice are significant.

From Arnold Kling, "International Trade", *The Concise Encyclopedia of Economics*, 2008

## Comprehension and Vocabulary Exercises

### A. Vocabulary. Fill in the blanks with a word or phrase from the list on pages 48-49:

1. .... is the more popular and widespread term for commerce.
2. Economic ..... is often the result of increased productivity.
3. Our company is not ..... enough to enter the mobile phone market.
4. Economists tend to overrate ..... as an index measuring national well-being.
5. David Ricardo claimed that wine should be Portugal's primary .....
6. Qatar is considering making further ..... in continental Europe.
7. Young people might experience a lowered ..... as a result of the crisis.
8. Due to an inefficient healthcare system, ..... has decreased for poor people in the US for the first time in decades.
9. Increased ..... may be blamed for our negative .....
10. Economic ..... typically advocate *laissez-faire* policies as far as international trade is concerned.

### B. True or False?

1. Economists tend to believe that trade fosters growth (T/F)
2. Exports are always better than imports from an economic and national point of view (T/F)
3. The theory of comparative advantage states that we should specialize in what we are good at producing compared to others (T/F)
4. Competition slows down technological innovation (T/F)
5. Integration into the world economy tends to raise the standard of living (T/F)

### C. Try to answer the following questions in your own words and avoid simply quoting from the text:

1. Which point of view is developed in text1? Do you believe it is entirely objective and unbiased? Why?
2. Why do economists differ from the general public on the subject of trade?
3. What is the theory of comparative advantage?
4. Do you believe that national specialization is always good for a country?
5. What is the relationship between underdevelopment on the one hand and being closed to trade on the other?

### D. Discussion and further research:

1. Who was David Ricardo? Do some background research on his life and work and report your findings to the class.
2. Find out about indices other than GDP and compare them with each other. In your opinion, which one should be chosen to measure a country's "success" accurately?

## Grammar: Definite and indefinite articles a/an/the/Ø

### A a vs an

We use **a** before consonant sounds, and **an** before vowel sounds:

VOWEL SOUNDS: **an appraisal, an hour, an interview, an office, an MBA**

CONSONANT SOUNDS: **a director, a code, a unit, a question**

### B Uses of a, an

We use **a** or **an** before unspecified singular countable nouns:

*'Could you let me have **an envelope**?'\**

We use **a** or **an** to talk about jobs, (but not areas of business):

*Janet's **a Personnel Manager**, and her husband is in **Ø marketing**.*

We use **a** or **an** to talk about frequency:

*We have to submit VAT returns four times **a year**.*

### C Uses of the

We use **the** with a specific noun we have mentioned before:

*We have bought **a Mac** and **a PC**. **The Mac** cost \$2500 and **the PC** cost \$2100.*

We use **the** when we add information that defines something:

*Where is **the** file that I gave you this morning?*

We use **the** when it is clear what we are referring to because there is only one:

*Would you like to come in? **The** chairman will see you now.*

We use **the** with superlatives:

*Coca Cola is **the** most famous soft drink in the world.*

We use **the** with adjectives to refer to a group:

***The** rich do not do enough to help **the** poor.*

We use **the** to refer to rivers, mountains, seas, and names of countries that include a noun like **republic, kingdom, union**, etc.:

***The** Aral Sea in **the** former Soviet Union is very polluted.*

### D No article (Ø)

We use no article (**Ø**) to generalize about uncountable or plural nouns:

***Ø Money** is **the** root of all evil. (i.e., money in general, or all money)*

We do not use an article (**Ø**) to refer to companies, cities, roads, single islands, or lakes:

*I work for **Ø Goldman Sachs** in **Ø London**, and I have a house in **Ø Western Road**. I also have a holiday home in **Ø Crete** and another near **Ø Lake Garda**.*

## Exercise 1

## A vs an

Complete the dialogue. Fill in the blanks with **a** or **an**.

- A: I had <sup>(1)</sup> an appraisal with the Personnel Manager the other day, and ...  
 B: Oh really? How did it go?  
 A: Fine. We were talking about qualifications and career development, and she said to me that I should consider doing <sup>(2)</sup> \_\_\_\_\_ course in Business Administration.  
 B: That's not <sup>(3)</sup> \_\_\_\_\_ bad idea. You've already got <sup>(4)</sup> \_\_\_\_\_ university degree, haven't you?  
 A: Yes, and I'm doing <sup>(5)</sup> \_\_\_\_\_ evening course in accounting, but that takes up about <sup>(6)</sup> \_\_\_\_\_ hour a week.  
 B: That sounds like <sup>(7)</sup> \_\_\_\_\_ waste of time to me. What you need to do is <sup>(8)</sup> \_\_\_\_\_ MBA at <sup>(9)</sup> \_\_\_\_\_ institution like Insead, so that you end up with <sup>(10)</sup> \_\_\_\_\_ decent qualification.

## Exercise 2

Uses of **a**, **an**

Fill in the blanks with **a**, **an**, or **Ø** (no article).

- 1 I like to go abroad about three times \_\_\_\_\_ year.
- 2 Have you met my brother? He's \_\_\_\_\_ engineer too.
- 3 I'm thinking about buying \_\_\_\_\_ new car. What would you recommend?
- 4 The *Lloyds Bank Review* is published four times \_\_\_\_\_ year.
- 5 \_\_\_\_\_ computer software is not as expensive as you may think.
- 6 The government has urged businesses not to give \_\_\_\_\_ pay rises above inflation.
- 7 How long have you been in \_\_\_\_\_ engineering?
- 8 I go to meetings in London twice \_\_\_\_\_ month.

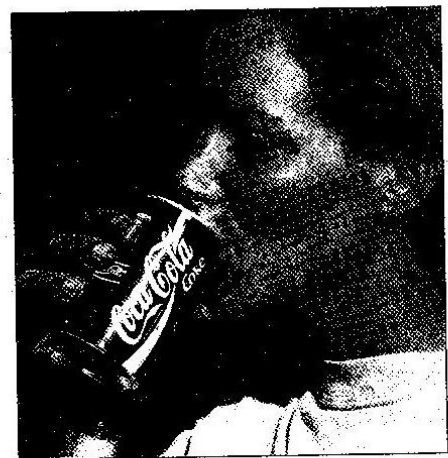
## Exercise 3

Uses of **the**

Read the following newspaper extract. Fill in the blanks with **a** or **the**.

Coca-Cola has launched <sup>(1)</sup> a £4 million TV advertising campaign – one of <sup>(2)</sup> \_\_\_\_\_ biggest ever seen in Britain – in what will be seen as <sup>(3)</sup> \_\_\_\_\_ direct attack on supermarkets' own-brand colas. <sup>(4)</sup> \_\_\_\_\_ six-week campaign, which opened last night, is part of an attempt to boost <sup>(5)</sup> \_\_\_\_\_ size of the £6 billion <sup>(6)</sup> \_\_\_\_\_ year soft drinks market. The advertisements will be aimed mainly at <sup>(7)</sup> \_\_\_\_\_ young, but middle-aged drinkers will also be targeted.

<sup>(8)</sup> \_\_\_\_\_ drinks giant denied that <sup>(9)</sup> \_\_\_\_\_ new advertisements are <sup>(10)</sup> \_\_\_\_\_ response to <sup>(11)</sup> \_\_\_\_\_ 'cola wars' that raged in supermarkets in <sup>(12)</sup> \_\_\_\_\_ summer, but admitted that there was room for improving sales.





Exercise 4  
Uses of **the**

In each pair of sentences, fill in one blank with **the**, and the other blank with **Ø** (no article).

- 1 A I am not motivated by Ø money.  
B When are you going to pay back the money I lent you?
- 2 A Carbon-dating helps scientists to work out        age of fossils.  
B We never refuse to give someone a job on the basis of        age.
- 3 A        mistakes you have made cost us a great deal of money.  
B Don't worry. Everybody makes        mistakes.
- 4 A        crime in the cities is now at record levels.  
B The police have no idea who committed        crime.
- 5 A This book will give you        information you need.  
B CD-ROMs can store large quantities of        information.
- 6 A        visitors must be accompanied at all times.  
B        visitors are on a fact-finding mission from Japan.
- 7 A Should        unemployed people do more to help themselves?  
B Should the government do more to help        unemployed?
- 8 A        Japanese imports are currently at very high levels.  
B It is very difficult to sell to        Japanese.

Exercise 5  
**The** vs no article (**Ø**)

Complete the following passages. In each space, put **the** or **Ø** (no article).

A

Hi, my name's Todd Sawyer. I'm a financial analyst, and I work for a company called <sup>(1)</sup>        Pacific Investments which is based in <sup>(2)</sup>        Channel Islands. Our offices are in <sup>(3)</sup>        St Helier, <sup>(4)</sup>        capital. <sup>(5)</sup>        Jersey is very popular with financial institutions from <sup>(6)</sup>        England because it is not part of <sup>(7)</sup>        UK for tax purposes, and it is also popular with investors from <sup>(8)</sup>        Europe.



B

I work for a tour operator called <sup>(9)</sup>        Lakeland Travel, and we specialize in bringing people to <sup>(10)</sup>        Lake District, which is in <sup>(11)</sup>        north of <sup>(12)</sup>        England. We run a de luxe hotel in <sup>(13)</sup>        Morrison Road, which is in <sup>(14)</sup>        Ambleside, a small town on the shores of <sup>(15)</sup>        Lake Windermere. Many of our visitors come from Scotland, which is very close, but others come from as far away as <sup>(16)</sup>        New York or <sup>(17)</sup>        Far East.



## Section 2: Adam Smith, Father of Liberal Economics



"I have the invisible hand of the market on line two. Should I put it through?"

### Text 2.1: A Smithian Revolution?

The foundation of economics as a systematic area of study was laid in 1776, when Adam Smith published his monumental work, *An Inquiry Into the Nature and Causes of the Wealth of Nations*. Perhaps the most influential book since the Bible, *the Wealth of Nations* was nothing less than a revolutionary attack on the existing orthodoxy. Smith declared that the wealth of a nation did not lie in gold and silver, but rather was determined by the goods and services—whether produced at home or abroad—available to the people.

To increase the nation's hoard of gold and silver, the political and intellectual leaders of Smith's time placed numerous constraints on economic freedoms. Political institutions encouraged citizens to sell their produce abroad in exchange for gold and silver, and discouraged or restrained the purchase of foreign-made goods. Monopolies and guild associations were protected from competition. People thought then that economic activities motivated by private gain were antisocial.

In contrast, Smith argued that a free exchange market economy would harness self-interest as a creative force. Since one gets ahead in a market economy by helping others in exchange for income, people seeking their own gain will provide valuable goods and services to others. As Smith put it:

*"Man has almost constant occasion for the help of his brethren, and it is in vain for him to expect it from his benevolence only. [...] Whoever offers another a bargain of any kind, proposes to do this: Give me that which I want, and you shall have this which you want; it is in this manner that we obtain from one another the far greater part of those good offices which we stand in need of. It is not from the benevolence of the butcher, the brewer or the baker, that we expect our dinner, but from their regard to their own interest."*

Furthermore, Smith argued that if kings and politicians would remove legal restrictions that retard productive activity and exchange, the "invisible hand" of market prices would direct individuals and resources into those areas of their greatest productivity. Coordination, order, and efficiency would result, despite the absence of a central authority that planned and directed the economy. Smith believed that this process provided the key to production and the wealth of nations.

As Keynes noted 160 years later, the world is ruled by ideas. Even though Smith's thinking conflicted with the social environment of his time, his ideas that self-interest, economic freedom, and national wealth were all in harmony eventually changed the world.

Smith's ideas greatly influenced those who mapped out the structure of the U.S. government. By the end of the eighteenth century, institutional reform had lifted the hand of government from many areas of economic activity in England and throughout Europe.

By the time of Smith's death in 1790, five editions of the *Wealth of Nations* had been published, and it had been translated into several foreign languages. The study of the relationship between production, exchange, and wealth began to occupy the time of an increasing number of intellectuals. Political economy—later divided into economics and political science—became a new and widely accepted field of study in major universities throughout the world.

From James D. Gwartney and Richard L. Stroup, *Microeconomics, Private and Public Choice*, 5<sup>th</sup> ed., San Diego: Harcourt Brace Jovanovich Publishers, 1990. [edited]

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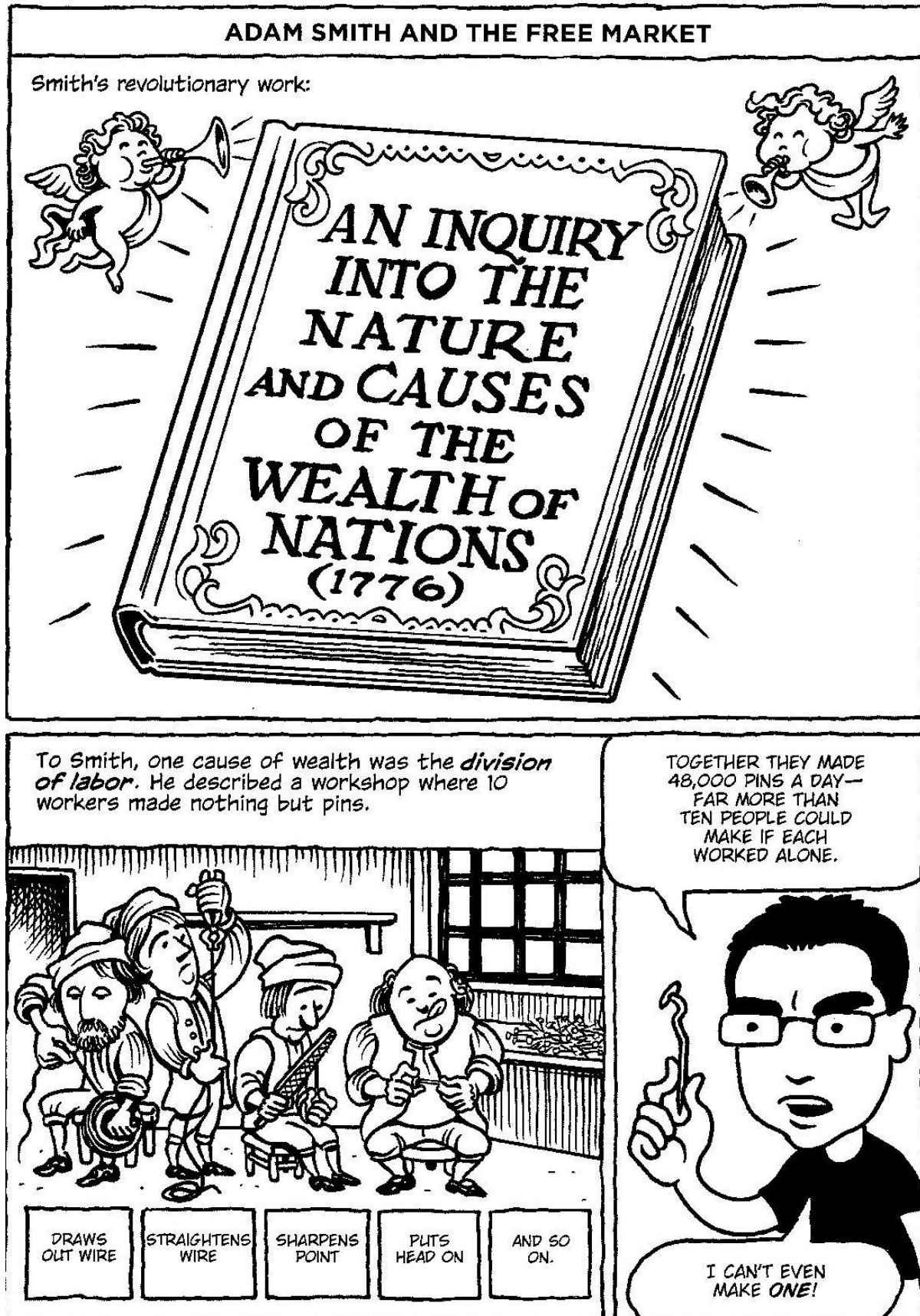
## Questions for further discussion and debate

Read both sections on Smith and complete what you have learnt from them by your own research.

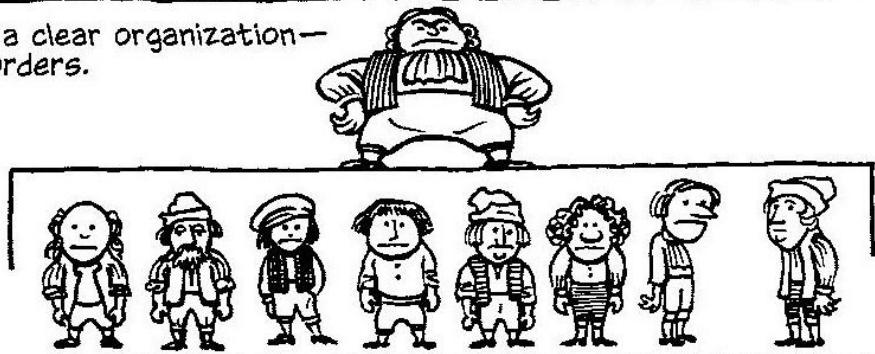
1. Who was Adam Smith?
  2. What is the “invisible hand” and why is it considered to be one of the main tenets of economic liberalism?
  3. What other important ideas did Smith pioneer?
  4. In what way does Smith's work justify self-interest? Explain why or why not.
  5. What was Smith's attitude towards government intervention? Discuss.
-

## Text 2.2: Adam Smith in Words and Pictures

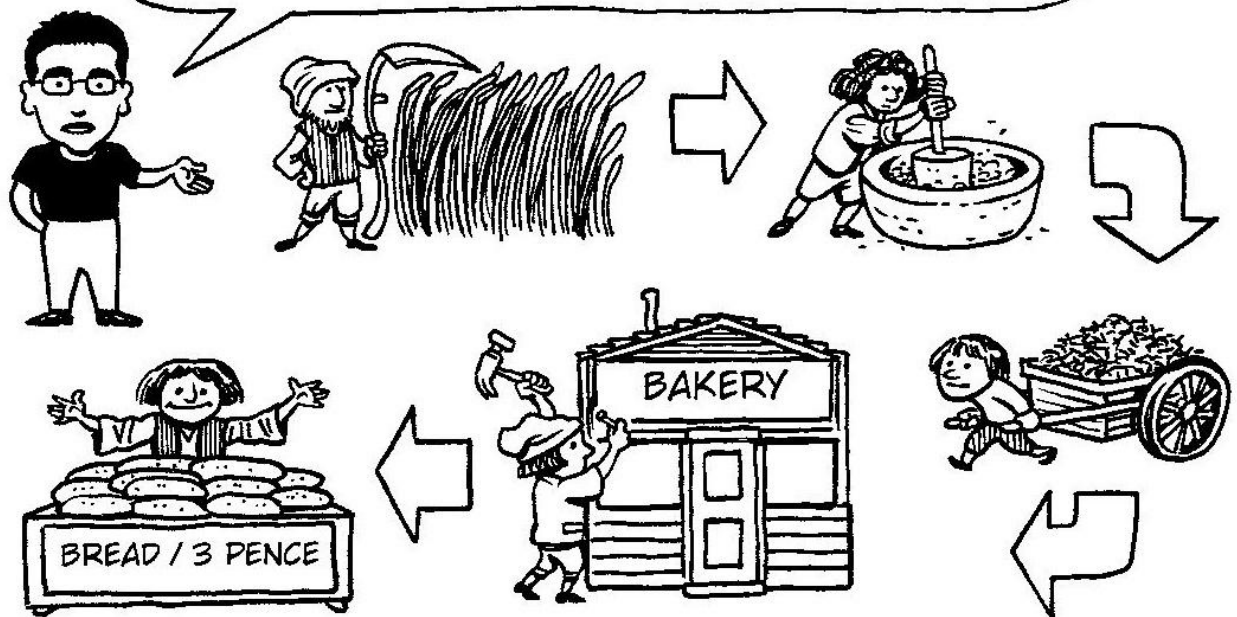
From Michael Goodwin and Dan E. Burr, *Economix, How our economy works in words and pictures*, New York: Abrams Comicarts, 2012



The pin workshop had a clear organization—  
one person gave the orders.



BUT WHO GAVE THE ORDERS TO ALL THE PEOPLE WHO WORKED  
ON BIGGER TASKS, LIKE MAKING A LOAF OF BREAD?



Nobody did. Bakers didn't work because  
some Bread Planner told them to, or  
because they were saints who wanted  
people to be well fed. They worked because  
it was good for *them*.

"IT IS NOT FROM THE  
BENEVOLENCE OF  
THE BUTCHER, THE  
BREWER, AND THE  
BAKER, THAT WE  
EXPECT OUR DINNER,  
BUT FROM THEIR  
REGARD TO THEIR  
OWN INTEREST."



But if the baker cared only about  
himself, why didn't he do *this*?

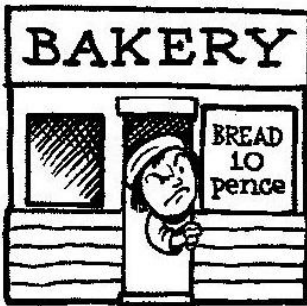


BREAD / 10 PENCE

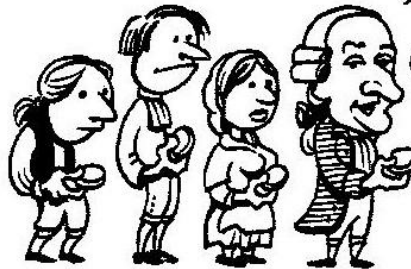
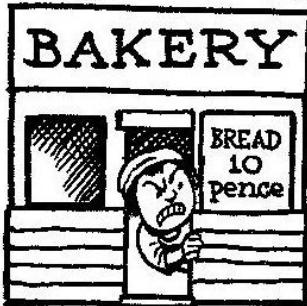


Smith's answer:

THE BAKER MIGHT *WANT* TO GOUGE, BUT IF HE TRIES, OTHER BAKERS, THINKING ONLY OF THEMSELVES, WILL STEAL HIS CUSTOMERS.



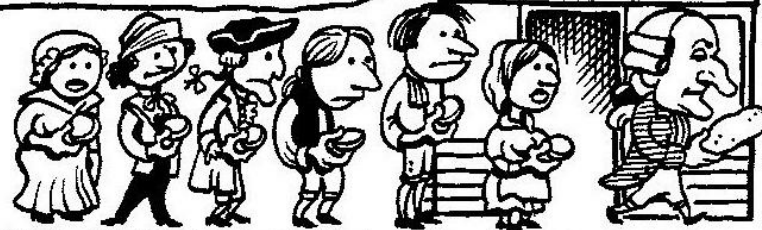
EVEN IF HE'S THE ONLY BAKER IN TOWN, HE CAN'T GET TOO GREEDY. IF HE STARTS MAKING CRAZY MONEY, OTHER PEOPLE WILL DROP WHAT THEY'RE DOING AND *HORN IN*.



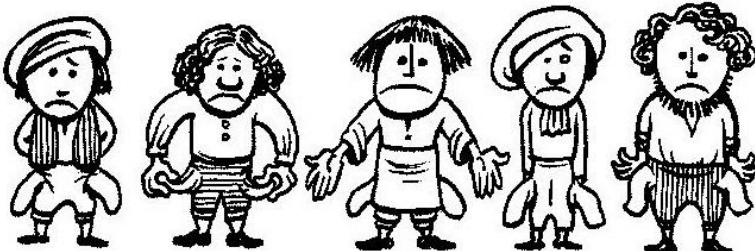
So in Smith's economy, *competition* kept everyone honest. Every baker—saint and greedhead alike—was led, "as if by an invisible hand," to sell bread at a fair price: high enough to pay for the baker's costs and work, low enough that others didn't steal the customers.



I WANT TO CHARGE MORE, BUT I CAN'T!



Speaking of costs, the baker's suppliers, workers, landlord, and lenders couldn't overcharge either, or the baker would go to their competitors. And so on.



So the price of a loaf of bread included the fair price of all the land, labor, and capital that went into it—in other words, the bread sold for its cost to society.

MORE OR LESS.



Here's the free market in *action*. Let's say there's a bad wheat harvest. The government could intervene...



Or it could do *nothing*. The price of wheat will rise, and then:

People will tighten their belts and substitute other foods.

Merchants will sell their stockpiles for a big profit.

Shippers will import more wheat to take advantage of the high price.



In other words, a *free market* organizes things, far more effectively than a human planner ever could. Imagine if a planner tried to arrange the supplies of modern New York City.



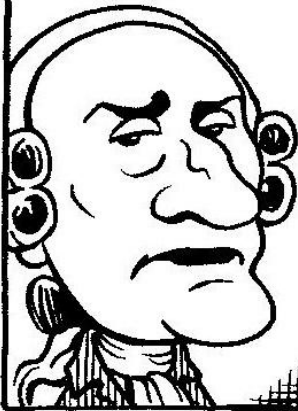
By *not* planning its supplies, New York has almost never had a shortage of anything (except space).

If buyers can't buy from whomever they want, if sellers can't set their own prices, or if wigmakers aren't allowed to become bakers, the system won't work right. So people must be left reasonably *free*.



So we're back to:

**LAISSEZ-FAIRE!**



But now we understand why:

**PINS**  
100 FOR  
A PENNY



- To *get*, people have to *give*—they have to sell something others want.
- If someone tries to charge too much, others will horn in until the price drops.
- So everything sells for roughly the cost of the land, labor, and capital it took to make the item.

IN OTHER WORDS, ITS COST TO **SOCIETY**.

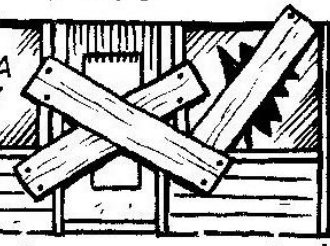
If people *don't* buy a product, it means the product's not worth the cost of the resources used to make it. The seller goes out of business, freeing up the land, labor, and capital he was wasting.

NO GREAT LOSS!



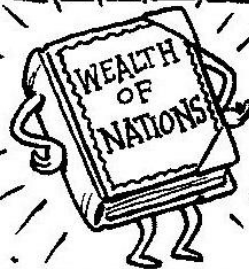
**LOVINGLY HANDCRAFTED PINS**

1 FOR A  
PENNY



SO IN SMITH'S ECONOMY, THE **MARKET ITSELF** FIGURED OUT WHAT PEOPLE WANTED, AND HOW TO GET IT TO THEM MOST EFFICIENTLY, EVEN THOUGH EVERYONE *IN* THE MARKET WAS JUST TRYING TO MAKE A LIVING.

SMITH'S IDEA THAT THE MARKET CAN PROVIDE **ORDER** WITHOUT ANYONE GIVING **ORDERS** HAS BEEN THE CORE OF ECONOMIC THOUGHT EVER SINCE.



BUT IT SOMETIMES SEEMS THAT PEOPLE SPEND MORE TIME **REVERING** ADAM SMITH THAN **READING** HIM. SMITH HAD **OTHER** THINGS TO SAY, THINGS THAT HAVE BEEN LARGELY FORGOTTEN. LET'S LOOK AT SOME OF THEM.





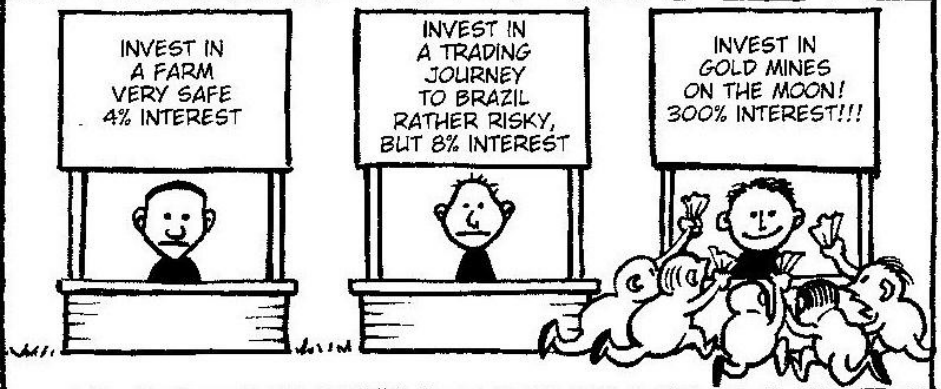
## THE LIMITS OF THE MARKET

Adam Smith was never dogmatic; he knew markets weren't perfect. Markets won't enforce laws, protect borders, or provide **public goods**, such as street cleaning, that everyone wants but nobody has much incentive to provide.



For that matter, Smith thought government should favor war-related industries so they would be around if war came, protect wage workers (because they had less bargaining power than employers), keep banks honest, issue patents, protect new industries until they were on their feet, cap the interest rate, control disease, establish education standards (so brain-dead **jobs** like the ones in the pin workshop didn't turn workers into brain-dead **people**), and even provide public amusements.

"Cap the interest rate" was a big one. Smith understood that if the reward gets too big, investors forget the **risk**.



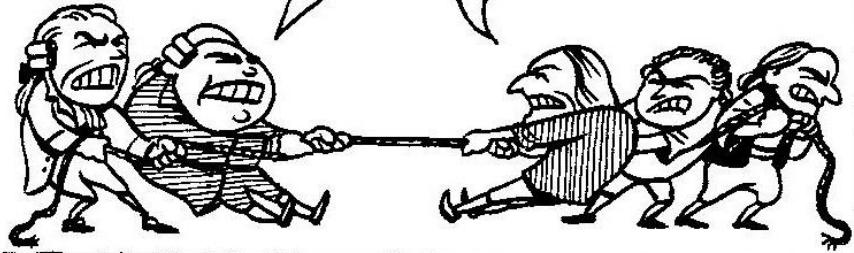
With the interest rate capped, Smith expected people to take reasonable risks but avoid wild gambles.



Smith didn't just think interest should be **low**; he thought the **same** about **profit**. Smith thought that **high** profits were **bad**, because you couldn't have high profits and high wages at the same time.

YOUR WAGES COME OUT OF OUR PROFIT!

YOUR PROFITS COME OUT OF OUR WAGES!



High wages weren't just in workers' interest; they were in **society's** interest, because almost everyone **in** society was a worker. That's still true today: If your income comes from the work you do, and not from rent or profit, **you're** a worker.



Which brings up a point so basic that it can be hard to see.

"NO SOCIETY CAN SURELY BE FLOURISHING AND HAPPY, OF WHICH THE FAR GREATER PART OF THE MEMBERS [THE WORKERS] ARE POOR AND MISERABLE."



So when capitalists followed their self-interest and paid low wages, that was **bad** for society.



Same if they raised prices: when prices rose, **real wages**—not the money itself, but what the money would buy—fell.

HIGH PRICES AND LOW WAGES ARE THE SAME DAMN THING!



That's one reason Smith liked free markets: in a free market, capitalists compete for workers, which raises wages.

They also compete for customers, which lowers prices.



But even back in Smith's day, *big* capitalists could *escape the market*.



Even worse: Big capitalists had enough political *power* to push for laws establishing *subsidies* and *protective tariffs* that guaranteed high profits.

Those laws were bad for society, but who understood that? Not the tired, uneducated worker. Or for that matter, the *government*, much of the time.

IN A WORD, *MERCANTILISM*.



WHAT'S GOOD FOR ME IS GOOD FOR *EVERYONE*!



SO ADAM SMITH DIDN'T EXACTLY THINK GOVERNMENT WAS DANGEROUS TO THE FREE MARKET. HE THOUGHT THE DANGER WAS BIG CAPITALISTS *TRICKING* GOVERNMENT INTO DOING THEM FAVORS.



# Chapter 4

## *Regulating and Debating Trade*



### Section 1. Protectionism

#### Vocabulary

**Agreement:** an arrangement, contract, etc., by which people agree about what is to be done; a trade agreement is an international agreement on conditions of trade in goods and services

**Customs:** duties or taxes imposed on imported and, less commonly, exported goods; The governmental agency authorized to collect these duties

**Domestic (adj.):** relating to a person's own country

**Duties:** taxes paid to the government, especially on things that you bring into a country

**Economies of scale:** factors that cause the average unit cost of producing something to fall as the volume of its output increases

**Embargo:** an official ban on trade or other commercial activity with a particular country

**Health and safety standards:** a standard is something established as a measure or model to which other similar things should conform; health and safety standards are usually protective requirements set by governments relating to the health and safety of consumers

**Incentive:** something that encourages a person to do something or to work harder

**Infant industry (pl. industries):** new industry in its early stages of development

**Most favoured nation:** a country that is given the highest level of advantages by another country in international trade, such as low taxes on imports

**Nontariff barriers:** a form of restrictive trade where barriers to trade are set up and take a form other than a tariff

**Profit:** a financial gain, especially the difference between the amount earned and the amount spent in buying, operating, or producing something

**Protectionism:** government actions and policies that restrict or restrain international trade, often done with the intent of protecting local businesses and jobs from foreign competition

**Subsidy (pl. subsidies):** money paid by a government to help an organization or industry reduce its costs; a form of financial aid or support extended to an economic sector

**Tariff:** a tax on goods coming into or leaving a country

**Taxation:** process by which the government collects money from people to use for government purposes; a tax is a financial charge or other levy imposed upon a taxpayer by a state

**Unemployment:** a situation where someone of working age is not able to get a job but would like to be in full time employment

## Additional vocabulary and notes

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

# Text 1: The Ways and Means of Protectionism



**Protectionism** refers to government intervention in trade markets to protect specific industries in its economy.

All governments attempt to restrict or support international trade or transfers of resources. This intervention can take the form of controlling the flow of trade and transfer of goods, controlling the transfer of capital flows, or controlling the movement of personnel and technology. Reasons for intervention vary but all are based on the notion that the governmental actions will promote the best interests of the nation.

One rationale promulgated for protecting industry is to reduce **unemployment** or even to ensure full employment. This argument holds that the substitution of imports for **domestic** products causes jobs to be lost at home and that protecting industries is necessary for a strong domestic employment base.

A second rationale is that of protecting **infant industries**, which is especially true in less-developed and developing countries. The infant-industry justification holds that newly established industries cannot compete effectively at first against established giants from industrialized nations. Consequently, the industry is protected (theoretically) until such time as it can grow to achieve **economies of scale** and operational efficiencies matching those of its major competitors.

A third rationale for protecting specific industries is that the industrialization objectives of a country justify the promotion of specific sectors of the economy in order to diversify the economic structure. Thus, protection and **incentive** are given to those industries that are expected to grow quickly and yield higher **profits**.

The cost of protectionism is that it may lead to higher prices for consumers for imported products and components. It may lead to retaliation by importing countries, which may reduce the home country's exports abroad and employment in local markets. Protectionism may also increase opportunity costs by allocating the resources of a country inappropriately and at the expense of other sectors.

The methods of government intervention in markets take several different forms. The primary and most direct method is through the application of **tariffs** to exports or imports. A less direct application is through the application of **nontariff barriers**.



## Tariffs

Tariffs or **duties** are a basic method of intervention and may be used either to protect industries by raising the price of imports, to bring import prices even with domestic prices, or to generate revenue as a means of **taxation**. Tariffs may be placed on goods leaving the country as export duties or on goods entering the country as import duties.

Tariffs have an advantage as a tool for government intervention in international markets because they can be varied and applied on a selective basis according to commodity or country of origins. Some countries that are treated separately are those who have **most-favored-nation** (MFN) status. These countries have entered into **agreements** under which all signatories are granted the same preferential tariff status.

## Nontariff barriers to merchandise trade

Nontariff barriers have become a controversial topic and are a matter of concern because they are not traditional methods of discouraging imports through the application of duties. Instead, they work to slow the flow of goods into a country by increasing the physical and administrative difficulties involved in importing.

Nontariff barriers can take a number of forms that provide effective restraints on trade, [such as] rigorous **customs** and country-entry procedures, excessively severe inspection and standards requirements, [for example on **health or safety standards**]. Another way is to require that foreign goods be tested for safety in a country's own laboratories and taking great amounts of time to certify that the goods are safe for domestic consumption.

The most widely used method of restricting quantity, volume, or value-based imports is the imposition of **quotas** upon imports into a country. A type of quota is an **embargo**, which prohibits all trade between countries.

Some countries also use **subsidies** to enhance the competitiveness of their exports in international markets. Some subsidized services, such as export promotion, are permissible according to trade conventions. Others, such as special tax incentives or government provisions of fundamental research, are being contested by trading nations as being against free trade.

## Government restriction of exports

In addition to controlling or taxing national imports, governments often have laws and regulations that limit certain types of exports generally or to specific countries. Governments apply these limits to maintain domestic supply and price levels of goods, to keep world prices high, or to meet national defense, political, or environmental goals. In the United States, under the Export Administration Act of 1979, U.S. export licenses can be limited because of foreign policy objectives, for the protection of the economy from a drain of limited or scarce resources, or for military use by the recipient nations.

From Dara Khambata and Riad Ajami, *International Business: Theory and Practice*, New York: Macmillan Publishing Co., 1992 [edited]

## Comprehension and Vocabulary Exercises

### A. Vocabulary. *Fill in the blanks with a word or phrase from the list on pages 66-67:*

1. Classic liberalism strongly opposed ..... in economic policy.
2. Government funding of public services comes mostly from ..... .
3. Only governments are allowed to set the level of ..... on imported goods.
4. Many countries seek to negotiate trade ..... with their trading partners.
5. The Japanese carmaking industry was still considered an ..... in the early 70s.
6. The primary purpose of business is to make ..... .
7. French agriculture is known to receive large ..... from the government as well as from the European Union.
8. The crisis increased ..... in the US by at least 5% in 2009.
9. Globalisation makes it harder for people to distinguish ..... from foreign products.
10. My boss relies exclusively on monetary ..... and rewards to encourage us to work harder.

### B. True or False?

1. Only a few governments adopt protectionist policies (T/F)
2. Many people claim that protectionism protects domestic jobs (T/F)
3. Protectionist policies are sometimes adopted only for specific economic sectors (T/F)
4. Tariffs are a source of revenue for states (T/F)
5. Governments exclusively try to reduce imports into their country (T/F)

### C. *Try to answer the following questions in your own words and avoid simply quoting from the text:*

1. What are the main reasons for governments to control international trade?
2. Explain what economies of scale are. Give examples
3. Why would infant industries benefit from protectionist policies?
4. Which barriers are the most effective: tariff or nontariff? Give examples
5. What are subsidies? Take a few examples. Why are they considered as an impediment to trade?

### D. Discussion and further research:

1. What is the WTO? Do background research on this organisation and discuss its role in world trade. Do you think its role should be expanded or reduced?
2. In many ways, the European Union began as a trade agreement between sovereign nations. Discuss the benefits and drawbacks of the European Union in this respect. Do you think the world should follow its example?

# Grammar: Countable and uncountable nouns

## A Countable nouns

A countable noun has a singular and a plural form.

The new model **is** a big improvement.

The new models **are** a big improvement.

We can use numbers: *one bank, four banks, one person, ten people.*

## B Uncountable nouns

An uncountable noun only has one form, and the verb is always singular.

The new **equipment is** a big improvement.

(NOT ~~The new equipments are~~)

We cannot use numbers.

Here are some examples:

- substances, materials
- water, rice, air, oil, money, steel, food, fire
- abstract ideas
- life, fun, freedom, progress, health, time, trouble, supply, demand, experience, power, influence, ownership, productivity
- activities
- work, travel, sleep, football, help, music, research, training, production
- human qualities/feelings
- honesty, patience, hope, respect, courage, love

Be careful! The following nouns are uncountable in English:

- accommodation, advice, baggage, behaviour, cash, equipment, expenditure, furniture, health, homework, information, knowledge, luggage, machinery, money, permission, scenery, traffic, travel, wealth, work

A few uncountable nouns end in -s: *athletics, diabetes, economics, gymnastics, news, politics.*

Uncountable nouns cannot be counted directly. However, we can count them using phrases like: *a piece of, a bit of, an item of, a glass of, a bottle of, a kilo of, etc.*

*two pieces of information      two items of news*

## C Singular or plural verb?

Some nouns can be followed by either a singular or a plural verb.

The company **is/are** doing very well.

Examples are:

- army, audience, board, committee, company, data, family, government, group, management, media, press, public, staff, team, union

Some nouns only have one form and only take a plural verb. Examples are:

- clothes, contents, earnings, expenses, feelings, goods, headquarters, means (of transport), police, premises, refreshments, remains, surroundings, trousers

## D a/an, a lot of, many/much, few/little

Study the table and the examples to see how different words are used before countable and uncountable nouns.

**a/an** – singular countable nouns only

We have **a** new **customer**.

**a lot of/lots of** – plural nouns and uncountable nouns

They have **a lot of** new **customers**.

I have **lots of** free **time**.

**many/few/a few** – plural nouns only

They don't have **many** new **customers**.

**A few customers** replied to our online questionnaire.

(positive: I'm pleased)

**Few/Not many customers** replied to our online questionnaire. (negative: I'm disappointed)

**much/little/a little** – uncountable nouns only

I don't have **much** free **time**.

**A little time** is still left. (positive: luckily)

**Little/Not much time** is left. (negative: unfortunately)

(NOT 'an information' – instead say 'some information')

(NOT ~~much/little/a little~~ customers/people, etc.)

(NOT ~~many/few/a few~~ time/information, etc.)

Note that the negative uses of *few* and *little* are rather formal. It is more common to say *not many/not much*.

## E Specific and general meanings

Some nouns can be either countable (with a specific meaning) or uncountable (with a general meaning).

The machine is making **a** strange **noise**.

**Noise** inside factories can be a problem.

This is **a** new **business**.

**Business** is going well at the moment.

There aren't **many spaces** in the car park.

There isn't **much space** in my office.

a coffee (a cup of coffee)      coffee (the substance)

a glass (for drinking)      glass (the material)

a paper (at a conference)      paper (the material)

## Exercises

### Sections A, B, C, D 30.1 Underline the correct words.

- 1 *Is/Are* there *many/much* traffic in Jeddah?
- 2 *Is/Are* there *many/much* traffic problems in Jeddah?
- 3 *How much/How many* information have we got about this company?
- 4 He gave me *an advice/some advice* which *was/were* really useful.
- 5 We bought some new *equipment/equipments* last month.
- 6 We bought some new *machine/machines* last month.
- 7 This is *an equipment/a piece of equipment* that controls the heating process.
- 8 They're a start-up company and they don't have *much/many* sales yet.
- 9 We don't have *much/many* time before we get serious cashflow problems.
- 10 We're making *a little/a few* progress, but not *many/much*.
- 11 We're making *a little/a few* sales, but not *many/much*.
- 12 We have *a lot of demand/many demands* for our services.

### Sections A, D 30.2 Complete the sentences with *a, an, some, much or many*.

- 1 That's a good idea.
- 2 Well, that's \_\_\_\_\_ progress, I suppose.
- 3 We do some business in Turkey, but not \_\_\_\_\_.
- 4 We have a few customers in Turkey, but not \_\_\_\_\_.
- 5 I'd like to make \_\_\_\_\_ inquiry about train times to Paris.
- 6 Can I have \_\_\_\_\_ information about trains to Paris?
- 7 I'll see you in an hour. I don't have \_\_\_\_\_ more emails to write.
- 8 I'll see you in an hour. I don't have \_\_\_\_\_ more work to do.
- 9 Do you have \_\_\_\_\_ trouble with the quality of your raw materials?
- 10 Do you have \_\_\_\_\_ difficulties with the quality of your raw materials?
- 11 I'm not going to claim \_\_\_\_\_ expenses for my trip, just a few.
- 12 We didn't study \_\_\_\_\_ macroeconomics at university, just a little.

### Section E 30.3 Look at the underlined noun in each sentence. Write S if it has a specific, countable meaning, or G if it has a general, uncountable meaning.

- 1 a) Do you see this material? This is unbreakable glass. ☐
- b) What a beautiful wine glass! Where did you get it? ☐
- 2 a) In this job, experience is more important than qualifications. ☐
- b) This is going to be an experience I'll remember for a long time. ☐
- 3 a) Claire runs a business designing websites. ☐
- b) It's not good for business when interest rates are too high. ☐
- 4 a) You should meet Mark – he's had a very interesting life. ☐
- b) Life is complicated sometimes. ☐



## Exercises

### Section B 30.4 Match each phrase 1–12 with the best continuation a–l.

- |               |                          |              |                          |                |                          |
|---------------|--------------------------|--------------|--------------------------|----------------|--------------------------|
| 1 A cup of    | <input type="checkbox"/> | 5 A pint of  | <input type="checkbox"/> | 9 A barrel of  | <input type="checkbox"/> |
| 2 A glass of  | <input type="checkbox"/> | 6 A litre of | <input type="checkbox"/> | 10 A packet of | <input type="checkbox"/> |
| 3 A bottle of | <input type="checkbox"/> | 7 A sheet of | <input type="checkbox"/> | 11 A tin of    | <input type="checkbox"/> |
| 4 A kilo of   | <input type="checkbox"/> | 8 A tonne of | <input type="checkbox"/> | 12 A slice of  | <input type="checkbox"/> |

- a) weight is quite easy to lose if you go on a diet.  
 b) wine is acceptable at a business lunch, but no more.  
 c) beer is the traditional drink in an English pub.  
 d) petrol will take a small car about 15 to 20 kilometres.  
 e) dried fruit is good to take on a walk in the countryside.  
 f) concrete is the same as 1000 kilograms of concrete.  
 g) whisky costs less at the airport.  
 h) wholemeal bread goes well with tomato soup.  
 i) oil cost as little as US\$35 in 2009.  
 j) coffee is a good way to start the day.  
 k) paper can sometimes get stuck in the photocopier.  
 l) paint should be stored with the lid put on tightly.

Note that phrases 1–12 give a way to count the uncountable nouns in a–l.

### Sections A, B, C, D 30.5 Underline the correct words in this dialogue.

- ANGELA: Jack, there <sup>1</sup>*is/are* <sup>2</sup>*an/some* important work that we need to do.  
 JACK: Really?  
 ANGELA: Yes. <sup>3</sup>*Some piece of/A piece of* empty land has come onto the market on the other side of town. And, as you know, we don't have <sup>4</sup>*many/much* space at our present site.  
 JACK: That's true.  
 ANGELA: Well, we think it's an ideal opportunity to expand. We're thinking about building completely new offices over there. We'd like you to do <sup>5</sup>*a/some* research on the whole thing and then write <sup>6</sup>*a/some* report on whether to go ahead or not. Are you interested?  
 JACK: Well, I don't have <sup>7</sup>*many/much* <sup>8</sup>*experience/experiences* of this kind of thing. And I have very <sup>9</sup>*little/few* spare time at the moment – I'm doing <sup>10</sup>*a/some* training and I have to read a lot of background material for it.  
 ANGELA: I know you're busy, but you're one of the few people we have with some <sup>11</sup>*knowledge/knowledges* of costing and evaluating large projects. We need to make <sup>12</sup>*a progress/progress* on this as quickly as possible.  
 JACK: OK, but there <sup>13</sup>*is/are* <sup>14</sup>*many/a lot of* <sup>15</sup>*information/informations* to collect. Will I get any help?  
 ANGELA: There are some people who we can reassign from other projects to help you for <sup>16</sup>*a little/a few* hours each week. It's not <sup>17</sup>*much/many* help, but it's something. Oh, I forgot to say – we'd also pay you more to take account of the extra <sup>18</sup>*work/works*.  
 JACK: Really? Well, yes, it does sound like an interesting challenge. I'll do it.



## Section 2: Negotiating World Trade

# WORLD TRADE ORGANIZATION



### Text 2.1: What is TTIP? The controversial trade deal proposal explained

*The EU claims it will create millions of jobs and bring down the cost of living – but others say it is a threat to public services such as the NHS*



If you are not yet familiar with the acronym TTIP it is likely you soon will be. The Transatlantic Trade and Investment Partnership is a proposed trade agreement and the subject of an ongoing series of negotiations between the EU and US aimed at creating the world's biggest free trade zone spanning the north Atlantic.

It would go far beyond all past free trade deals: the European commission reckons it could boost the size of the EU economy by €120bn (£85bn) – equal to 0.5% of GDP – and the US economy by €95bn – 0.4% of GDP.

It would create several million jobs dependent on exports, Brussels says, while consumers would enjoy cheaper products and services. The average European household of four would be around €500 a year better off as a result of wage increases and price reductions, according to the study commissioned from the Centre for Economic Policy Research in 2013.

The plan is to cut tariff barriers – levies imposed to control cross-border trade – to zero and other non-tariff barriers by 25-50%. The study insists this is a realistic prospect. The business sectors that would benefit most include industries based around metal products, processed food and chemicals, and especially the motor industry.

In the UK (and elsewhere), the main beneficiaries would be big businesses, as smaller firms are less likely to trade outside Britain. The UK could benefit to the tune of £10bn, which means the average household would be £400 a year better off.

The main aim of TTIP is to reduce regulatory barriers to trade, in areas ranging from food safety law to environmental rules and banking regulations. Opponents argue it will weaken important EU regulations. Food safety has become a major stumbling block in the negotiations as both sides prepare for the latest round – the 10th – which takes place from 13 to 17 July in Brussels.

The talks have been conducted largely in secret, but opposition to TTIP is growing on the ground. More than 2 million people in Europe have signed an online petition against the proposed deal. Campaigners have been outspoken about TTIP's potential dangers and have painted it as a threat to European democracy.

In Britain, MPs on the all-party business, innovations and skills committee have denounced the government's firm support for TTIP amid fears for the NHS and other public services. Concerns are mounting that TTIP could lead to more privatisation, with the prospect of US corporations providing vital UK public services such as transport, education, water and health.

Another major concern is whether standards will drop. For example, the EU prohibits cosmetics tested on animals but the US does not. Another question is what happens if EU countries want some protection, for instance Italy for its Parma ham, and the UK for its pork pies.

One of the most controversial elements of the trade proposal is the Investor State Dispute Settlement (ISDS) clause. ISDS clauses have been included in many trade deals since the 1980s, to encourage overseas investment in poorer countries. It means private investors can ask a tribunal of international arbitrators to judge if a government has treated them unfairly – and can get compensation.

Over the past decade some big, mainly American companies, such as tobacco conglomerate Philip Morris, have used ISDS to claim rights. The clause would in theory allow private investors to take legal action against governments for the loss of future profits due to decisions made by national parliaments. Critics say it could be used to attack the UK's NHS by making privatisations of specific services harder to reverse.

By Julia Kollewe, *The Guardian*, Friday 3 July 2015 [edited]

**Additional vocabulary:**

MP: Member of Parliament (in the UK).

NHS: National Health Service; in the UK, a system that provides free medical care and is paid for through taxes.

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## Questions for further discussion and debate:

1. What is TTIP (also called TAFTA? Name a few other major trade agreements (or agreement proposals) and explain their consequences
  2. What are TTIP opponents worried about (and fighting against)?
  3. In your opinion, would TTIP be a good thing after all?
-

## Text 2.2: A Brief History of the Fair Trade Movement

Fair Trade today is a truly global movement. Over a million small-scale producers and workers are organized in as many as 3,000 grassroots organisations and their umbrella structures in over 70 countries in the South. Their products are sold in thousands of World-shops or Fair Trade shops, supermarkets and many other sales points in the North and, increasingly, in sales outlets in the Southern hemisphere. The movement is engaged in debates with political decision-makers in the European institutions and international fora on making international trade fairer. On top of that, Fair Trade has made mainstream business more aware of its social and environmental responsibility. In short: Fair Trade is becoming more and more successful.



### Where did it all begin?

There are many stories about the history of Fair Trade. It all started in the United States, where Ten Thousand Villages (formerly Self Help Crafts) began buying needlework from Puerto Rico in 1946. The first formal “Fair Trade” shop which sold these and other items opened in 1958 in the USA.

The earliest traces of Fair Trade in Europe date from the late 1950s when Oxfam UK started to sell crafts made by Chinese refugees in Oxfam shops. In 1964, it created the first Fair Trade Organisation. Parallel initiatives were taking place in the Netherlands and in 1967 the importing organisation, Fair Trade Original, was established. At the same time, Dutch organisations began to sell cane sugar with the message “by buying cane sugar you give people in poor countries a place in the sun of prosperity”. These groups went on to sell handicrafts from the South, and in 1969 the first “Third World Shop” opened. World Shops, or Fair Trade shops as they are called in other parts in the world, have played (and still play) a crucial role in the Fair Trade movement. They constitute not only points of sales but are also very active in campaigning and awareness-raising.

During the 1960s and 1970s, Non-Governmental Organisations (NGOs) and socially motivated individuals in many countries in Asia, Africa and Latin America perceived the need for fair marketing organisations, which would provide advice, assistance and support to disadvantaged producers. Many such Southern Fair Trade Organisations were established, and links were made with the new organisations in the North. These relationships were based on partnership, dialogue, transparency and respect. The goal was greater equity in international trade.

## **Handmade crafts and food**

In the early days of fair trading, Fair Trade Organisations traded mostly with handicrafts producers, mainly because of their contacts with missionaries. Often, handmade crafts provide supplementary income to families. They are of crucial importance to households headed by women who have limited employment opportunities. Most Northern Fair Trade Organisations focused on buying these products and sold them through World Shops. The market reception of the handmade products in the World Shops was enormous. World Shops became popular for selling products from developing countries, and enjoyed upward sales turn over for many years.

In 1973, Fair Trade Original in the Netherlands, imported the first fairly traded coffee from cooperatives of small farmers in Guatemala. Now, more than 30 years later, Fair coffee has become a concept. Meanwhile, hundreds of thousands of coffee farmers have benefited from Fair Trade in coffee. After the success of coffee, many fair trading organisations expanded their food range and started selling commodity products like tea, cocoa, sugar, wine, fruit juices, nuts, rice and spices. Consumers welcomed these products like coffee.

## **Awareness raising, campaigning and advocacy**

The Fair Trade movement came to being to raise awareness on trade injustices and imbalances of power in the conventional trade structures, and to advocate changes in policies to favour equitable trade. Sale points of Fair Trade products became one of the effective methods of campaigning. It was the Fair Trade shops that started including producer stories in product packaging to raise awareness on Fair Trade. World / Fair Trade Shops mobilised consumers to participate in campaigning activities for more global justice.

During its history of over 60 years, Fair Trade has developed into a widespread movement. Thanks to the efforts of Fair Trade Organisations worldwide, Fair Trade has gained recognition among politicians and mainstream businesses. More successes are to be expected, as Fair Trade Organisations develop into stronger players and mainstream companies become more and more attuned to the demand for Fair Trade in the marketplace.

World Fair Trade Organisation Website / online article, 2004 [edited]  
url: <http://wfto.com/about-us/history-wfto/history-fair-trade>

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## **Questions for further discussion and debate:**

1. What does the word 'fair' mean in 'fair trade'? What are the goals of the fair trade movement?
  2. Do you believe in the efficiency of 'awareness raising' campaigns? Take a few examples and discuss them
  3. Should all trade be fair? Discuss pros and cons
-

# Appendices

## and additional material

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# Appendix I

## Debating in English



### A. Expressing agreement / disagreement

The simplest way to express agreement/disagreement is to say “I agree/disagree with you”, but there are many other ways to convey what you have to say and stand your ground in the course of a debate/discussion/argument/negotiation. Here are some of them, taken from a fine little book by Frank Hansberger and Christopher Smith, *Petit manuel pour négociateur en anglais*, Larousse, 2014.

## ~ DONNER UN AVIS ~

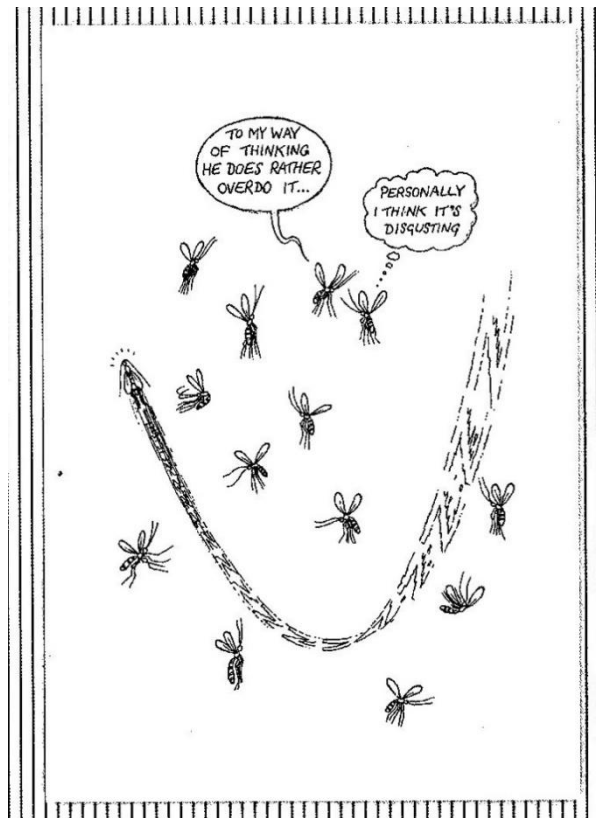
- **As I see it...**  
Selon moi,...
- **Personally...**  
Personnellement,...
- **To my mind...**
- **To my way of thinking...**  
À mon avis,...
- **From my standpoint...**  
De mon point de vue,...
- **As far as I'm concerned...**  
En ce qui me concerne,...



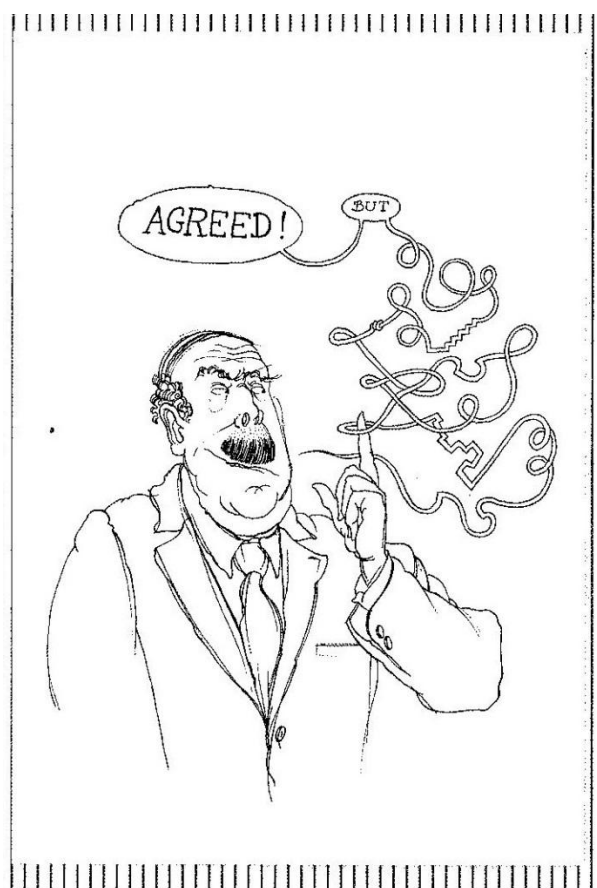
## ~ EXPRIMER SON ACCORD ~

Osez des formules un peu plus sophistiquées que I agree !

- **I tend to agree with you.**  
Je suis assez d'accord avec vous.



- **I agree in principle.**  
Je suis d'accord sur le principe.
- **I entirely agree.**  
*ou, dans un style plus soutenu...*
- **I couldn't agree with you more.**
- **I'm altogether in accord with what you say.**  
Je suis entièrement d'accord avec vous.
- **Those are my feelings exactly.**  
Je partage les mêmes sentiments.
- **You took the words right out of my mouth.**  
Vous m'avez ôté les mots de la bouche.
- **You hit the nail on the head.**  
Vous avez mis le doigt sur le problème.
- **We concur with that interpretation.**  
Nous sommes d'accord avec cette interprétation.
- **I share your view.**  
Je partage votre point de vue.
- **We see eye to eye on this.**  
Nous sommes tout à fait de cet avis.
- **Agreed, but...**  
D'accord, mais...



## EXPRIMER SON DÉSACCORD

- **I'm afraid I can't agree with you there.**  
Désolé, mais je ne peux pas être d'accord avec vous.
- **I beg to differ.**  
Je ne suis pas d'accord.
- **We don't see eye to eye.**  
Nos avis divergent.

## ERREURS ET MENSONGES

Sciemment ou non, votre voisin énonce des inexactitudes. Vous ne pouvez pas laisser passer :

- **That's a bit misleading.**  
Ce n'est pas tout à fait exact.
- **I'm sorry, but that's not quite right.**  
Je suis désolé, mais ce n'est pas tout à fait ça.
- **I'm afraid you're mistaken.**  
Désolé, mais vous vous trompez.

- **One small point of correction, please.**  
Je souhaite apporter une petite précision.
- **I hate to contradict you, but...**  
Je suis navré(e) de vous contredire, mais...
- **Wrong again!**  
Encore une fois, vous faites erreur !
- **That isn't so.**  
Il n'en est rien.
- **That is incorrect.**
- **That is a misstatement.**  
C'est inexact.
- **You are in error.**  
Vous faites erreur.
- **I can't let such an error pass unnoticed.**  
Je ne peux pas laisser passer une telle erreur.
- **The reality is quite otherwise.**  
Il en est tout autrement.
- **The reverse is the case.**  
C'est tout le contraire.
- **You've got your facts mixed up.**  
Vous vous êtes emmêlé les pinceaux.

- **If I may set the record straight...**  
Permettez-moi de rétablir les faits...

### **Oh ! Le vilain menteur !**

- **That can hardly be true.**  
Je doute fort que cela puisse être vrai.
- **That is a patent falsehood.**  
C'est clairement une contre-vérité.
- **That is a gross distortion of the truth.**  
Il s'agit là d'une déformation flagrante de la vérité.
- **Nothing could be farther from the truth.**  
Rien n'est moins vrai.
- **The truth is that...**  
La vérité, c'est que...
- **There is not a shred of evidence that...**  
Il n'est pas du tout prouvé que...
- **There is nothing to substantiate your claim that...**  
Rien ne vient à l'appui de votre affirmation selon laquelle...

- **That simply will not do.**  
Cela ne va pas du tout.
- **Nothing of the sort ever happened.**  
Il ne s'est rien passé de la sorte.
- **We never said any such thing.**  
Nous n'avons rien dit de la sorte.
- **No one will be taken in by that.**  
Vous ne tromperez personne en disant ça.
- **I can't sit back and let you say that.**  
Je ne peux pas vous laisser dire ça.
- **You would really have us believe that...?**  
Vous voulez vraiment nous faire croire que... ?
- **How dare you declare that...?**  
Comment osez-vous affirmer que... ?
- **I am astounded to hear you say that.**  
Je suis sidéré(e) d'une telle affirmation.

### **Vous êtes furieux(euse) ? Dites-le !**

- **Don't give me that!**  
N'essayez pas de me faire croire cela !
- **Now I've heard everything!**  
On aura tout entendu !
- **What do you take us for?**  
Non mais, vous nous prenez pour qui ?
- **Who do you think you're kidding?**
- **You have got to be kidding!**  
Non mais, vous plaisantez ?
- **Oh come on!**
- **Oh come off it!**  
Non mais, arrêtez !

Attention, images à manier avec précaution !

Vous êtes furax et en Amérique :

- **Are you shitting me?**  
Vous vous foutez de ma gueule ?

Vous êtes furax et en Angleterre :

- **Are you taking the piss?**  
Vous vous foutez de ma gueule ?



### N'importe quoi ! Foutaises !

Facile à placer dans toute discussion :

- **That's rubbish!**
- **That's nonsense!**
- **That's hogwash!**

Face à un interlocuteur américain ?

- **That's baloney!**

La vulgarité ne vous fait pas peur ?

- **That's bullshit!**

### FAIRE PREUVE DE SCEPTICISME

Vous êtes comme saint Thomas ? Voici quelques expressions pour montrer qu'on reste sceptique.

- **I'm a bit sceptical.**  
Je suis un peu sceptique.
- **I have my doubts about that.**  
J'ai des doutes (là-dessus).

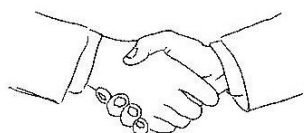
### LE CONSENSUS

Un accord a enfin été trouvé...

- **I gather we are all of the same mind.**  
Il me semble que nous sommes tous d'accord.
- **I believe I speak for us all when I say...**  
Je pense que j'exprime l'avis de tous en disant...
- **It seems to be the majority opinion that...**  
Une majorité semble penser que...
- **Clearly we have arrived at a consensus.**  
De toute évidence, nous sommes arrivés à un consensus.

Plus familièrement :

- **So everyone's in agreement, then.**  
Alors on est tous d'accord.



- **I have reservations about...**  
J'ai des réserves quant à...
- **That begs the question.**  
Cela soulève un doute.
- **I take that with a grain of salt.**  
Je ne prends pas ça pour argent comptant.

### Dire qu'on n'est pas convaincu

- **I'm still not convinced.**  
Je ne suis toujours pas convaincu(e).
- **I'm unmoved by what you say.**  
Ce que vous dites ne me convainc pas.
- **You're not bringing me around.**
- **You're not winning me over.**  
Je ne suis pas convaincu(e) par vos arguments.
- **I haven't budged in my opinion.**  
Mon point de vue n'a pas changé.
- **You haven't proved your point.**
- **You're not making your point stick.**  
Vos arguments sont insuffisants.
- **You haven't clinched the matter.**  
Vous n'avez pas réussi à nous convaincre.





# B. Organising thoughts and discourse

## LINK WORDS

### POUR COMMENCER

First, firstly, first of all, in the first place, first and foremost, to begin / start with  
My first impression is...

### POUR DEVELOPPER UN SUJET

Secondly, thirdly, then, next  
at first sight (*à première vue*)  
as a matter of fact, in fact (*en fait*)  
at all events, in any case (*en fait*)  
on second thoughts (*à la réflexion*)  
actually (*effectivement, vraiment / en fait*)  
anyway (*de toutes façons*)  
in most cases (*dans la plupart des cas*)  
in this respect (*à cet égard*)  
to some extent (*dans une certaine mesure*)  
as far as ... is concerned (*en ce qui concerne*)  
from a (*adjectif*) point of view (*d'un point de vue + adj.*)

### POUR EXPRIMER LE BUT

To, in order to, so as to + BV  
For + nom/ pronom + TO + BV

### POUR EXPRIMER LA CONDITION

if (*si*)  
in case (*au cas où*)  
suppose/ supposing (*à supposer que*)  
provided/providing (*pourvu que*)  
on condition that (*à condition que*)  
so long as / as long as (*à condition que*)

### POUR EXPRIMER L'OPPOSITION

whereas / while (*tandis que*)  
unlike (*à la différence de*)  
contrary to (*contrairement*)  
as against (*en opposition à*)  
on the one hand..., on the other hand... (*d'une part..., d'autre part*) \*  
conversely (*inversement*)  
on the contrary (*au contraire*)  
in contrast to (*en contraste avec*)  
or else (*ou alors*)  
otherwise (*autrement*)

### POUR EXPRIMER LA RESTRICTION

although / though (*bien que*)  
as though / as if (*comme si*)  
even though / even if (*même si*)  
no matter what (*peu importe ce que*)  
whatever (*quel que soit*)  
no matter how (*peu importe comment*)  
however + adj. (*si + adj. soit-il / elle*)  
unless (*à moins que*)  
whether ... or ... (*que ... ou que...*)  
yet / still (*pourtant*)  
however (*cependant*)  
nevertheless, nonetheless (*néanmoins*)  
for all..., despite ... (*malgré...*)  
in spite of (*en dépit de*)  
for all I know

### POUR DONNER DES EXEMPLES

for instance, for example, such as, like  
namely (*c'est-à-dire*)  
above all (*surtout*)

### POUR EXPRIMER LA CAUSE

as (*étant donné que*)  
because (*parce que*)  
for (*car*)  
since (*puisque*)  
This is the reason why (*C'est la raison pour laquelle*)  
because of (*à cause de*)  
owing to (*en raison de*)  
thanks to (*grâce à*)  
due to (*du fait de*)  
out of + nom (*par + nom*) Ex.: out of pity  
on account of (*étant donné*)

### POUR EXPRIMER LA CONSEQUENCE

so that (*de telle sorte que*)  
so...that (*si...que*)  
so much so that (*à tel point que*)  
that's why (*c'est pourquoi*)  
as a result of (*en conséquence de*)  
therefore (*c'est pourquoi*)  
accordingly (*en conséquence*)  
consequently (*par conséquent*)  
so, thus (*ainsi*)  
hence (*d'où*)

### POUR EXPRIMER LE TEMPS

eventually ( *finalement*)  
till / until (*jusqu'à ce que*)  
while (*pendant que*)  
as long as (*tant que*)  
whenever (*chaque fois que*)  
since (*depuis que*)  
once (*une fois que*)  
meanwhile (*pendant ce temps là*)  
in the meantime (*entre temps*)  
at times (*parfois*)

### POUR AJOUTER UN ELEMENT

in addition to (*outre*)  
besides (*d'ailleurs*)  
furthermore (*en outre*)  
moreover, what is more, on top of that (*de plus*)  
as well, also, too (*aussi*)  
similarly (*de même*)

### POUR CONCLURE

To conclude, in conclusion, as a conclusion, in brief, in short, to put it in a nutshell, at last, finally, last but not least

# Appendix II

## Supply and Demand Explained

From: Y. BAUMAN and G. KLEIN, *The Cartoon Introduction to Economics, Volume 1: Microeconomics*, 2010



**THE THEORY OF SUPPLY AND DEMAND SAYS THAT PRICES IN COMPETITIVE MARKETS ARE DETERMINED BY TWO CURVES:**

LINES ARE CURVES TOO!



**MARKET SUPPLY CURVE**

Quantity

Price

**MARKET DEMAND CURVE**

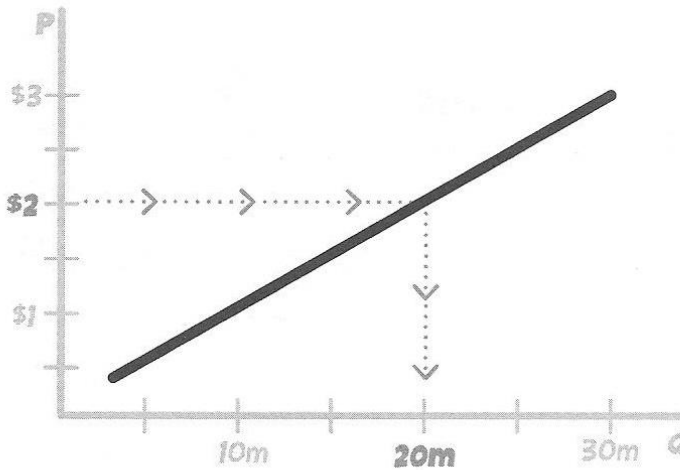
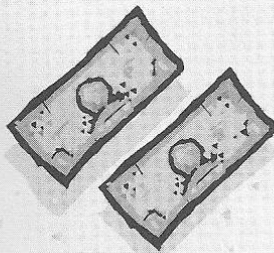
Quantity

LET'S USE THE MARKET FOR RED DELICIOUS APPLES AS AN EXAMPLE...



**A MARKET SUPPLY CURVE DESCRIBES HOW MANY APPLES SELLERS WOULD WANT TO SELL IF THE MARKET PRICE WERE \$2, OR \$3, OR ANY OTHER PRICE.**

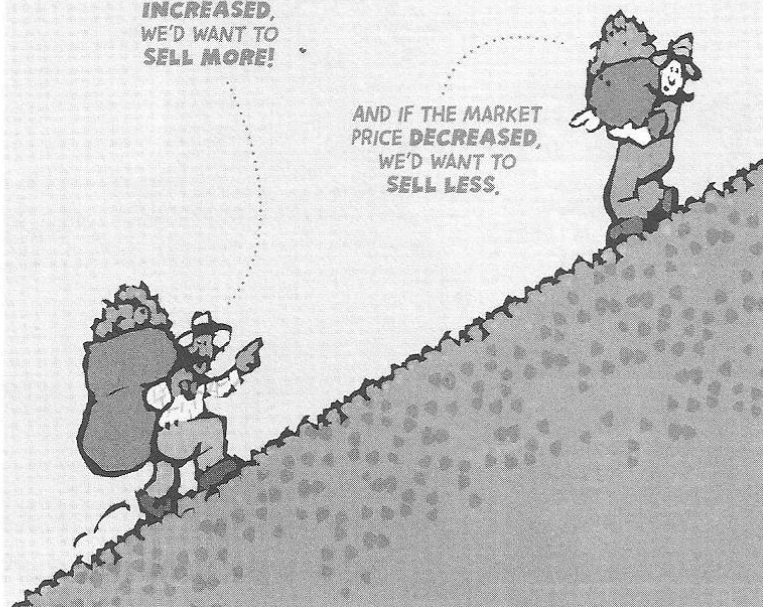
FOR EXAMPLE, IF THE PRICE OF APPLES WERE \$2 PER APPLE...



...SELLERS WOULD WANT TO SELL 20 MILLION APPLES PER DAY.

IF THE MARKET PRICE **INCREASED**, WE'D WANT TO **SELL MORE!**

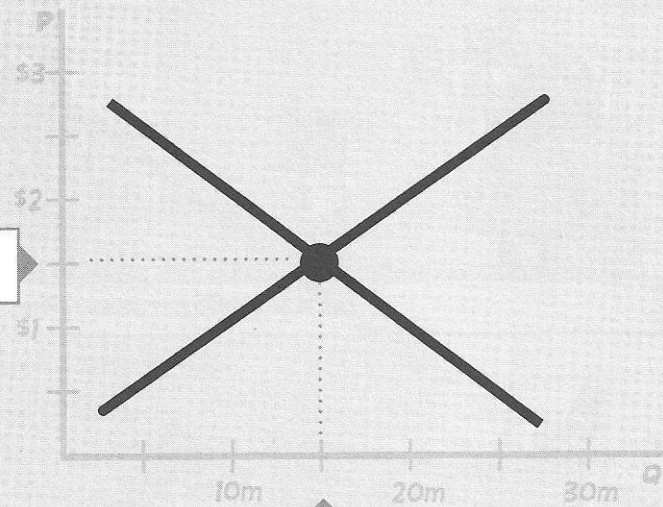
AND IF THE MARKET PRICE **DECREASED**, WE'D WANT TO **SELL LESS.**



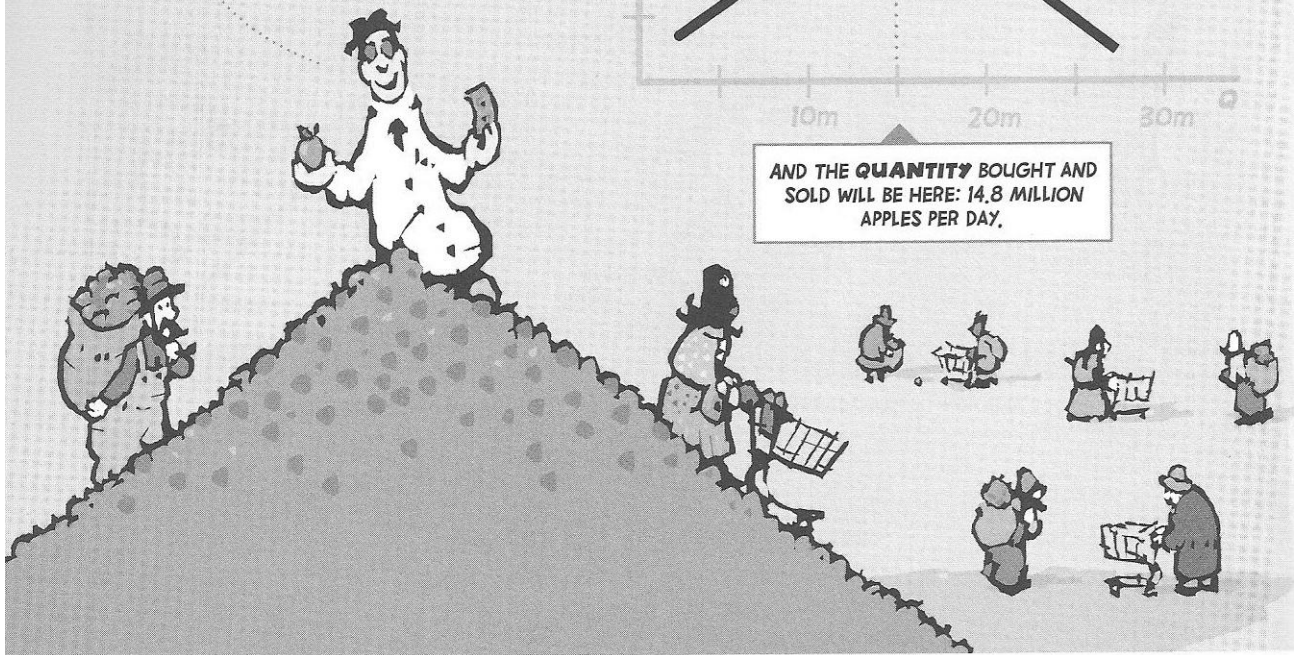
BY COMBINING THE MARKET SUPPLY AND MARKET DEMAND CURVES,  
WE CAN **PREDICT WHAT THE MARKET PRICE WILL BE.**

IT'S PRECISELY AT THE  
**INTERSECTION** OF THE  
TWO CURVES!

THE **MARKET PRICE** WILL BE  
HERE: \$1.52 PER APPLE.

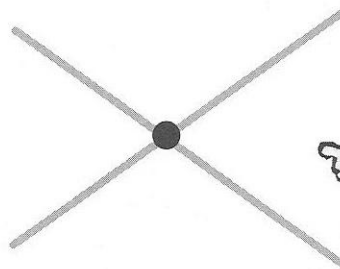


AND THE **QUANTITY** BOUGHT AND  
SOLD WILL BE HERE: 14.8 MILLION  
APPLES PER DAY.



**AARGH!**  
X MARKS  
THE SPOT!

**EXACTLY!**  
...AND WE  
CALL THAT SPOT  
**THE MARKET  
EQUILIBRIUM!**

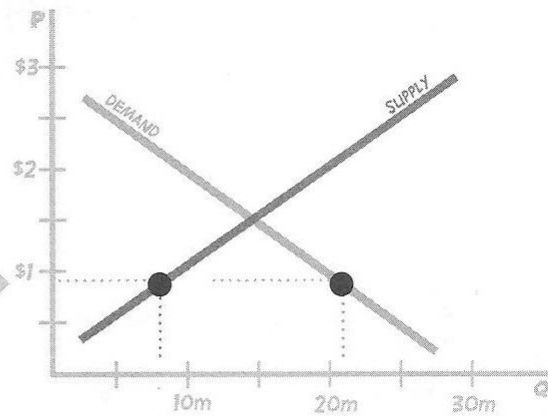




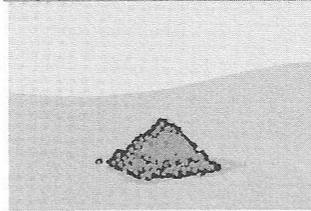
AT ANY MARKET PRICE **BELOW** THE EQUILIBRIUM, **INDIVIDUAL INCENTIVES WILL DRIVE THE PRICE UP!**



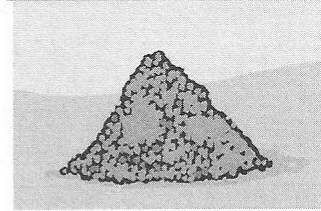
FOR EXAMPLE, IF THE MARKET PRICE WERE **DOWN HERE...**



... THEN SELLERS WOULD WANT TO **SELL THIS AMOUNT...**



... AND BUYERS WOULD WANT TO **BUY THIS AMOUNT.**



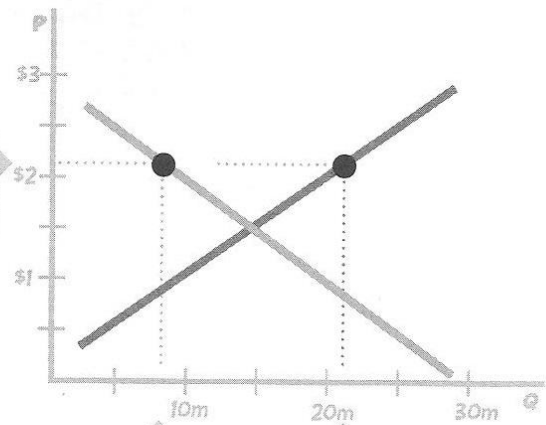
THIS **IMBALANCE** WOULD GIVE SELLERS AN INCENTIVE TO RAISE THEIR PRICES, AND GIVE SOME BUYERS AN INCENTIVE TO OFFER MORE MONEY.



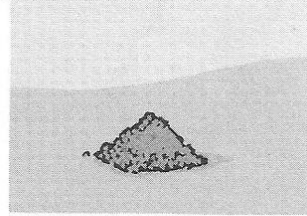


AT ANY MARKET PRICE **ABOVE** THE EQUILIBRIUM, **INDIVIDUAL INCENTIVES WILL DRIVE THE PRICE DOWN!**

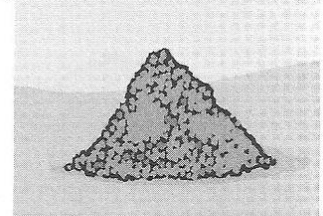
FOR EXAMPLE, IF THE MARKET PRICE WERE **UP HERE...**



... THEN BUYERS WOULD WANT TO **BUY THIS AMOUNT...**



... AND SELLERS WOULD WANT TO **SELL THIS AMOUNT.**



THIS **IMBALANCE** WOULD GIVE SELLERS AN INCENTIVE TO LOWER THEIR PRICES, AND GIVE BUYERS AN INCENTIVE TO BARGAIN.



ONLY AT THE **MARKET EQUILIBRIUM PRICE** IS THE AMOUNT THAT SELLERS WANT TO SELL EQUAL TO THE AMOUNT THAT BUYERS WANT TO BUY!

AS WE MOVE ON,  
REMEMBER THIS:

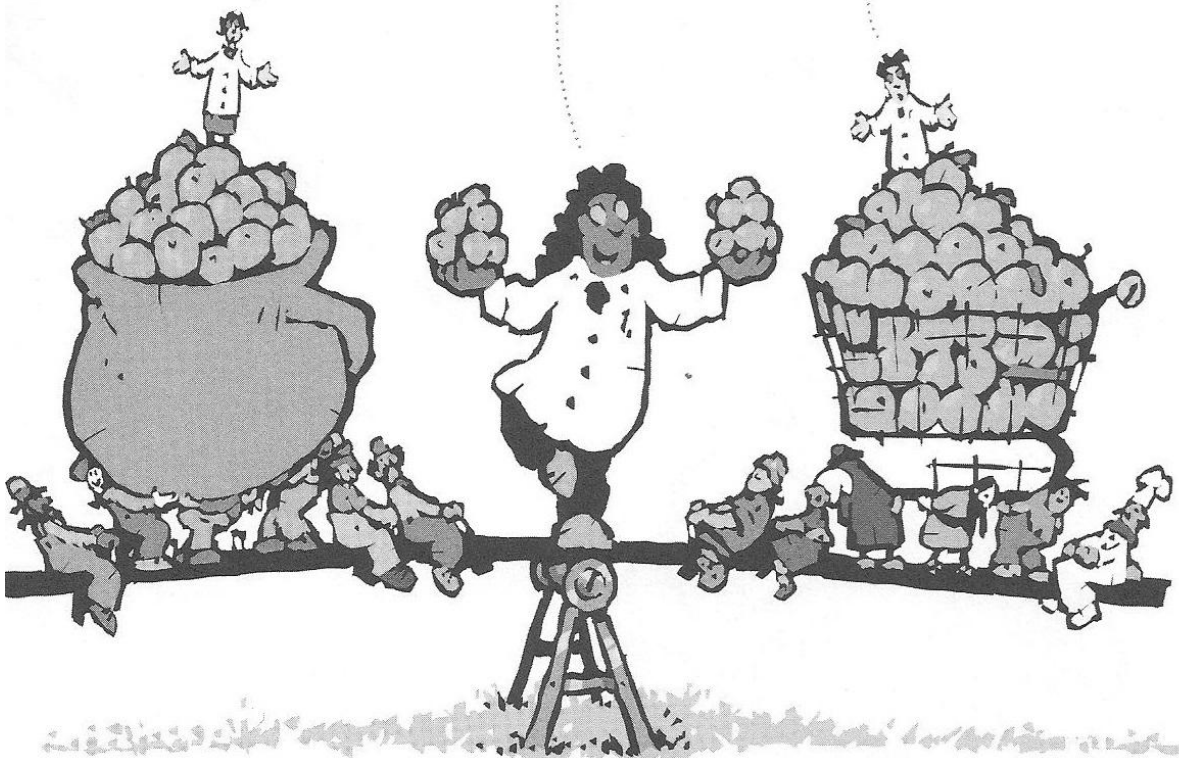


**SUPPLY AND DEMAND WORKS LIKE A  
SEESAW, WITH THE MARKET  
EQUILIBRIUM PRICE AS THE  
BALANCE POINT.**

THE AMOUNT THAT  
SELLERS WANT TO SELL  
AT THE MARKET  
EQUILIBRIUM  
PRICE...

...**ALWAYS  
EQUALS...**

...THE AMOUNT THAT  
BUYERS WANT TO BUY  
AT THE MARKET  
EQUILIBRIUM  
PRICE!



# Appendix III

## Améliorer son anglais en un rien de temps



### A. Hazardous substances / “Faux amis”

En raison de l’histoire de la langue, certains mots anglais ne veulent pas dire la même chose – parfois même l’inverse ! – que le mot français auquel ils ressemblent... Si vous ne comprenez toujours pas la distinction à la suite de la lecture de cette section, vérifiez bien les définitions respectives dans un dictionnaire bilingue ou mieux, unilingue anglais.

**NB : à la fin de la première année de licence, il n’est plus acceptable de faire ces confusions et nous vous conseillons de revoir/relire cette section aussi souvent que possible si vous êtes sujets à les commettre de manière répétée.**

- actual (= « réel ») <> present, qui lui traduit le français « actuel » : “*actual*” ne veut donc pas dire “actuel” du tout...)
- allowance <> allocation [les allocations qu’on reçoit de la sécurité sociale sont des “*allowances*” en anglais ; l’anglais “*allocation*” signifie attribution ou répartition]
- boss (= « le patron, le chef, le directeur ») <> patron (qui signifie parfois « client » ou même mécène : ‘patron of the arts’)
- business <> affairs [“faire des affaires avec quelqu’un” se dit “*to do business with someone*”; ‘*affairs*’ est réservé à d’autres cas, soit très formels (par exemple : « *Ministry of Foreign Affairs* ») soit avec une connotation érotique qui n’a rien à voir avec le business (« *having an affair* »)...
- commodity (= ‘good’, ‘merchandise’, et il n’est donc en rien synonyme du mot “commodité” qu’il faut traduire en général par le terme de “*convenience*”)

- **company <> society** [Microsoft n'est pas une "*society*" mais bien une « *company* » ou « *firm* », et plus précisément une "*corporation*"... Les entités économiques ne sont pas des 'societies']
- **competition and competitors (= "concurrence et concurrents" en français) <> concurrence** (= 'agreement', « accord » en français) [le verbe "*to concur*" signifie être d'accord avec quelqu'un, et non être en situation de rivalité – un concurrent en affaires se dit donc "*competitor*" en anglais, et jamais "*concurrent*", un adjective qui signifie tout autre chose. C'est une grosse faute de confondre les deux ! = on comprendra l'inverse de ce que vous voulez dire...]
- **economy <> economics (=science, singulier)** [un seul mot en français, mais deux en anglais, avec des sens disjoints... Un étudiant étudie « economics », la science dont l'objet est de comprendre « the economy »]
- **economic <> economical** (= 'economical' signifie exclusivement ce qui permet d'éviter une dépense = avantageux d'un point de vue comptable)
- **to earn <> to win (money)** [gagner à la loterie ou dans une compétition: "*win*", gagner de l'argent par son travail: "*earn*" ; ne confondez surtout pas les deux]
- **eventually (=finally) <> possibly** ["*eventually*" ne veut pas dire "éventuellement" mais "finalement", "à la fin"... Le mot français « éventuellement » peut en général être traduit par 'possibly']
- **environmentalist (= un militant écologiste, politiquement engagé dans la défense de l'environnement) <> ecologist** (qui est la plupart du temps un scientifique étudiant les écosystèmes !)
- **to fund <> to found <> to find** [trois verbes à ne pas confondre, qui veulent respectivement dire : "*financer*", "*fonder*", "*trouver*"]
- **hazard (= danger) <> luck, chance** (le mot "*hasard*" ne se traduit pas par 'hazard' !)
- **to lose (avec un seul 'o' = "perdre", c'est un verbe) <> loose** ("relâché", "délié", est un adjectif, qui est proche du verbe "*to loosen*" (avec deux 'o') = « relâcher, détendre »)
- **a product (« un produit ») BUT to produce (« produire »)** [en anglais on ne dit pas "*to product something*", mais bien "*to produce something*" – par ailleurs, le nom/substantif « produce » existe, mais il désigne surtout les produits de l'agriculture, des légumes par exemple]
- **profit <> benefit** [si une société fait des bénéfices en français, "*it makes profits*" en anglais ; 'benefit' signifie avantage en général, et d'autres choses également, mais ne traduit pas le mot anglais 'profit'...]
- **policy <> politics** [un seul mot en français, deux en anglais qu'on ne doit pas utiliser de manière interchangeable : « la politique économique du gouvernement » (= *policy*) <> « faire de la politique » ou « la politique » en général (= *politics*)]

- to raise <> to rise [l'un est transitif, l'autre pas...: "*you raise your hand*"; but "*the sun rises*"]
- to resume signifie "to continue after having been interrupted" [c'est-à-dire "recommencer", alors que le français "résumer" se dit en revanche en anglais : "*to sum up*", "*to summarize / synthesize*"]
- sensitive <> sensible (= reasonable) [L'anglais "*sensible*" renvoie au "*common sense*" et donc à la raison, pas à la sensibilité : "*sensible*" = "sense", pas "sensible"]
- setting <> fixing (prices) ["*to fix*" peut parfois avoir une connotation malhonnête (entente illicite par exemple) que "*fixer*" n'a pas en français. Il vaut mieux dire "*set the price*" pour traduire: décider de / fixer un prix de vente par exemple]
- to touch <> to receive (money) ['touch' est presque nécessairement physique en anglais, donc "toucher de l'argent" = "*to receive money*" et non "*to touch money*" ... Par ailleurs, être touché par quelque chose se dit : « to be affected »]
- traffic <> trafficking (in some contexts, check it up!)
- vacation <> vacancy ['vacation' sont les vacances qu'on prend, mais 'vacancy' signifie une 'vacance' (le terme existe aussi en français) mais cette fois au sens d'un emploi à pourvoir]
- voluntary <> benevolent (=kind, 'gentil', 'bienveillant') [un travailleur bénévole est donc un "*volunteer*", qui fait du "*voluntary work*" en anglais – "*benevolent*" (adj.) est quant à lui généralement traduisible par "bienveillant" en français]

## B. Common mistakes easily avoided



### Be extra careful and remain vigilant about the following mistakes:

L'expérience montre que les erreurs qui suivent sont les plus communes et les plus grosses que les étudiants commettent. A nouveau, il n'est PLUS ACCEPTABLE que des étudiants continuent à les faire à la fin de l'année de L1.



- He wantS / she claimS / it runS. (pleaaaaaaase...) [présent simple 3ème personne...]
- Who / which / that: en anglais le pronom relatif “who” est exclusivement employé pour des personnes humaines ou assimilées à des personnes humaines, et pas pour des choses, ni en général pour des sociétés ou des institutions (sauf exception et licence poétique). “The company which” est correct, pas “the company who”. De même pour les pronoms “he/she”, sauf des cas très particuliers et en général archaïques (chats, bateaux, nations dans certains cas). Les animaux sont un cas ambigu qui dépend des circonstances. En revanche, il est clair qu’une société (company) comme Apple ou Microsoft est référée à ‘it’, pas à ‘he’ ou ‘she’. PLEASE, please please, prenez en bonne note !
- Each/every X est toujours employé au singulier. “Everybody DOES” (not “do”).
- Contrairement à l’usage en français, les adjectifs sont toujours invariables et ne prennent pas la marque du pluriel. Par ailleurs, les adjectifs relatifs à la nationalité, l’ethnicité, la religion etc. commencent avec une majuscule en anglais, sauf exception. Exemples : ‘Western corporations’, ‘a Catholic priest’, ‘an African princess’... De même, les noms des jours et des mois prennent une majuscule en anglais : “Tuesday” not “tuesday”, “June” not “june”.

Les fautes qui précèdent sont les plus fréquentes, mais revoyez également les règles suivantes :

- Révissez bien les règles d’usage des articles définis et indéfinis, qui ne sont pas du tout les mêmes qu’en français. (a/an/the/ no article, see grammar chapter 3)
- Vérifiez bien quand vous apprenez un verbe quelle est la préposition correcte à employer. Souvent, ce n’est pas la même qu’en français ! Exemples: to depend **ON** something (alors que le français dit « dépendre de ») / to come **TO** a conclusion (« aboutir à une conclusion ») / to associate **WITH** / etc.
- En anglais, les noms communs indénombrables (uncountable) sont plus fréquents qu’en français et leur grammaire est très spécifique. Par exemple, « information » en anglais ne s’emploie pas au pluriel et on ne peut **JAMAIS** dire « two informations » ni « many informations » (see grammar chapter 4). C’est une source majeure d’erreurs pour les locuteurs du français qui veulent s’exprimer en anglais.
- Revoyez régulièrement vos verbes irréguliers ! (see appendix V)

### **More mistakes to be avoided / autres erreurs à éviter :**

- Ne confondez pas: 'their' / 'there' / 'they're'. (+you're/your, its / it's, etc.)
- Le pluriel de 'this' est 'these' / 'those'.
- N'employez JAMAIS 'according to me', mais plutôt 'In my opinion' or "To my mind" etc. quand vous voulez dire « à mon avis / selon moi »
- De nombreux locuteurs natifs de l'anglais (surtout américains) pensent aujourd'hui que le seul pluriel acceptable de 'a person' est 'people' et donc pensent que « persons » est une faute (sauf contextes particuliers, légaux, formels et philosophiques). Ils ont tort historiquement, mais c'est l'usage qui fait la langue donc à éviter (par exemple, évitez de dire « two persons » mais dites plutôt « two people »).
- "From my point of view" et "In my view" sont corrects (pas 'In my point of view').
- 'As far as I am concerned' suggère la plupart du temps que vous pensez différemment des autres (connotation à bien prendre en compte).
- 'Lots of' (plutôt informel) mais 'A lot of' (et JAMAIS 'lot of').
- 'Firstable' (corruption probable de 'first of all') n'est pas (encore) de l'anglais correct.
- Référence à une décennie particulière : 1990s, NOT 1990's.
- 'for to' n'est pas correct. Utilisez 'in order to' et d'autres manières acceptables d'indiquer le but. « For » est généralement suivi d'un nom (ou d'un gérondif substantivé), « to » est suivi d'un infinitif.
- "Liberal" veut souvent dire "progressiste"/ "de gauche" aux USA surtout. Quand vous voulez vous référer au libéralisme économique, prenez bien soin de préciser : economic liberalism (free market, etc.). Cette précision peut avoir son importance en contexte.
- Faites désormais attention au niveau de langue (poli/soutenu/relâché par exemple). Au lycée, cela avait peu d'importance, mais plus maintenant : l'anglais relevé ou formel n'est pas la même chose que l'anglais informel (informal, colloquial English) et encore moins l'argot (slang). Évitez « gonna » etc. Cela vous évitera des déconvenues ou des fautes professionnelles plus tard.

## Appendix IV

### Common irregular verbs

*Only a small percentage of English verbs do not follow the standard pattern for simple past and past participle forms (-ed); unfortunately, many of the most common verbs tend to be irregular. We strongly recommend that you study and review the following list on a regular basis. You should be aware that there are many more irregular verbs in the English language, but these are the most common.*

BE	WAS/WERE	BEEN	EAT	ATE	EATEN
BEAT	BEAT	BEATEN	FALL	FELL	FALLEN
BECOME	BECAME	BECOME	FEED	FED	FED
BEGIN	BEGAN	BEGUN	FEEL	FELT	FELT
BET	BET	BET	FIGHT	FOUGHT	FOUGHT
BITE	BIT	BITTEN	FIND	FOUND	FOUND
BLOW	BLEW	BLOWN	FLY	FLEW	FLOWN
BREAK	BROKE	BROKEN	FORGET	FORGOT	FORGOTTEN
BRING	BROUGHT	BROUGHT	FORGIVE	FORGAVE	FORGIVEN
BUILD	BUILT	BUILT	FREEZE	FROZE	FROZEN
BURN	BURNT/BURNED	BURNT/BURNED	GET	GOT	GOT
BUY	BOUGHT	BOUGHT	GIVE	GAVE	GIVEN
CATCH	CAUGHT	CAUGHT	GO	WENT	GONE
CHOOSE	CHOSE	CHOSEN	GROW	GREW	GROWN
COME	CAME	COME	HAVE	HAD	HAD
COST	COST	COST	HEAR	HEARD	HEARD
CUT	CUT	CUT	HIDE	HID	HIDDEN
DO	DID	DONE	HIT	HIT	HIT
DRAW	DREW	DRAWN	HOLD	HELD	HELD
DREAM	DREAMT/DREAMED	DREAMT/DREAMED	HURT	HURT	HURT
DRINK	DRANK	DRUNK	KEEP	KEPT	KEPT
DRIVE	DROVE	DRIVEN			

KNOW	KNEW	KNOWN
LAY	LAID	LAID
LEAD	LED	LED
LEARN	LEARNT/LEARNED	LEARNT/LEARNED
LEAVE	LEFT	LEFT
LEND	LENT	LENT
LET	LET	LET
LOSE	LOST	LOST
MAKE	MADE	MADE
MEAN	MEANT	MEANT
MEET	MET	MET
PAY	PAID	PAID
PUT	PUT	PUT
QUIT	QUIT	QUIT
READ /RI:D/	READ /RED/	READ /RED/
RIDE	RODE	RIDDEN
RING	RANG	RUNG
RISE	ROSE	RISEN
RUN	RAN	RUN
SAY	SAID	SAID
SEE	SAW	SEEN
SELL	SOLD	SOLD
SEND	SENT	SENT
SET	SET	SET
SHAKE	SHOOK	SHAKEN
SHOOT	SHOT	SHOT
SHOW	SHOWED	SHOWN
SHRINK	SHRANK	SHRUNK
SHUT	SHUT	SHUT

SING	SANG	SUNG
SINK	SANK	SUNK
SIT	SAT	SAT
SLEEP	SLEPT	SLEPT
SPEAK	SPOKE	SPOKEN
SPEND	SPENT	SPENT
SPILL	SPILT/SPILLED	SPILT/SPILLED
SPREAD	SPREAD	SPREAD
SPEED	SPED	SPED
STAND	STOOD	STOOD
STEAL	STOLE	STOLEN
STICK	STUCK	STUCK
STING	STUNG	STUNG
STINK	STANK	STUNK
SWEAR	SWORE	SWORN
SWEEP	SWEPT	SWEPT
SWIM	SWAM	SWUM
SWING	SWUNG	SWUNG
TAKE	TOOK	TAKEN
TEACH	TAUGHT	TAUGHT
TEAR	TORE	TORN
TELL	TOLD	TOLD
THINK	THOUGHT	THOUGHT
THROW	THREW	THROWN
UNDERSTAND	UNDERSTOOD	UNDERSTOOD
WEAR	WORE	WORN
WIN	WON	WON
WRITE	WROTE	WRITTEN

## Appendix V

### Required vocabulary for L1 S1

**NB:** Students are required to know the meaning of the following terms and phrases (91 in number) and they should be able to define and explain them satisfactorily by the end of the semester. These terms are part of the relevant technical vocabulary necessary to understand the content of the chapters in the syllabus. The following list consists of the words defined in section 1 of each chapter, to which students should refer for definitions.

ACCOUNT	ECONOMIES OF SCALE	NOTE
AGREEMENT	ECONOMIST	OPPORTUNITY COST
ASSET	ECONOMY	OUTPUT
ATM	EMBARGO	PER CAPITA
AVERAGE	EXCHANGE RATE	POLICY
BALANCE OF TRADE	EXPORT	PRICE
BANK	FACTORS OF PRODUCTION	PRODUCTIVITY
BARRIERS TO TRADE	FACTORY	PROFIT
BARTER	GDP	PROTECTIONISM
BENEFIT	GOOD	RATE OF INTEREST
CENTRAL BANK	GROWTH	RAW MATERIALS
CLAIM	HEALTH AND SAFETY STANDARDS	RESOURCE
COIN	IMPORT	RETAIL
COINAGE METALS	INCENTIVE	SAVING(S)
COMMODITY	INCOME	SCARCITY
COMPANY	INFANT INDUSTRY	SCHOOLING
COMPARATIVE ADVANTAGE	INFLATION	STANDARD OF LIVING
COMPETITIVE	INPUT	SUBSIDY
COMPETITION	INVESTMENT	SUBSISTENCE ECONOMY
COMPETITOR	LABOUR	SUPPLIER
CONSUMER	LEGAL TENDER	SUPPLY
CONSUMPTION	LIBERAL/LIBERALISM	TARIFF
CURRENCY	LIFE EXPECTANCY	TAXATION
CUSTOMER	LITERACY RATE	TRADE
CUSTOMS	LOAN	TRADE BARRIERS
DEMAND	MARKET	UNDERDEVELOPMENT
DEPOSIT	MONETARY POLICY	UNEMPLOYMENT
DOMESTIC	MONETARY SYSTEM	WAGE
ECONOMIC	MOST FAVOURED NATION	WANT
ECONOMICS	NONTARIFF BARRIERS	WEALTH



## Credits and acknowledgments

Teaching materials and excerpts from the following books (in alphabetical order):

Yoram BAUMAN and Grady KLEIN, *The Cartoon Introduction to Economics, Volume 1: Microeconomics*, New-York: Hill and Wang, 2010 [p.131-142]

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