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Introduction

English for Economics is designed for students who plan to take an economics course entirely or partly in English. The principal aim of *English for Economics* is to teach students to cope with input texts, i.e., listening and reading, in the discipline. However, students will be expected to produce output texts in speech and writing throughout the course.

The syllabus focuses on key vocabulary for the discipline and on words and phrases commonly used in academic English. It covers key facts and concepts from the discipline, thereby giving students a flying start for when they meet the same points again in their faculty work. It also focuses on the skills that will enable students to get the most out of lectures and written texts. Finally, it presents the skills required to take part in seminars and tutorials and to produce essay assignments.

English for Economics comprises:

- student Course Book including audio transcripts and wordlist
- the Teacher's Book, which provides detailed guidance on each lesson, full answer keys, audio transcripts and extra photocopiable resources
- audio CDs with lecture and seminar excerpts

English for Economics has 12 units, each of which is based on a different aspect of economics. Odd-numbered units are based on listening (lecture/seminar extracts). Even-numbered units are based on reading.

Each unit is divided into four lessons:

Lesson 1: vocabulary for the discipline; vocabulary skills such as word-building, use of affixes, use of synonyms for paraphrasing

Lesson 2: reading or listening text and skills development

Lesson 3: reading or listening skills extension. In addition, in later units, students are introduced to a writing assignment which is further developed in Lesson 4; in later listening units, students are introduced to a spoken language point (e.g., making an oral presentation at a seminar) which is further developed in Lesson 4

Lesson 4: a parallel listening or reading text to that presented in Lesson 2 which students have to use their new skills (Lesson 3) to decode; in addition, written or spoken work is further practised

The last two pages of each unit, *Vocabulary bank* and *Skills bank*, are a useful summary of the unit content.

Each unit provides between 4 and 6 hours of classroom activity with the possibility of a further 2–4 hours on the suggested extra activities. The course will be suitable, therefore, as the core component of a faculty-specific pre-sessional or foundation course of between 50 and 80 hours.

It is assumed that prior to using this book students will already have completed a general EAP (English for Academic Purposes) course such as *Skills in English* (Garnet Publishing, up to the end at least of Level 3), and will have achieved an IELTS level of at least 5.

For a list of other titles in this series, see www.garneteducation.com

Book map

Unit	Topics
1 Economics in the modern world <i>Listening - Speaking</i>	<ul style="list-style-type: none">• why economics is important• the role of economists• how economics shapes our lives
2 How economics is organized <i>Reading - Writing</i>	<ul style="list-style-type: none">• divisions of economics• economic stakeholders• macro and microeconomics
3 Market economies <i>Listening - Speaking</i>	<ul style="list-style-type: none">• market principles• concepts in markets• market equilibrium• marginally
4 Economics and technology <i>Reading - Writing</i>	<ul style="list-style-type: none">• technology and economic change• the use of computers in economics and finance
5 Economics, globalization and sustainability <i>Listening - Speaking</i>	<ul style="list-style-type: none">• the global economy• the role of foreign direct investment• emerging markets and comparative advantage• multinational corporations
6 Macroeconomics ... but microfinance! <i>Reading - Writing</i>	<ul style="list-style-type: none">• growth• microfinance• fair trade• case study in microfinance
7 Saving, spending ... borrowing and lending! <i>Listening - Speaking</i>	<ul style="list-style-type: none">• aggregate demand• expenditure• budget deficits
8 The economics of agriculture <i>Reading - Writing</i>	<ul style="list-style-type: none">• price elasticity of demand• buffer stocks• food security• commodity prices
9 The economics of health care <i>Listening - Speaking</i>	<ul style="list-style-type: none">• welfare economics• vertical equity• Pareto efficiency• health care indicators
10 The economics of sport <i>Reading - Writing</i>	<ul style="list-style-type: none">• doping• legacy effects• staging mega-events• investment in sport• derived demand• complementary products
11 Labour markets <i>Listening - Speaking</i>	<ul style="list-style-type: none">• trafficking• migration• demographic factors• labour market trends
12 Strategy, policy and economic change <i>Reading - Writing</i>	<ul style="list-style-type: none">• SMART framework• Corporate Social Responsibility (CSR)• economics and ecosystems

Vocabulary focus	Skills focus	Unit
<ul style="list-style-type: none"> words from general English with a special meaning in economics prefixes and suffixes 	<p>Listening</p> <ul style="list-style-type: none"> preparing for a lecture predicting lecture content from the introduction understanding lecture organization choosing an appropriate form of notes making lecture notes <p>Speaking</p> <ul style="list-style-type: none"> speaking from notes 	1
<ul style="list-style-type: none"> English-English dictionaries: headwords, definitions, parts of speech, phenomena, stress markers, countable/uncountable, transitive/intransitive 	<p>Reading</p> <ul style="list-style-type: none"> using research questions to focus on relevant information in a text using topic sentences to get an overview of the text <p>Writing</p> <ul style="list-style-type: none"> writing topic sentences summarizing a text 	2
<ul style="list-style-type: none"> stress patterns in multi-syllable words prefixes 	<p>Listening</p> <ul style="list-style-type: none"> preparing for a lecture predicting lecture content making lecture notes using different information sources <p>Speaking</p> <ul style="list-style-type: none"> reporting research findings formulating questions 	3
<ul style="list-style-type: none"> computer jargon abbreviations and acronyms discourse and stance markers verb and noun suffixes 	<p>Reading</p> <ul style="list-style-type: none"> identifying topic development within a paragraph using the internet effectively evaluating internet search results <p>Writing</p> <ul style="list-style-type: none"> reporting research findings 	4
<ul style="list-style-type: none"> word sets: synonyms, antonyms, etc. the language of trends common lecture language 	<p>Listening</p> <ul style="list-style-type: none"> understanding 'signpost language' in lectures using symbols and abbreviations in note-taking <p>Speaking</p> <ul style="list-style-type: none"> making effective contributions to a seminar 	5
<ul style="list-style-type: none"> synonyms, replacement subjects, etc., for sentence-level paraphrasing 	<p>Reading</p> <ul style="list-style-type: none"> locating key information in complex sentences <p>Writing</p> <ul style="list-style-type: none"> reporting findings from other sources: paraphrasing writing complex sentences 	6
<ul style="list-style-type: none"> compound nouns fixed phrases from economics fixed phrases from academic English common lecture language 	<p>Listening</p> <ul style="list-style-type: none"> understanding speaker emphasis <p>Speaking</p> <ul style="list-style-type: none"> asking for clarification responding to queries and requests for clarification 	7
<ul style="list-style-type: none"> synonyms nouns from verbs definitions common 'direction' verbs in essay titles (discuss, analyse, evaluate, etc.) 	<p>Reading</p> <ul style="list-style-type: none"> understanding dependent clauses with participles <p>Writing</p> <ul style="list-style-type: none"> paraphrasing expanding notes into complex sentences recognizing different essay types/structures: descriptive - analytical - comparison/evaluation - argument writing essay plans writing essays 	8
<ul style="list-style-type: none"> fixed phrases from economics fixed phrases from academic English 	<p>Listening</p> <ul style="list-style-type: none"> using the Cornell note-taking system recognizing digressions in lectures <p>Speaking</p> <ul style="list-style-type: none"> making effective contributions to a seminar referring to other people's ideas in a seminar 	9
<ul style="list-style-type: none"> 'neutral' and 'marked' words fixed phrases from economics fixed phrases from academic English 	<p>Reading</p> <ul style="list-style-type: none"> recognizing the writer's stance and level of confidence or tentativeness inferring implicit ideas <p>Writing</p> <ul style="list-style-type: none"> writing situation-problem-solution-evaluation essays using direct quotations compiling a bibliography/reference list 	10
<ul style="list-style-type: none"> word/phrases used to link ideas (moreover, as a result, etc.) stress patterns in noun phrases and compounds fixed phrases from academic English word/phrases related to labour market issues 	<p>Listening</p> <ul style="list-style-type: none"> recognizing the speaker's stance writing up notes in full <p>Speaking</p> <ul style="list-style-type: none"> building an argument in a seminar agreeing/disagreeing 	11
<ul style="list-style-type: none"> verbs used to introduce ideas from other sources (It comes/suggests/emphasizes that ...) linking word/phrases conveying contrast (however), result (consequently), reasons (due to), etc. words for quantities (a significant number) 	<p>Reading</p> <ul style="list-style-type: none"> understanding how ideas in a text are linked <p>Writing</p> <ul style="list-style-type: none"> deciding whether to use direct quotation or paraphrase incorporating quotations writing research reports writing effective introductions/conclusions 	12

1 ECONOMICS IN THE MODERN WORLD

1.1 Vocabulary

guessing words in context • prefixes and suffixes

A Read the sentences. The red words are probably familiar to you in general English. But can you think of a different meaning for each word in economics? Change the form if necessary (e.g., change an adjective into a noun).

- 1 She shows a lot of **interest** in her studies.
- 2 The land is divided up into equal **shares** for each child.
- 3 Many German financial institutions are not located in the **capital** city.
- 4 Most students want to decide their own careers and **future**.
- 5 The company issued a final **demand** for payment.
- 6 For many people, electricity is the most important public **utility**.
- 7 His clothes are so untidy – just left in a **bundle** on the floor.
- 8 The company has introduced a range of computer **security** measures.
- 9 Many students do not use the **index** at the back of their textbooks.
- 10 It takes a lot of practice to play an **instrument** well.

B Read part of an interview with Matthew Richards, a financial adviser to the University of Hadford. He is talking about his investment strategy for the university. Complete each sentence with one or more of the red words from Exercise A. Change the form if necessary.



I must use money carefully and build up the university's _____ position. So, I sometimes invest in _____ in well-known companies or in government _____. It is always important to gain a good rate of _____. However, I cannot invest the university's money in risky financial _____ that banks offer. For example, banks often put different types of debt together in what is called a _____. It is hard to believe, but trading in debts is very common in the financial world. I am considered to be a careful investor. I look at the metals _____, not just for gold. I watch the way prices have developed and then I choose investments in the _____ market, where I try to predict how the price of these metals will develop in the next few months or over a year. The _____ for these metals depends on many factors, such as the need for new materials or technology. Economists talk about maximizing people's happiness or _____. I must try to make the managers of the university happy!

C Study the words in box a.

- 1 What is the connection between all the words?
- 2 What is the base word in each case?
- 3 What do we call the extra letters?
- 4 What is the meaning of each prefix?
- 5 Can you think of another word with each prefix?

cooperate deregulate
interdependent irrational misjudge
overestimate reassess sub-prime
supervision unemployment

D Study the words in box b.

- 1 What is the connection between all the words?
- 2 What is the base word in each case?
- 3 What do we call the extra letters?
- 4 What effect do the extra letters have on the base word?
- 5 Can you think of another word with each suffix?

activity competitive
efficiency elasticity influential
investment practitioner
predictable quantitative
specialization

E Use words from this page to discuss the pictures on the opposite page.

Bloomberg

MARKETS | PORTFOLIO | NEWS

MARKETS | PORTFOLIO | NEWS

Symbol	Price	% Change
SPY	445.20	+0.1%
DIA	312.34	+0.1%
IWM	127.78	+0.1%
RUSP	2012.46	+0.1%
VTI	1274.02	+0.1%
QQQ	340.12	+0.1%
AMZN	1625.00	+0.1%
GOOGL	252.00	+0.1%
MSFT	219.00	+0.1%
FB	189.00	+0.1%
DIS	112.00	+0.1%
WMT	89.00	+0.1%
PG	69.00	+0.1%
KO	45.00	+0.1%
PEP	155.00	+0.1%
CVX	140.00	+0.1%
XOM	100.00	+0.1%
BP	48.00	+0.1%
MRK	110.00	+0.1%
ABBV	140.00	+0.1%
LLY	420.00	+0.1%
UNH	250.00	+0.1%
ORCL	80.00	+0.1%

Top 100 shares

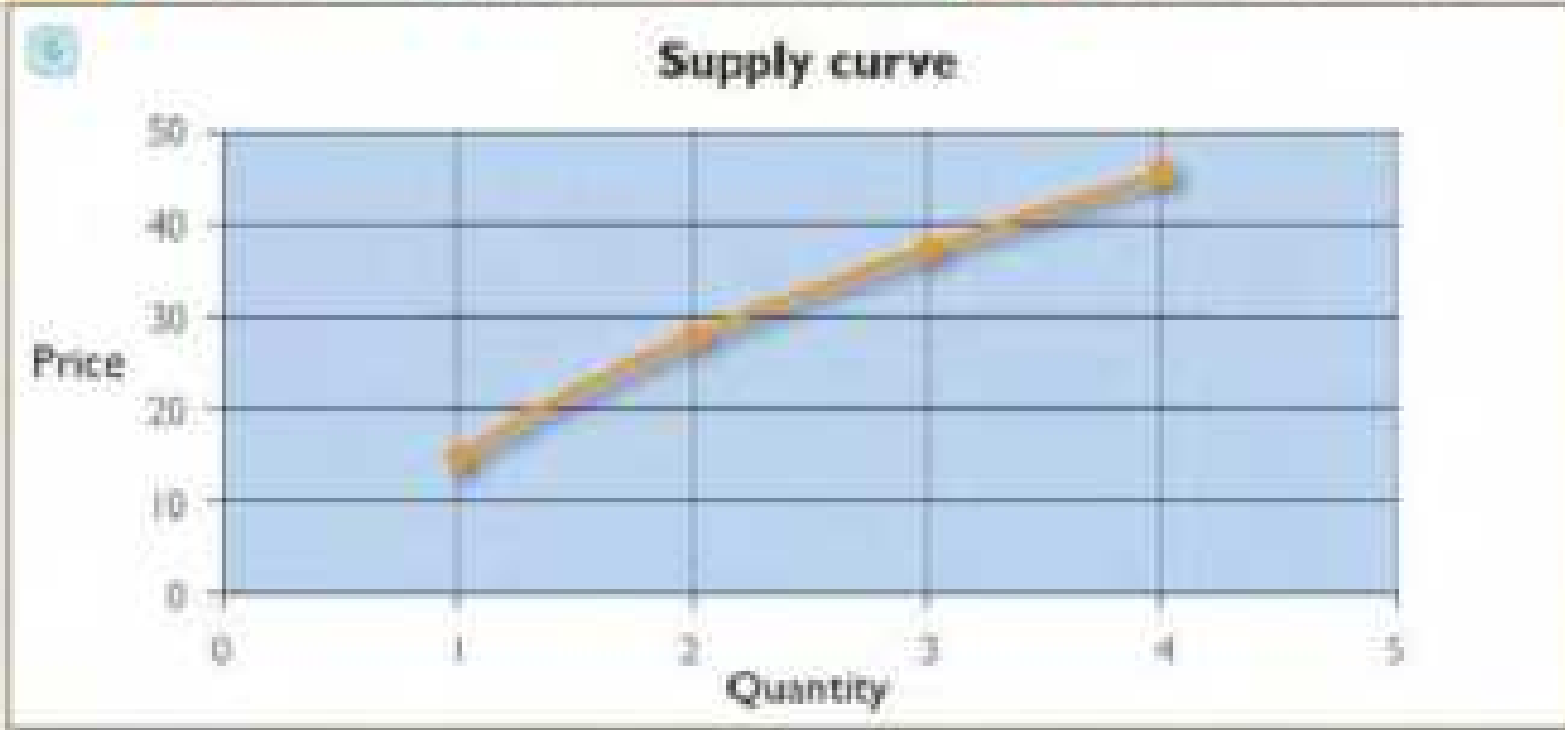
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MARKETS

BUY | SELL

Symbol	Price	% Change
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1.2 Listening

preparing for a lecture • predicting lecture content • making notes

- A** You are a student in the Economics Faculty of Hadford University. The title of your first lecture is *What is economics – and why is it important?*
- Write a definition of economics.
 - Why is economics important? Make some notes.
See Skills bank
- B** Listen to Part 1 of the talk. How does the lecturer describe the situation for economics in the modern world? Tick the best choice.
- Economists have adapted to global changes before. _____
 - People say that economists do not need to modify their thinking on global finance. _____
 - People feel that the world does not need economists. _____
- C** In Part 2, the lecturer talks about using a scientific approach.
- What does this mean in a subject such as economics?
 - Name some national and international aspects of economics which can be studied scientifically.
 - Listen and check your ideas.
 - What will the lecturer talk about next?
- D** In Part 3, the lecturer says that economists are often blamed for financial problems.
- What examples do you think the lecturer will mention?
 - The lecturer talks about *misjudgements, miscalculations and overestimations* made by economists. What reason does the lecturer give for these mistakes?
 - Listen and check your ideas.
 - Which example of financial activity is mentioned as causing particular problems in the USA?
- E** In the final part of the talk, the lecturer talks about possible study modules at university and future career opportunities for economists.
- What 'core' subjects should economics students study?
 - The lecturer differentiates between careers for economists in the private and public sectors. What are the differences?
 - Listen and decide which sector the careers below are likely to be in. Mark each word in the box PR for private, PU for public, or PU/PR for both.

HADFORD University
Economics Faculty:
branches of economics

1 

2 

3 

4 $AD = C + I + G + (X - M)$

accountant _____ corporate investment adviser _____ econometrician _____
 employment analyst _____ investment banker _____ specialist on taxation _____
 government health economist _____ research economist _____ retail banker _____ trade adviser _____

- F** Make a list of key study areas in economics. Use the pictures and information in the lecture. Discuss your ideas with a partner.
- G** Draw a tree diagram to illustrate career opportunities for economists. Use words from Exercises E and F in your diagram.
- H** Look back at your notes from Exercise A. Did you predict:
- the main ideas?
 - most of the special vocabulary?

1.3 Extending skills

lecture organization • choosing the best form of notes

A As a government economist, you can give advice on many issues. What (specifically) can an economist ...

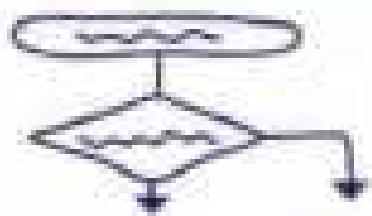

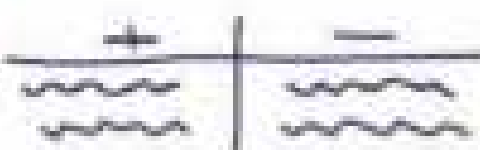


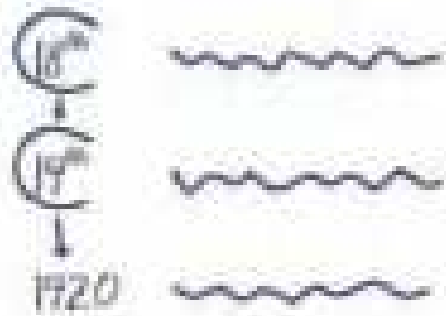

- | | | |
|--------------|----------|--------------|
| 1 encourage? | 4 issue? | 7 stabilize? |
| 2 exploit? | 5 print? | 8 regulate? |
| 3 impose? | 6 lower? | 9 monitor? |

B How can you organize information in a lecture? Match the beginnings and endings.

- | | |
|--|--------------------------|
| 1 question and <input type="checkbox"/> | a contrast |
| 2 problem and <input type="checkbox"/> | b definition |
| 3 classification and <input type="checkbox"/> | c disadvantages |
| 4 advantages and <input type="checkbox"/> | d effect |
| 5 comparison and <input type="checkbox"/> | e events |
| 6 cause and <input type="checkbox"/> | f supporting information |
| 7 sequence of <input type="checkbox"/> | g process |
| 8 stages of a <input type="checkbox"/> | h solution |
| 9 theories or opinions then <input type="checkbox"/> | i answer |

C How can you record information during a lecture? Match the illustrations with the words and phrases in the box.

tree diagram flowchart headings and notes spidergram table timeline two columns

1 	2 	3 
4 	5 	6 
7 		

D Match each type of information organization from Exercise B with a method of note-taking from Exercise C. You can use the same method more than once in your answers.

E Listen to five lecture introductions. Choose a possible way to take notes from each introduction.

Example:

You hear: *Today I'd like to talk about different types of financial trading. There are four ways to classify these activities.*

You choose: *tree diagram*

1.4 Extending skills

making notes • speaking from notes

A Study the pictures.

- 1 What do pictures 1–6 show? Use words from the box.
- 2 How do the illustrations show aspects of economic risk? Work in pairs.

curve commodities currency
taxation investment recession

B Cover the opposite page. Listen to the lecture introductions from Lesson 1.3 again. Make an outline on a separate sheet of paper for each introduction.

C Look at your outline for each lecture. What do you expect the lecturer to talk about in the lecture? In what order?

D Listen to the next part of each lecture. Complete your notes.

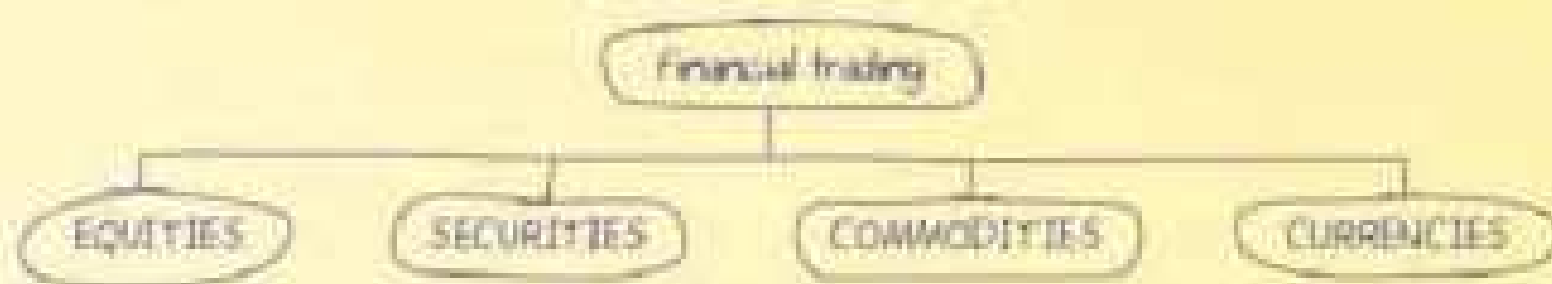
E Uncover the opposite page. Check your notes with the model notes. Are yours the same or different?

F Work in pairs.

- 1 Use the notes on the opposite page. Reconstruct one lecture.
- 2 Give the lecture to another pair.

3

Types of financial trading



3

Regulation of the banking industry

- identify problems in the system early
- identify poor debt to capital ratio and set safe levels
- monitor investment
- monitor loans for industry/business/ housing
- protect customers against monopoly
- reduce fraud and legal transactions, tax evasion
- reduce costs to customers
- already enough control
- debt to capital ratio must be flexible
- resort banks' investment activities
- delays in transactions would increase and add extra costs to banking
- enough protection measures in place
- most fraud not at banking and not through Internet
- increased paperwork would increase customers' costs

3

Government revenue



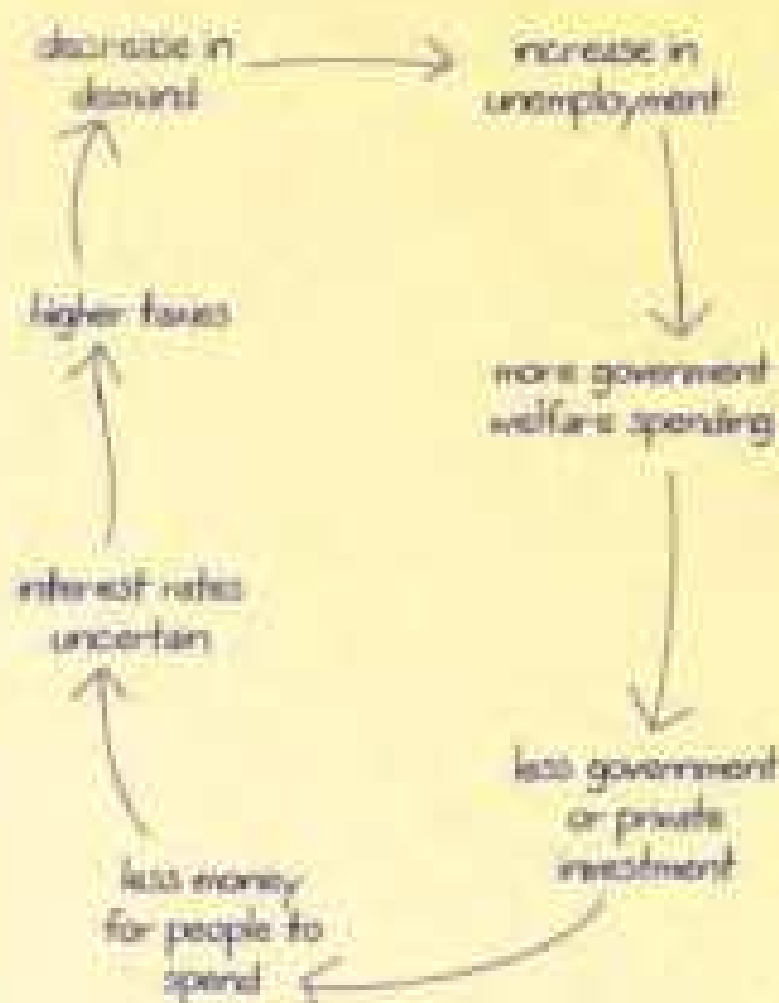
3

History of economic thought 1750-1850

- | | |
|-------|---|
| 1750s | <p>David HUME (1711-1776)</p> <ul style="list-style-type: none"> • philosopher • trade in commodities = wealth for many nations • concern about human impact, e.g. slave trade |
| 1776 | <p>Adam SMITH (1723-1790)</p> <ul style="list-style-type: none"> • first major economic study • very important analysis of trade, money supply, supply and demand, interest rates, international markets |
| 1815 | <p>David RICARDO (1772-1823)</p> <ul style="list-style-type: none"> • rich family; money made in government securities • believed in commodities to control money supply • idea of laissez-faire: free trade: no government interference |
| 1867 | <p>Karl MARX (1818-1883)</p> <ul style="list-style-type: none"> • struggle between "capital" and "labour" • working man can only sell his labour exploitation • minimum wages = maximum profits for capitalists |

3

Factors in an economic recession



Vocabulary bank

Guessing words in context

Using related words

Sometimes a word in general English has a special meaning in economics.

Examples:

ceiling, shares, index, utility

If you recognize a word but don't understand it in context, think:

What is the basic meaning of the word? Does that help me understand the special meaning?

Example:

Information in a textbook is found in an **index**, a list at the back of the book.

The stock-exchange **index** lists the prices of shares and commodities.

Removing prefixes

A **prefix** = letters at the start of a word.

A prefix changes the meaning of a word.

Examples:

overestimate – estimate something to be higher or greater than it really is

misjudge – judge incorrectly or wrongly

If you don't recognize a word, think:

Is there a prefix? Remove it. Do you recognize the word now?

What does that prefix mean? Add it to the meaning of the word.

Removing suffixes

A **suffix** = letters at the end of a word.

A suffix sometimes changes the part of speech of the word.

Examples:

predict → *predictable* = verb → adjective

efficient → *efficiency* = adjective → noun

A suffix sometimes changes the meaning in a predictable way.

Examples:

class + *ify* – make into (class, category)

end + *less* – without (end)

care + *ful* – careful (full of care)

If you don't recognize a word, think:

Is there a suffix? Remove it. Do you recognize the word now?

What does that suffix mean? Add it to the meaning of the word.

Skills bank

Making the most of lectures**Before a lecture ...****Plan**

- Find out the topic of the lecture.
- Research the topic.
- Check the pronunciation of names and key words in English.

Prepare

- Get to the lecture room early.
- Sit where you can see and hear well.
- Bring any equipment you may need.
- Write the date, topic and name of the lecturer at the top of a sheet of paper.

During a lecture ...**Predict**

- Listen carefully to the introduction. Think: *What kind of lecture is this?*
- Write an outline. Leave space for notes.
- Think of possible answers/solutions/effects, etc., while the lecturer is speaking.

Produce

- Write notes/copy from the board.
- Record sources – books/websites/names.
- At the end, ask the lecturer/other students for missing information.

Making perfect lecture notes

Choose the best way to record information from a lecture.

advantages and disadvantages	→	two-column table
cause and effect	→	spidergram
classification and definition	→	tree diagram/spidergram
comparison and contrast	→	table
problem and solution	→	headings and notes/two-column table
sequence of events	→	timeline/flowchart
stages of a process	→	flowchart
question and answer	→	headings and notes

Speaking from notes

Sometimes you have to give a short talk in a seminar on research you have done.

- Prepare the listeners with an introduction.
- Match the introduction to the type of information/notes.

2 HOW ECONOMICS IS ORGANIZED

2.1 Vocabulary

using an English-English dictionary

A How can an English-English dictionary help you understand and produce spoken and written English?

B Study the dictionary extract on the opposite page.

- 1 Why are the two words (top left and top right) important?
- 2 How many meanings does *leverage* have? What about *liable*?
- 3 Why does the word *liquid* appear twice in bold?
- 4 What do we call someone who lends money or other things?
- 5 Where is the stress on *liable*? What about *liability*?
- 6 What is the pronunciation of *q* in each bold word in this extract?
- 7 What is the pronunciation of *g* in each bold word in this extract?
- 8 What part of speech is *liable*?
- 9 Which is correct? *The company used a lot of leverage/leverages to complete the agreement.* Explain your answer.
- 10 Can we write: *The liable company must repay the costs to the bank.* Why (not)?

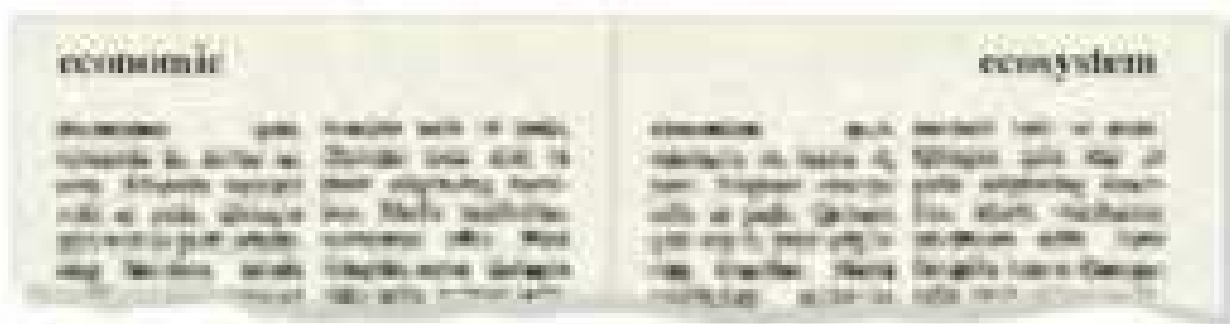
C Look at the bold words in the dictionary extract on the opposite page.

- 1 What order are they in?
- 2 Write the words in the blue box in the same order.

equation inflation benefit capitalism
 share welfare issue produce
 prediction economist consumer growth
 subsidy insurance intervene enterprise

D Look at the top of this double page from an English-English dictionary.

- 1 Which word from the blue box will appear on these pages?
- 2 Think of words before and after some of the other words in the blue box.



E Look up the red words in the blue box.

- 1 How many meanings can you find for each word?
- 2 What word(s) can be nouns or verbs?
- 3 How are the words used in economics?

F Look up the green words in the blue box.

- 1 Where is the stress in each word?
- 2 What is the sound of the underlined letter(s) in each word?
- 3 How are the words used in economics?

G Test each other on the words from Exercises E and F. Give the dictionary definition of one of the words. Can your partner guess which word you are defining?

H Discuss the table on the opposite page using words from this lesson. Try to give accurate information about these economic statistics.

lend

lend /lend/ v [T] 1. to give a person something for a short time, expecting to receive it back
2. to provide money for a certain period, expecting the person or institution to repay it. *The ABC bank lends a lot of money to small businesses.*

lender /'lenda(r)/ n [C] the institution or person that lends money or other things

lending rate /'lendiŋ reɪt/ n [C] the agreement to lend/borrow money at certain rates of interest, often between banks. *The inter-bank lending rate stands at 1.5% at the moment.*

lever¹ /'li:və(r)/ n [C] 1. a handle to operate a machine 2. an action used to put pressure on somebody to do something

lever² /'li:və(r)/ v [T] to use a lever to move something; to try to persuade someone

leverage /'li:vərɪdʒ/ n [U] 1. the power someone uses to influence, persuade or convince others. *The company used considerable leverage to obtain planning permission for the new factory.* 2. the money or assets which a company obtains to buy another company, expecting to repay from profits. *XYZ company did not have sufficient leverage to buy ABC company and so the deal collapsed.*

liquidity

liability /lɪə'bɪlətɪ/ n [C] [+ for] the legal responsibility that a person or institution has. *The L&G bank accepts liability for its customers' losses.*

liable /'lɪə'bəl/ adj 1. [NOT before a noun] (+ for) to have a legal responsibility for something. *The group is liable for inaction on the profits from its foreign companies.*

2. (+ to) typical behaviour or when something is likely to happen. *The economy is liable to sudden movements in times of financial uncertainty.*

liquid¹ /'lɪkwɪd/ n [C] a substance such as water which flows

liquid² /'lɪkwɪd/ adj 1. in the form of a liquid. *Liquid hydrogen is less dangerous than hydrogen gas.* 2. to have money or assets which are easy to sell or move. *The capital markets seem less liquid now than a year ago.*

liquid assets /'lɪkwɪd 'æzəts/ n [C usually plural] money or other assets which a company has that can be invested, moved or sold easily.

liquidity /'lɪkwɪdətɪ/ n [U] a situation where a country, company or bank can use or move its assets easily, perhaps to repay loans. *Many citizens sent money out of the country which caused a serious national liquidity crisis.*

World economic indicators (year-on-year as % variation)

	Economic growth		Projections	
	Two years ago	Last year	This year	Next year
Commodity prices				
Oil	+10.7	+36.4	- 45.4	+20.2
Non-fuel	+14.1	+7.5	- 27.9	+4.4
Consumer prices				
Advanced economies	+2.2	+3.4	- 0.2	+0.3
Emerging and developing economies	+6.4	+9.3	+5.7	+4.7
World trade volume (goods and services)				
Exports				
Advanced economies	+6.1	+1.8	- 13.5	+0.5
Emerging and developing economies	+9.5	+6.0	- 5.4	+1.2

Source: Table compiled from data in International Monetary Fund (2009), *World Economic Outlook April 2009 Crisis and Recovery*. Retrieved from: www.imf.org/external/pubs/ft/weo/2009/01

2.2 Reading

using research questions

A What factors do you consider when you make a financial decision?

B Look at the photographs on this page.

- 1 Who are important consumers in the family?
- 2 Who is this person and what are his responsibilities?
- 3 What type of person is good at these jobs?
- 4 Why are food products important internationally?

C You are going to read a text. What should you do before you read a text in detail? *See Skills bank*

D This text is about the organization of economics.

- 1 Think of some research questions before you read.
- 2 Compare your questions with those in the Hadford University assignment on this page.

E Study these topic sentences from the text and answer the questions below.

Economics is considered by many people to be organized in a scientific way.

However, opponents say these reasons are not enough to support the scientific status of economics.

Different economic systems have developed over time.

Economics has an accepted structure with a number of branches or divisions.

However, both macroeconomics and microeconomics can examine the same problem or issue at a different level.

A further division seems to be between theory and practice.

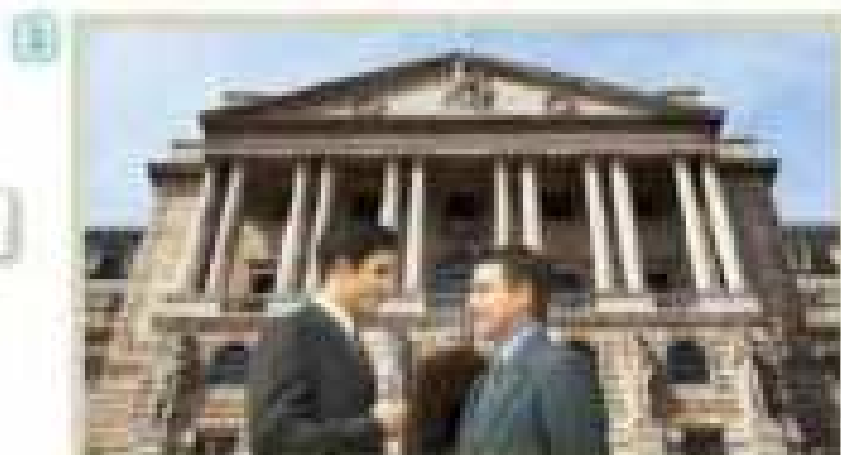
Finally, the division between national and global economics seems to be important.

In conclusion, it is sometimes difficult to draw dividing lines in economics.

- 1 What is the topic of debate in economics?
- 2 Where do you expect to find the answer to each question in the Hadford University assignment? Write 1, 2 or 3 next to the topic sentence.
- 3 What do you expect to find in the other paragraphs?

F Read the text on the opposite page and check your ideas.

See Skills bank



Faculty: Economics

Assignment

Do some research into the structure and organization of economics.

Make notes to answer these questions:

- 1 Can economics be called a science?
- 2 Is it easy to identify different divisions or branches in economics?
- 3 Why do economists say we should think and act globally?

The organization of economics



Economics is considered by many people to be organized in a scientific way. There are several reasons for this idea. Firstly, people point out that economists use a lot

of economic theories. These are based on observation of the ways money, goods, services and people interact. Secondly, there are economic models or equations to explain or predict economic behaviour. For example, it is important to analyze how consumers think and behave. It is also essential to understand the financial markets. In addition, statistics and data are very important for economists. They have developed the special area of econometrics to focus on analysis of economic patterns or developments.

However, opponents say these reasons are not enough to demonstrate the scientific status of economics. In chemistry, physics or biology, it is possible to prove results and outcomes empirically, using experiments. In economics, it is much more difficult. Economics refers to human needs. This is an important idea in economics and relates to a person being satisfied! It is called utility. Human needs can be for goods, such as a new computer game or a new bicycle. They could also be for services – a visit to the sports centre or a meal in a restaurant. A successful economy organizes a system to benefit the majority of the citizens. This is known as economic welfare.

Different economic systems have developed over time. A centralized system, such as communism, decides which goods and services the citizens need. There is little choice and no competitors for the government's goods and services. This system has declined in importance since 1989. Capitalism is the most important world economic system nowadays. A central idea in capitalism is liquidity. This means capitalism uses liquid assets, including money, but also investment and labour, to make profits. However, capitalism must consider human needs and behaviour. Economics cannot always predict the way people will think or act. This makes economics less scientific.

Economics has an accepted structure with a number of branches or divisions. In fact, economists generally agree that there is a division into 'micro' economics and 'macro' economics. Macroeconomics considers the bigger aspects of growth. It examines government or international policies on trade or employment, inflation and the money markets. Microeconomics looks at the decisions that individuals or families make about consumption or saving. It also examines how companies establish prices for their products or how a special area of the labour market works in practice.

However, both macroeconomics and microeconomics can examine the same problem or issue at a different level. For example, the government might have a health policy based on insurance – a macroeconomic policy – but want to increase workers' insurance payments – a microeconomic application. This will have an effect on individuals and on companies.

A further division seems to be between theory and practice. Economists talk about theoretical and applied economics but again, the division is not simple. For example, a government announces a change in taxation policy for macroeconomic reasons. However, the collection of the tax from the people is an application of the theory at the microeconomic level.

Finally, the division between national and global economics seems to be important. However, there are connections here, too. For example, a country might pay subsidies to farmers to produce certain crops and support national agriculture. But this will have an effect on the world market price, perhaps with serious consequences for the developing world.

In conclusion, it is sometimes difficult to draw dividing lines in economics. Economists do not always agree about the structure. However, global relationships mean that countries are no longer economically isolated. This is the new economic reality.

2.3 Extending skills

topic sentences • summarizing

A Study the words in box a. They are all from the text in Lesson 2.2.

- 1 Look back at the text on page 17. Find the words which go together with the words in the box.
- 2 Are the words in the box used as nouns or verbs?
- 3 What is the meaning of each phrase? Look at the context and check with your dictionary if necessary.

predict focus pattern
demonstrate benefit
welfare practice produce

B Study the words in box b. They are all from the text in Lesson 2.2.

- 1 What is the base word in each case? What part of speech is the base word?
- 2 Does the prefix/suffix change the part of speech?
- 3 How does the prefix/suffix change the meaning of the base word?

interact development
empirically centralize
competitors employment
consumption application
reality

C Look back at the topic sentences from the text in Lesson 2.2 (Exercise E, page 16). Don't look at the text on page 17. What information comes after each topic sentence? Suggest possible content.

Example:

Economics is considered by many people to be organized in a scientific way.
Reasons why people think economics is a science.

D Write a summary of the text on page 17. Paraphrase the topic sentences. Add extra information and examples. *See Skills bank*

2.4 Extending skills

using research questions • writing topic sentences • summarizing

A Discuss these questions.

- 1 What divisions in economics are presented in the text on page 17?
- 2 Why is it difficult to differentiate between these divisions?

B The lecturer has asked you to research *different economic stakeholders*.

- 1 What do you understand by the term *stakeholder*?
- 2 Think of good research questions before you read the text on the opposite page.
- 3 Look quickly at the text on the opposite page. What is the best way to record information while you are reading?

C Study the text on the opposite page.

- 1 **Highlight** the topic sentences.
- 2 Read each topic sentence. What will you find in the rest of the paragraph?
- 3 Which paragraph(s) will probably answer each research question? Read those paragraphs and make notes.
- 4 Have you got all the information you need? If not, read other paragraphs.

D Use the Internet to find out more about economic stakeholders, e.g., look at *The Economist* online at www.economist.com or the Open University pages on *Money and Management* at www.open2.net.

- 1 Make notes about important economic stakeholders.
- 2 Write a series of topic sentences which summarize your research.
- 3 Report back to the other students. Read out each topic sentence then add extra details.

Economic stakeholders

For an economist, it is essential to understand who the stakeholders are in any economy. Stakeholders are those people (or institutions) who have power or influence in the economic structure. The most important groups are described here.

In advanced economies, consumers are powerful stakeholders who have the ability to choose goods and services. However, they are not really organized and patterns of consumption are difficult to predict. In capitalism, economists emphasize that resources are limited for a number of reasons. Economists also see consumers as people who make rational decisions. In other words, they make the correct choices for the resources available. In reality, consumer choices are not based on rationality.

As most people have limited money to spend, they must set priorities. For example, a family decides to save for a holiday. As a result, they do not spend money on visits to the cinema or a theme park. This is called an 'opportunity cost'. It means that a good or service is not chosen because something else is chosen. Economists must calculate or predict such opportunity cost factors.

Another way to make economic decisions is as members of a group. The family is an informal group. Workers in a particular company or union have a more formal structure. They often want the same results. Usually workers want higher wages, but sometimes better working conditions or more job security are important, too. In most industrialized countries, unions represent the interests of workers. They act for employees to improve the workers' economic welfare.

The owners and managers of companies are crucial stakeholders in any economy. These people are entrepreneurs who link up all the economic factors – capital, labour and other resources – to produce goods or services. These are called the 'factors of production'. When economists examine the actions of entrepreneurs or their enterprises, they look at risk. Enterprises want to make profits, so calculating risk is very important. In capitalist countries, individuals, shareholders in a company or other investors carry the risk. The government does not usually intervene in a 'free market economy'.

However, governments themselves are very important economic stakeholders. One example is the decision to intervene. In an economic crisis, the

government might act to support banks or companies. Many governments intervened as a reaction to the global crisis which began in 2008. But this intervention does not show a complete change in their macroeconomic principles.

When governments make decisions, they are acting as stakeholders. Most governments want a healthy economy to meet the needs of their citizens. But their decisions are often 'opportunity cost' calculations. Governments must try to balance advantages and disadvantages. For example, building a new motorway will bring transportation benefits but it changes the landscape, creates noise and pollution and affects the lives of local residents. A good government should be accountable for its decisions, economically and politically.

Financial institutions such as banks are similar to companies but rather more complicated. However, they are very important stakeholders. They want to make profits, usually for shareholders. They also take risks, especially as financial markets can fluctuate a lot. However, in an economic crisis, people ask difficult questions about the power of banks. They say the banks are too powerful and they take too many risks. The banks sometimes make decisions on lending or investing money which are too risky. For these reasons, banks will probably have to accept more regulations to limit their activities in the future.

A final example of economic stakeholders is the group of international or regional institutions or agencies. These bodies have enormous economic power. They can influence policies on, for example, world trade, the global supply of money, lending to developing countries or economic cooperation. Nowadays, it is hard to imagine how the world economy would function without the World Bank (WB), the International Monetary Fund (IMF), the World Trade Organization (WTO), the Bank of International Settlements (BIS) or the regional development banks. Think of the importance of a special interest group such as the Oil Producing and Exporting Countries (OPEC) which is a powerful economic stakeholder.

In conclusion, the position of all the main economic stakeholders has an influence on the wider political economy. Economists will continue to examine their status carefully.

Vocabulary bank

Using your English-English dictionary

This kind of dictionary helps you actually learn English.

Using headwords and parts of speech

1 Find the correct headword.

These **bold** words in a dictionary are in alphabetical order. Look at the words on the top left and top right of the double page. Find a word which comes just before and after your word.

2 Find the correct meaning.

If there are different meanings of the word, they appear in a numbered list. Look at all the meanings before you choose the correct one in context.

3 Find the correct part of speech.

Sometimes the same headword appears more than once, followed by a small number. This means the word has more than one part of speech, e.g., *n* and *v*. Work out the part of speech before you look up a word.

Clues:

- Nouns often come after articles (*a/an/the*) or adjectives.
- Verbs come after nouns or pronouns.

Learning to pronounce words

The symbols after the headword show you how to pronounce the word.

Learn these symbols (the key is usually at the front or the back of the dictionary).

The little line in the symbols shows you how to stress the word.

Example:

Compare the stress in the words

liquid /'lɪkwɪd/ and *liquidity* /lɪ'kwɪdətɪ/

Learning to use words correctly in context

Nouns can be **countable** or **uncountable**. This information is important for using articles and verb forms (e.g., *is/are*) correctly. Look for the symbol [C] or [U].

Some verbs need an object. They are **transitive**. Some verbs don't need an object. They are **intransitive**. This information is important for making good sentences. Look for the symbol [T] or [I].

Some words can be spelt in **British English** (e.g., *colour, centre, traveller*) or **American English** (e.g., *color, center, traveler*). Choose the correct spelling for the text you are working on.

Skills bank

Doing reading research**Before you start reading ...**

- Think of research questions. In other words, ask yourself: *What must I find out from my research?*
- Look at headings, sub-headings, illustrations. Look for patterns or variations in presentation, e.g., a series of dates; words in **bold** or *italic* script. Think: *What information do they give me?*
- Decide how to record information from your reading. Choose one or more methods of note-taking. See Unit 1 *Skills bank*

While you are reading ...

- **Highlight** the topic sentences.
- Think: *Which paragraph(s) will probably give me the answer to my research questions?*
- Read these paragraph(s) first.
- Make notes.

After reading ...

- Think: *Did the text answer all my research questions?*
- If the answer is no, look at other paragraphs to see if the information is there.

Using topic sentences to summarize

The topic sentences of a text normally make a good basis for a summary. Follow this procedure:

- Locate the topic sentences.
- Paraphrase them – in other words, rewrite them in your own words so that the meaning is the same. Do not simply copy them. (This is a form of plagiarism.)
- Add supporting information – once again, in your own words.

Example:

Topic sentence	<i>In advanced economies, consumers are powerful stakeholders who have the ability to choose goods and services.</i>
Paraphrase of topic sentence	<i>Consumers play an important role in modern economies through their selection of different products.</i>
Supporting information and examples (summarized)	<i>However, they make decisions as individuals and not according to any economic model.</i>

- Check your summary. Check that the ideas flow logically. Check spelling and grammar. If your summary is short, it may be just one paragraph. For a longer summary, divide it into paragraphs.

3 MARKET ECONOMIES

3.1 Vocabulary

Stress within words • prefixes

A Discuss these questions.

- 1 What is a market?
- 2 How can a market be stable? How can it be unstable?
- 3 Give examples of markets for:
 - goods
 - commodities
 - services

availability capacity
 expansion fluctuation
 movement productivity reliability
 substitute supply upward
 variation

B Study the pictures and figures on the opposite page.

- 1 What does each picture or figure show? Talk about each one using words from box a. (You will not need all the words and you may need to change the form.)
- 2 How does each picture show *demand* and *supply*?

C Look at the words in box a.

- 1 Underline the stressed syllable in each word.
- 2 Which of these words has the same stress pattern as *fluctuation*?
- 3 Sort the other words into groups according to their stress patterns.

D Complete each sentence with a word from box a. Change the form if necessary.

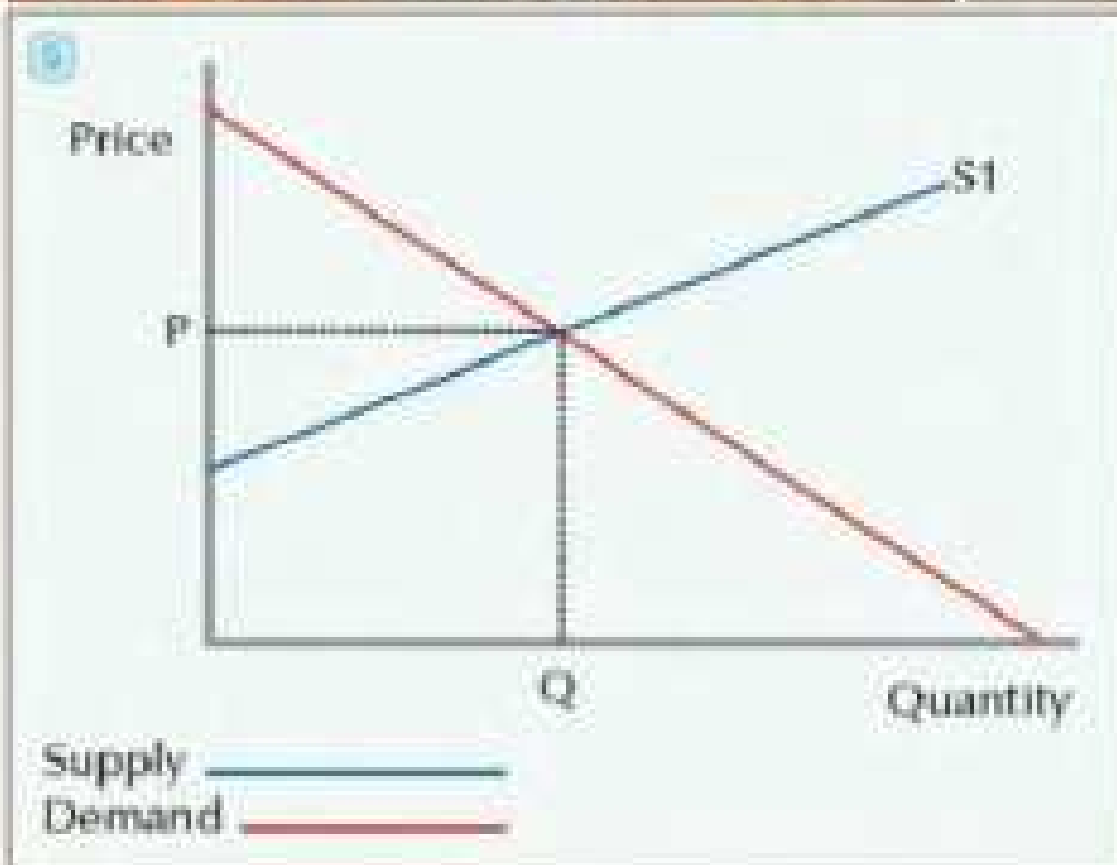
- 1 The price of some agricultural products depends on the seasonal _____ of the goods.
- 2 If consumers cannot find exactly the product they want, they might choose a _____.
- 3 The price of precious metals such as gold may be stable for a long period of time and then there may be sudden _____.
- 4 Bad weather can affect the _____ of goods to local food markets.
- 5 A decrease in the price of a good will often result in an _____ demand for that good.
- 6 Employers expect a good level of _____ from the employees for quite a low wage.
- 7 If a company increases _____, there is not an automatic increase in demand.

E Study the words in box b. Find the prefix and try to work out the meaning in each case.

complementary	consolidate	downgrade	exchange	output	underestimate
composite	contraction	downturn	expansion	outsource	underspend
compound	conversion	downward	extension	outweigh	undervalue

F Complete each sentence with a word from box b. Change the form if necessary.

- 1 A decrease in demand is called a _____ in demand.
- 2 An upward curve in the oil price may lead to a _____ in the economy as production costs increase.
- 3 A related product such as software for a computer is known in economics as a _____ product.
- 4 A company may _____ some of its activities to an overseas location.
- 5 When the price of a good or service decreases this is usually called an _____ in demand, not an expansion of demand!
- 6 Producers sometimes _____ demand for a good and do not manufacture a sufficient quantity.



Index of gold prices 2008-2009	US\$/oz
December 2008	770
January 2009	870
February 2009	920
March 2009	950
April 2009	920
May 2009	875
June 2009	975
July 2009	935
August 2009	950
September 2009	950
October 2009	1010
November 2009	1030

3.2 Listening

preparing for a lecture • predicting lecture content • making notes

A Study the handout from the lecture.

- 1 What do you expect to hear in this lecture? Make a list of points.
- 2 Write down some key words you expect to hear.
- 3 Check the pronunciation of the key words, with other students or with a dictionary.
- 4 How are you going to prepare for this lecture?

B Listen to Part 1 of the lecture.

- 1 What exactly is the lecturer going to talk about today? Tick the topic(s) you heard.
 - why the London stock market is important _____
 - important market principles _____
 - fair and unfair competition in world markets _____
 - how politics influences the markets _____
 - centralized economies _____
- 2 What reason does the lecturer give for talking about this topic?
- 3 What is a good way to organize notes for this lecture?

C Listen to Part 2 of the lecture.

- 1 What is the main idea of this section?
- 2 What sources of money are mentioned?
- 3 Why is a factor such as *labour* so important in an economy?
- 4 Do the factors of production relate more to the microeconomic or macroeconomic level?
- 5 What do you expect to hear in the next part of the lecture?

D Listen to Part 3 of the lecture.

- 1 What different definitions of 'demand' are presented?
- 2 Why do consumers look for substitute goods?
- 3 Give an example of a 'complementary' product.
- 4 What form of notes could you use for this part?

E Listen to Part 4 of the lecture.

- 1 Check your definitions of demand.
- 2 What is the research task?

F Listen and say whether these sentences are true or false according to the lecture. Explain your reasons.

- 1 _____ 2 _____ 3 _____ 4 _____ 5 _____ 6 _____ 7 _____

G Now go back to Lesson 3.1, Figure 5.

- 1 Discuss what the curves on the figure show.
- 2 Discuss the movements that can occur on the curves.

HADFORD University

Faculty: Economics

Principles of market economies

Principles of market economies

- 1 Markets and factors of production
- 2 Demand: principle, types, definitions
- 3 Products – types

Soft drinks: value of sales 2007–2009 in US\$ billion

	Actual sales	Projected sales
2007	424	–
2008	434.1	440
2009	444	450

Figure 1: Hadford University Principles of market economies

Figure 2: Soft drinks sales

3.3 Extending skills

stress within words • using information sources • reporting research findings

A Listen to some stressed syllables. Identify the word below in each case. Number each word.

Example:

You hear: 1 stén /sítén/ You write:

- | | | | | | |
|--------------|-------|---------------|-------|--------------|-------|
| allocate | _____ | environmental | _____ | productivity | _____ |
| composite | _____ | equilibrium | _____ | recession | _____ |
| conversion | _____ | extension | 1 | subsidy | _____ |
| disposable | _____ | improvement | _____ | undervalue | _____ |
| entrepreneur | _____ | marginality | _____ | variation | _____ |

B Where is the stress in each multi-syllable word in Exercise A?

- 1 Mark the stress.
- 2 Practise saying each word.

C Work in pairs or groups. Define one of the words in Exercise A. The other student(s) must find and say the correct word.

D Look at the spidergram on the right.

- 1 For each effect of a recession, give some details.
- 2 Try to think of other effects.
- 3 What action can be taken to overcome the effects?



Effect	Details	Possible action
low interest rates	encourage consumers to spend	banks must lend for investment

E Before you attend a lecture you should do some research.

- 1 How could you research the lecture topics on the right?
- 2 What information should you record?
- 3 How could you record the information?

F You are going to do some research on a particular lecture topic. You must find:

- 1 a dictionary definition
- 2 an encyclopedia or textbook explanation
- 3 a useful internet site

HADFORD University

Faculty: Economics

Lecture topics:

- 1 Stimulating demand: government scrappage schemes
- 2 The UK housing market from 2009
- 3 Oil prices rises: factors and implications
- 4 Demand in the energy market

Student A






- Do some research on demand in the UK housing market.
- Tell your partner about your findings.

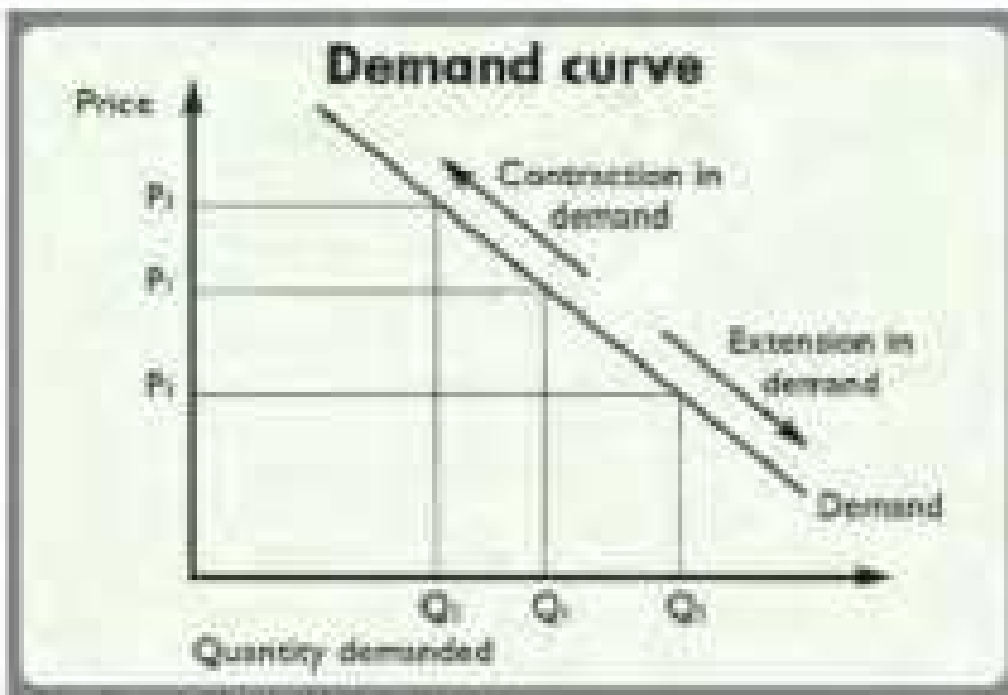
Student B

- Do some research on demand in the energy market.
- Tell your partner about your findings.

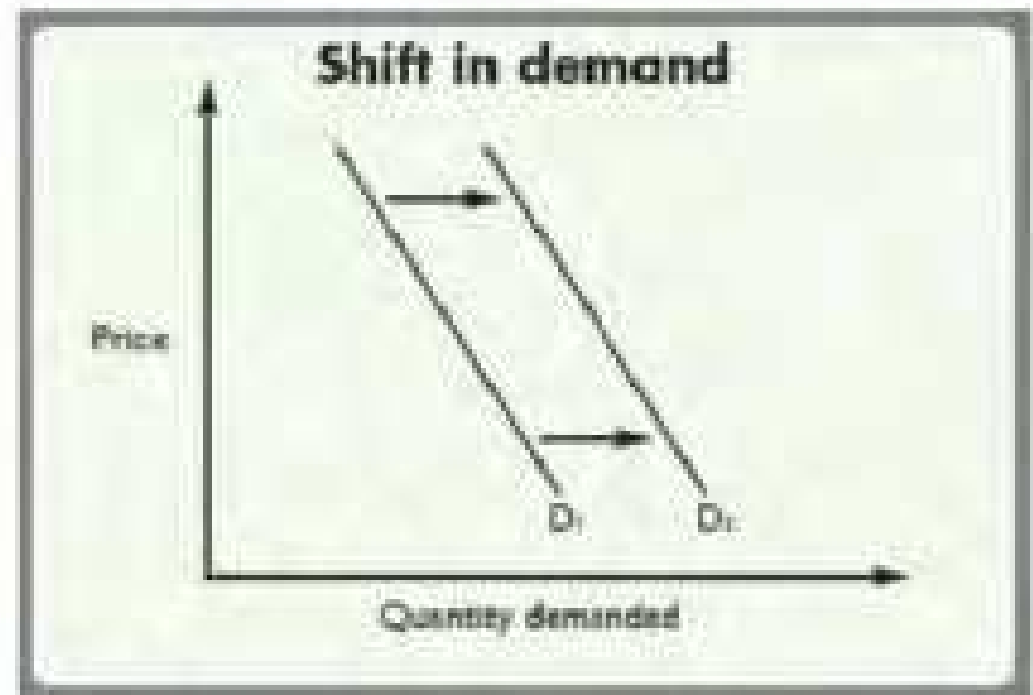
3.4 Extending skills

asking for information • reporting information

- A** You are going to listen to a follow-up of the lecture in Lesson 3.2.
- 1 What do you expect to learn in this lecture? Make a list of points.
 - 2 What is the main subject that the lecturer is going to talk about today? (Clue: Lesson 3.2 research task.)
 - 3  Listen to the end section of the last lecture again and check your ideas.
 - 4 Report your findings from the research task in Lesson 3.3 (Exercise F).
- B** Look at the slides and handout for today's lecture on the opposite page.
- 1 What is shown on Slide 17?
 - 2 What is shown on Slide 27?
 - 3 What is shown on Slide 37?
 - 4 In what ways do the figures on the handout show demand?
- C**  Listen to Part 1 of today's lecture.
- 1 The lecturer defines something. What is it?
 - 2 What is the basic idea which the lecturer wants to present?
 - 3 What is a good way to make notes from this lecture? Prepare a page in your notebook.
- D**  Listen to Part 2 of the lecture. Make notes. If necessary, ask other students for information.
- E** How will the lecturer finish the lecture?
- 1  Listen to the beginning of Part 3 and check your ideas.
 - 2  Now listen to the rest of the lecture. Make notes. If necessary, ask other students for information.
- F** Match the verbs and definitions.
- | | |
|--------------------------------------|---|
| 1 catch out <input type="checkbox"/> | a put forward in a formal way |
| 2 offer <input type="checkbox"/> | b make or produce |
| 3 affect <input type="checkbox"/> | c encourage something to grow or increase |
| 4 introduce <input type="checkbox"/> | d surprise/take by surprise |
| 5 stimulate <input type="checkbox"/> | e advertise or market a product |
| 6 create <input type="checkbox"/> | f have an influence on something |
| 7 reduce <input type="checkbox"/> | g make available (to sell) |
| 8 promote <input type="checkbox"/> | h lower or decrease |
- G** Look at the information in the figures on the handout.
- 1 Discuss with a partner how demand for residential property in the UK has developed over the period.
 - 2 What do you notice about demand in London?
 - 3 Work with a partner. Imagine one of you is a banker or mortgage consultant. The other is a client who wants to buy a property worth around £400,000 in London.
 - What information would you give your client?
 - Would you be optimistic about your client's chances?
 - What alternatives could you suggest?
 - As a client, what questions would you ask about the market?
 - What advice would you want from the consultant?
 - Could you accept any alternatives to what you originally planned?



Slide 1



Slide 2

- Factors causing shifts in demand**
- income
 - competitors offering substitutes
 - quality of performance improvements
 - fashion/new models
 - price of complementary products, e.g., oil/cars
 - changes in law
 - future price uncertainty
 - weather

Slide 3

Annual change in house prices 2009–2010 (London)

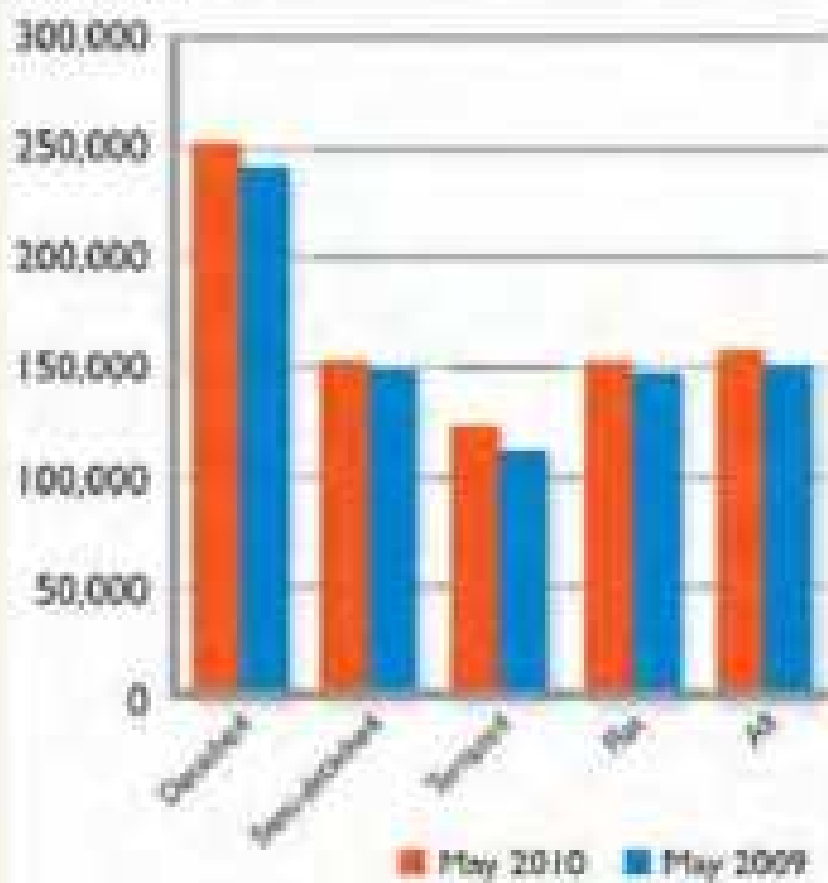


Figure 1

Sales volume by price 2009–2010 (London)

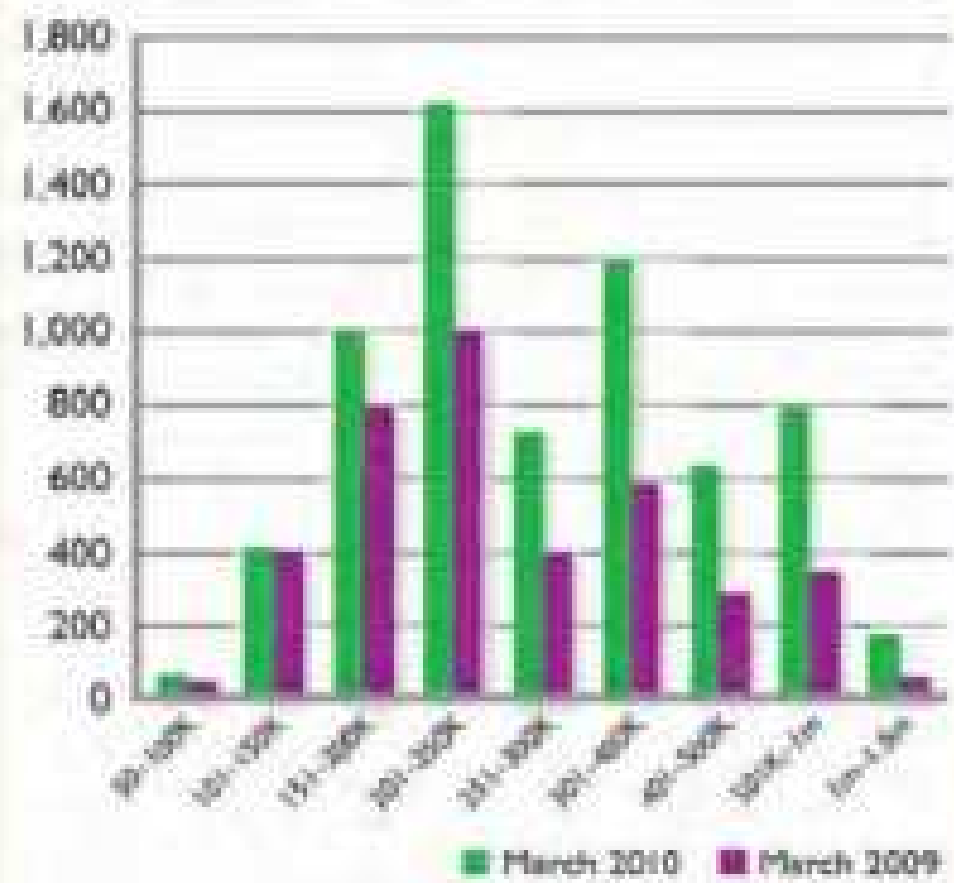


Figure 2

Vocabulary bank

Stress within words

Nouns, verbs, adjectives and adverbs are called content words because they carry the meaning.

One-syllable words

Some content words have one syllable or sound. This is always stressed.

Examples: 'key, 'earn, 'curve, 'shift

Two-syllable words

Some content words have two syllables. Two-syllable nouns and adjectives are often stressed on the first syllable. Two-syllable verbs are often stressed on the second syllable.

Examples:

Nouns	'factor, 'service, 'impact
Adjectives	'basic, 'abstract, 'central
Verbs	en'sure, out'weigh, de'rive

Exceptions:

Nouns	re'ward, e'ffect, res'ponse
Adjectives	un'stable, en'gaged
Verbs	'lessen, 'purchase

Multi-syllable words

Some content words have three or more syllables. Multi-syllable words are normally stressed three syllables from the end.

Example:

o o o o o o o o o o o o

This is true for most words ending in:

-ize/-ise	'advertize, 'emphasize, 'harmonize
-is	a'nalysis, 'emphasis
-ate	co'mmunicate, 'allocate, 'estimate
-ify	'clarify, 'satisfy, 'classify
-ical	'physical, 'cyclical
-ity	capa'bility, availa'bility, produc'tivity
-ular	par'ticular, 'regular
-al	'personal, 'rational
-ology	termi'nology, psy'chology
-cy	'policy, e'fficiency

Exceptions:

Multi-syllable words ending in the following letters are normally stressed two syllables from the end.

-ic	rea'listic, spe'cific, eco'nomie
-ion	con'dition, re'vision, de'cision, super'vision
-ent	e'fficient, e'mergent
-tial	po'tential, influ'ential

Skills bank

Getting information from other people

From the lecturer

We can sometimes ask a lecturer questions at the end of a lecture. Introduce each question in a polite or tentative way.

Examples:

- Could you go over the bit about composite demand again?*
- I didn't quite understand what you said about complementary products.*
- I wonder if you could repeat the details about the car scrappage schemes.*
- Would you mind giving the source of that quotation again?*

From other students

It is a good idea to ask other students after a lecture for information to complete your notes.

Examples:

- What did the lecturer say about realized demand?*
- Why did he say that demand shift can be independent of other variables?*
- Why did he talk about 'panic buying'? When do we talk about a contraction in supply or demand and when do we talk about shifts?*
- I didn't get the bit about the impact of government subsidies.*

Be polite!

It sometimes sounds impolite to ask people a direct question. We often add a polite introduction.

Examples:

- Do new regulations usually lead to a decrease in demand?*
 - (polite) *Do you know if new regulations usually lead to a decrease in demand?*
- What are complementary products?*
 - (polite) *Can you recall what complementary products are?*
- What are your marketing strategies to increase demand?*
 - (polite) *Could you tell me something about your marketing strategies to increase demand?*

Reporting information to other people

We often have to report research findings to a tutor or other students in a seminar. Make sure you can give:

- sources – books, articles, writers, publication dates
- quotes – in the writer's own words
- summary findings – in your own words

4 ECONOMICS AND TECHNOLOGY

4.1 Vocabulary

computer jargon • abbreviations and acronyms • verbs and noun suffixes

A Study the words and phrases in box a.

- 1 Which words or phrases relate to computers and the Internet? Which relate to books and libraries? Find two groups of words.
- 2 Find pairs of words and phrases with similar meanings, one from each group.
- 3 Check your ideas with the first part of *The Computer Jargon Buster* on the opposite page.

books browse/search catalogue
 close cross-reference database
 electronic resources exit/log off hyperlink
 index library log in/log on look up
 menu open page search engine
 table of contents web page
 World Wide Web

B Complete the instructions for using the Learning Resource Centre with words or phrases from box a.

C Study the abbreviations and acronyms in box b.

- 1 How do you say each one?
- 2 Divide them into two groups:
 - abbreviations
 - acronyms

See *Vocabulary Bank*

CAL DVD HTML HTTP ISP
 JPEG LCD PIN RAM ROM
 URL USB WAN WWW

D Test each other on the items in Exercise C.

- 1 What do the letters stand for in each case?
- 2 What do they mean?
- 3 Check your ideas with the second part of *The Computer Jargon Buster* on the opposite page.

E Study the nouns in box c.

- 1 Make a verb from each noun.
- 2 Make another noun from the verb.

class computer digit
 identify machine



HADFORD University

Learning Resource Centre

Instructions for use:

If you want to access web pages on the _____, you must first _____ to the university Intranet with your username and password. You can use any _____ but the default is Google. _____ for web pages by typing one or more keywords* in the search box and clicking on **Search**, or pressing **Enter**. When the results appear, click on a _____ (highlighted in blue) to go to the web page. Click on **Back** to return to the results listing. You can also use the university _____ of learning resources. Click on *Economics Resources* on the main _____.

*A 'keyword' is different from a 'key word', which means a word that tells you about the main idea or subject of something.

The Computer Jargon Buster

There are many common words used about books and libraries which are translated into jargon words when we talk about using computers and the Internet for similar functions.

books	electronic resources
index	search engine
cross-reference	hyperlink
catalogue	database
library	World Wide Web
table of contents	menu
look up	browse/search
page	web page
open	log in/log on
close	exit/log off

There are many abbreviations and acronyms in computing. Learn some useful ones.

Abbr./Acr.	What it stands for	What it means
CAL	computer-assisted learning	using computers to help you learn
DVD	digital versatile disk	a disk for storing data, including sound and pictures
HTML	hypertext markup language	a way to write documents so they can be displayed on a website
HTTP	hypertext transfer protocol	a set of rules for transferring files on the WWW, usually included at the beginning of a website address (e.g. http://www ...)
ISP	Internet service provider	a company that enables access to the Internet
JPEG	joint photographic experts group	the usual format for photos and other images
LCD	liquid crystal display	the kind of screen you get on many laptops
PIN	personal identification number	a collection of numbers or letters which are used like a password to identify someone.
RAM	random-access memory	the memory you can use to store your own information
ROM	read-only memory	a type of permanent computer or disk memory that stores information that can be read or used but not changed
URL	uniform resource locator	a website address, e.g., http://www.garneteducation.com
USB	universal serial bus	a standard way to connect things like printers and scanners to a computer
WAN	wide area network	a way of connecting computers in different places, often very far apart
WWW	World Wide Web	a huge collection of documents that are connected by hypertext links and can be accessed through the Internet

4.2 Reading

preparation for reading research • topic development

A Discuss these questions.

- 1 What has been the most important technological change for the world of economics in the past 50 years?
- 2 How can computers make economic decision-making faster, cheaper and efficient?

B Look at the title of the text on the opposite page.

- 1 What will the text be about?
- 2 In what ways can new technology cause problems at work? Make a list.
- 3 Write some questions that you would like the text to answer.

C Work in pairs. Look at Figures 1, 2 and 3:

- 1 Choose a picture. Describe it. Can your partner guess which one it is?
- 2 What links to technological progress are shown in the pictures?

D One student wrote some ideas about technology and economics before reading the text on the opposite page. Write A (I agree), D (I disagree) or ? (I'm not sure) next to the ideas on the right.

E Look carefully at the topic sentences in the text on the opposite page.

- 1 Identify the topic and comment about the topic. See Skills bank
- 2 What do you think that each paragraph will be about?

F Read the text carefully. Were your questions from Exercise B answered?

G Does the writer of the text agree or disagree with the ideas in Exercise D? Which ideas are not mentioned?

H Study the notes a student made in the margin of the text on the opposite page.

- 1 What ideas are in the other paragraphs? Write some key words.
- 2 Which words introduce new ideas in each paragraph? See Skills bank

Ownership of UK ordinary company shares 2008

Owner	Value of billions	% total
Overseas investors	481.1	41.3
Insurance companies	154.9	13.4
Pension funds	148.8	12.8
Individuals	117.8	10.2
Banks	45.0	4.0
Others	210.8	18.0
Total	1158.4	100.0

Based on: www.statistics.gov.uk/cpiimages/asp/44102

Figure 1: Ownership of UK ordinary company shares 2008

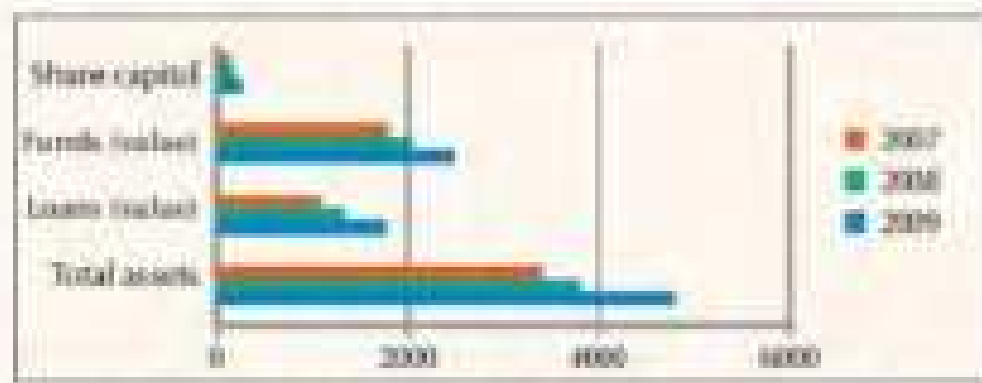


Figure 2: Key figures: Dustrino Bank (in € million)



Figure 3: Electronic screen from Stock Exchange

Opportunities/threats

Technology means economic decision-making is easier. _____

Everyone can take advantage of technology. _____

Bank customers can control their money better. _____

Statistical data are easier to collect. _____

There is less chance of financial crime. _____

Technology means business investment is easier to plan. _____

Technology does not change the way markets work. _____

Human actions are still more important than computer calculations. _____



HADFORD University

Faculty: Economics

Technology and economic change

Statement

Most human activities have undergone an enormous technological change over the past 40 to 50 years, and economics is no exception. The vast majority of countries have seen remarkable technical progress, including in their economic affairs.

Economics before technology

It may be hard for students of economics nowadays to imagine how finance, business and economic research could manage without technology, but things were very different 40 years ago. For example, clerks in banks once wrote out all the transactions in large books called ledgers, and accountants used complicated mathematical tables to work out interest rates, production costs or profits. Some students might remember typewriters, but word processors and other devices have replaced many human activities in the modern business world. For example, people were very excited about hand-held calculators 40 years ago. However, these devices are now much more powerful. Moreover, spreadsheet programs on computers can do complex financial calculations in micro-seconds. Nowadays, accountants, investment advisers or government economists are computer experts as well as mathematicians! However, these experts claim that making financial decisions is faster but even more difficult than before!

The technology activity

There are many additional examples of how technology has revolutionized the world of economics at every level and, generally speaking, the advances have been positive. For example, it is so much faster for government departments to assess trade balances or calculate revenue from taxation and measure macroeconomic growth. Just think how complex the supply of labour is. In the past, statistics from these areas were difficult to compile accurately and in a timely fashion.

Positive impact of technology

Newadays, statistical data are so much easier to compile and analyze as the technology is widely available all over the world. International organizations such as the World Health Organization, the World Bank, or the United Nations can provide authoritative data very quickly in annual reports. In this way, we can really talk about a global economy. Think, for example, of the age range in a country's population. Economists can now collect raw data from different parts of the country and compile the statistics centrally. This will help to identify macroeconomic problems such as a surplus or shortage of workers in the future and make planning more efficient.

Benefits of technology

In banking and investment, time is money, so institutions must have access to financial data immediately. Technological advances provide banks with the possibility to have updated market reports at any time, just at the click of a mouse. Financial institutions use technology to transfer money around the world in seconds. They can also offer customers a much wider range of products. Furthermore, technology means that investment portfolios can be expanded to include new products and markets which were unavailable before. Ordinary investors can now take advantage of a huge range of possibilities. Technology helps banks to diversify activities and become more competitive. Financial experts can perform market analysis with a mass of data available instantaneously, making split-second decisions which can gain (or, unfortunately, lose) billions of dollars!

When we consider technology at the microeconomic level, businesses, too, can plan better. For example, they can calculate costs or profits, adjust supply, and invest more effectively. Similarly, individuals can make savings on many goods and services, or find the best mortgage or property prices using price comparison websites. In addition, they can use Internet searches to 'shop around' for the best bargains, buy 'second-hand' items on auction sites, and manage money through online banking. Therefore the impact of technology is evident all around.

However, technological progress has some drawbacks and, unfortunately, these can have serious economic consequences. For example, there is more online fraud because of 'phishing' for personal data and credit card details. More technology means more 'identity theft' when someone steals a person's financial details. There are also issues such as money laundering and unfair banking or investment scams. These happen because the speed of transactions is so fast that illegal activities cannot easily be detected. Moreover, those nations with only limited technological resources are falling further behind in global competition and 'to bridge the technological gap' is a necessary and desirable step in the near future.

4.3 Extending skills

using the internet effectively

- A** Discuss these questions.
- 1 You want to find out about the use of technology in London's financial markets. Where would you look for the information? Why?
 - 2 What keywords would you use to make this search? Why?
- B** Your search produces 50 results. How can you select the most useful ones without reading all of them? Look at the list of criteria on the right and add a tick or '7'.
- C** You have four additional research tasks. For each search, choose up to three keywords or phrases.
- 1 In which year was the name 'London Stock Exchange' (LSE) first used?
 - 2 What was the 'big bang' related to the LSE?
 - 3 What recent technology problems has the LSE had?
 - 4 What is the speed of completing a trade at the LSE?
- D** Go to a computer and try out your chosen keywords.

Criteria for choosing to read a result

- If contains all of my keywords. _____
- The document comes from a journal. _____
- It is in the first ten. _____
- It has this year's date. _____
- It is a large document. _____
- The website address ends in .org. _____
- The website address ends in .edu. _____
- The website address contains .ac. _____
- It is a PDF file. _____
- It refers to economics. _____
- It refers to a person I know well. _____
- It refers to an organisation I know well. _____

4.4 Extending skills

analyzing internet search results • reporting research findings

- A** What information is contained in the results listing of a search engine?
- 1 Make a list.
 - 2 Check with the results listings on the opposite page.
- B** Scan the results listings. Answer these questions.
- 1 What keywords were entered?
 - 2 Why was *journal* used as a keyword? Why is it not in inverted commas?
- C** Answer these questions.
- | | |
|--|--|
| 1 Which results contain abbreviations or acronyms? | 7 Which results have all the keywords? |
| 2 Where is each website address? | 8 Which results refer to journals? |
| 3 Which of the results relates to a blog? | 9 Which result comes from an educational site? |
| 4 Which is a PDF document? | 10 Which results come from commercial sites? |
| 5 Which documents have dates? | 11 What does <i>similar</i> mean? |
| 6 Why are the words in different colours? | 12 What does <i>cached</i> mean? |
- D** Continue your research on the technology and the London Stock Exchange by entering the keywords into a search engine and accessing three of the results.
- 1 Make notes.
 - 2 Compare your findings with other students.
- E** Choose the most interesting result. Write a paragraph about the information you discovered. Use discourse and stance markers within the paragraph to develop it further.

A **1978**

Web Images Groups News Google Maps more

Google history + "London Stock Exchange" Search **Advanced Search** **Features**

About 157,000 results (0.24 seconds)

1 [Our history - London Stock Exchange](#)
Starting life in the coffee houses of 17th century London, the Exchange quickly grew to become the City's most important financial institution.
www.londonstockexchange.com/history/our-history.htm - **Cached** - **Similar**

2 [Our history - London Stock Exchange](#)
Our history. For over 300 years, the London Stock Exchange has produced detailed market information for companies and investors. ...
www.londonstockexchange.com/...and.../history.htm - **Cached** - **Similar**
[Show more results from www.londonstockexchange.com](#)

3 [London Stock Exchange - Wikipedia, the free encyclopedia](#)
The London Stock Exchange is a stock exchange located in London, United Kingdom. Founded in 1801, it is one of the largest stock exchanges in the world. ...
History - Pursuit of LSE by prospective ... - Structure - Technology
en.wikipedia.org/wiki/London_Stock_Exchange - **Cached** - **Similar**

4 [London Stock Exchange History](#)
Learn about the London Stock Exchange history from small beginnings to the modern day
www.stockexchangesecrets.com/london-stock-exchange-history.html - **Cached** - **Similar**

5 [London South East - Stock Quotes, Charts, Trade History, Share ...](#)
Daily financial updates covering UK share prices and markets.
www.lse.co.uk/ - **Cached** - **Similar**

B **1978**

Web Images Groups News Google Maps more

Google "London Stock Exchange" + academic journal + "latest te Search **Advanced Search** **Features**

About 2,600 results (0.18 seconds)

1 [Society for Scholarly Publishing - Member News Releases](#)
13 Jul 2010 ... In 2008, NISO published the Recommended Practice, "Journal Article ... REL (London Stock Exchange), RUK and ENL (New York Stock Exchange). ... with a good business model and being current with the latest technology. ...
ssonet.org/News/2414/spage.aspx - **Cached** - **Similar**

2 [London Stock Exchange to abandon failed Windows platform ...](#)
1 Jul 2009 ... The London Stock Exchange collapsed because its ... Get the latest technology news and analysis on critical issues in the ...
blogs.computerworld.com/london_stock_exchange_to_abandon_failed_windows_platform - **Cached** - **Similar**

3 [London Stock Exchange delays Linux move by two months - Open ...](#)
2 Jul 2010 ... The London Stock Exchange has delayed a move to the Linux-based Millennium Exchange trading platform by two ... Latest technology news ...
www.computerworlduk.com/toolbar/open-source/.../index.cfm? - **Cached**

4 [London Stock Exchange implements Infolect | Microsoft News ...](#)
David Lester, chief information officer of the London Stock Exchange, said: "As our customers continue to use the latest technology to upscale their trading ...
www.onwindows.com/.../London-Stock-Exchange.../Default.aspx - **Cached** - **Similar**

5 [PDF: "Equity Markets Microstructure Workshop](#)
File Format: PDF/Adobe Acrobat - [Quick View](#)
Examination of the latest technology developments in financial trading ... Stock Exchange, Nasdaq, the London Stock Exchange, Instinet, the Arizona Stock ... financial services has been published in a number of academic journals. ...
www.heacademy.ac.uk/.../LBS_Trading-Microstructure_Workshop2010.pdf

Vocabulary bank

Understanding abbreviations and acronyms

An **abbreviation** is a shorter version of something. For example, PC /pi:si:/ is an abbreviation for *personal computer*.

An **acronym** is similar to an abbreviation, but it is pronounced as a word. For example, RAM /ræm/ is an acronym for *random access memory* and ISA /'a:sa/ is an acronym for *individual savings account*.

We normally write an abbreviation or acronym with capital letters, although the full words have lower case letters. However, there are exceptions, such as *www*, which is often written with lower case letters.

We pronounce the vowel letters in **abbreviations** in this way:

A	E	I	O	U
/eɪ/	/i:/	/aɪ/	/əʊ/	/ju:/

We normally pronounce the vowel letters in **acronyms** in this way:

A	E	I	O	U
/æ/	/e/	/ɪ/	/ɒ/	/ʌ/

Common suffixes

Suffixes for verbs

There are some common verb suffixes. They make nouns into verbs. The meaning is basically *make + noun*. Examples:

-ize	<i>computerize, mechanize, globalize, pressurize, finalize</i>
-ify	<i>classify, identify, specify, modify</i>
-ate	<i>motivate, innovate, stimulate, allocate</i>
-en	<i>shorten, lengthen, strengthen, widen</i>

Suffixes for nouns

There are many suffixes for nouns. But verbs ending in *-ize*, *-ify* and *-ate* form nouns with *-ation*. Examples:

Verb	Noun	
-ify	-ization	<i>computerization, globalization</i>
-ify	-ification	<i>modification, specification</i>
-ate	-ation	<i>integration, complication</i>

Many nouns are made by adding a suffix to a verb. This means:

- You can identify many nouns from the suffix.
- You can often discover the verb by removing the suffix. Sometimes you have to make changes to the end of the verb.

Verb	Suffix	Noun	Notes	Other examples
<i>produce</i>	+ <i>tion</i>	<i>production</i>	remove <i>e</i>	<i>reduce</i> → <i>reduction</i>
<i>perform</i>	+ <i>nce</i>	<i>performance</i>	add <i>a</i> or <i>e</i>	<i>allow</i> → <i>allowance</i>
<i>empower</i>	+ <i>ment</i>	<i>empowerment</i>		<i>govern</i> → <i>government</i>
<i>manufacture</i>	+ <i>ing</i>	<i>manufacturing</i>	remove <i>e</i>	<i>drive</i> → <i>driving</i>
<i>coordinate</i>	+ <i>ion</i>	<i>coordination</i>	remove <i>e</i>	<i>stimulate</i> → <i>stimulation</i>
<i>qualify</i>	+ <i>ication</i>	<i>qualification</i>	change <i>y</i> to <i>i</i>	<i>simplify</i> → <i>simplification</i>

Skills bank

Developing ideas in a paragraph**Introducing the topic**

In a text, a new paragraph indicates the start of a new topic.

The topic is given in the **topic sentence**, which is at or near the beginning of the paragraph. The topic sentence gives the topic, and also makes a **comment** about the topic.

Example:

Most human activities have undergone an enormous technological change over the past 40 to 50 years and economics is no exception.

The topic is *the enormous technological change*.

The comment is that *economics is no exception*.

The sentences that follow then expand or explain the topic sentence.

Example:

The vast majority of countries have seen remarkable technical progress, including in their economic affairs.

Developing the topic

A paragraph is normally about the same basic topic (the 'unity' principle). However, within a paragraph, ideas often develop beyond the initial comment. This development is often shown by

- a **discourse marker**: *but, however, etc.*
- a **stance marker**: *unfortunately, similarly, etc.*

Examples:

However, technological progress has some drawbacks ...

... unfortunately, these can have serious economic consequences.

Discourse markers generally make a connection between the previous information and what comes next. They mainly introduce **contrasts** or **additional information**.

Stance markers show the attitude of the writer to the information, i.e., whether he/she is surprised, pleased, unhappy, etc., about the information.

Recording and reporting findings

When you do your research, record information about the source. Refer to the source when you report your findings.

Examples:

Russell (2005) states that ...

Pindyck and Rubinfeld in *Microeconomics* (2008) discuss the idea that ...

As Davies suggests in his 2009 article in *The Economist*, ...

According to Bracking in her book *Money and Power* (2009), ...

As the author of the article on *telegraph.co.uk* (July 8, 2009) says, ...

You should give full information about the source in your reference list or bibliography. For more information about this, see Unit 10 Skills bank.

5 ECONOMICS, GLOBALIZATION AND SUSTAINABILITY

5.1 Vocabulary

word sets: synonyms, antonyms, etc. • describing trends

- A** Look at the pictures on the opposite page.
- 1 What does each picture show?
 - 2 What do we mean by *sustainable growth*?
 - 3 Which pictures suggest growth is difficult to sustain?

- B** Study the words in box a.
- 1 Find pairs of words with similar meanings.
 - 2 What part of speech is each word?

affluence diversity effect encourage
 expansion exploit extend extraction goods
 growth impact incentive migration mining
 misuse mobility motivation products replacement
 shift stimulate substitute transfer wealth

- C** Study the Hadford University handout on this page.
- 1 Find a word from box a with a similar meaning to the blue words.
 - 2 Find a word or phrase in the handout with similar meaning to the red words.

- D** Study the words in box b.
- 1 Find pairs of opposites.
 - 2 Add more words to make a set.
 - 3 Give a name to each word set.

access barrier create degradation dependent
 destroy efficient improvement non-renewable
 renewable scarcity self-sufficient surplus wasteful

- E** Work with a partner.
- 1 Choose one of the pictures from the opposite page. How does your picture relate to sustainable development? Use words from boxes a and b to discuss.
 - 2 Your partner should guess which picture you are talking about and then choose another picture to present.

- F** Look at the data in Table 1.
- 1 What does the table show?
 - 2 What do the statistics tell us about world trade and/or the world economy?

- G** Study the description of Table 1 on this page. Write one or two words in each space. Think about appropriate adverbs to fill the spaces marked with (_____).



HADFORD University

Faculty: Economics

Lecture: Globalization and sustainable development

Globalization is NOT just ...

- the wider activities of multinational companies (MNCs)
- the way advanced economies become richer by spreading the places of production
- the unfair use of cheap workers in developing countries

because these are not positive examples for sustainable development (SD)!

So what are the connections?

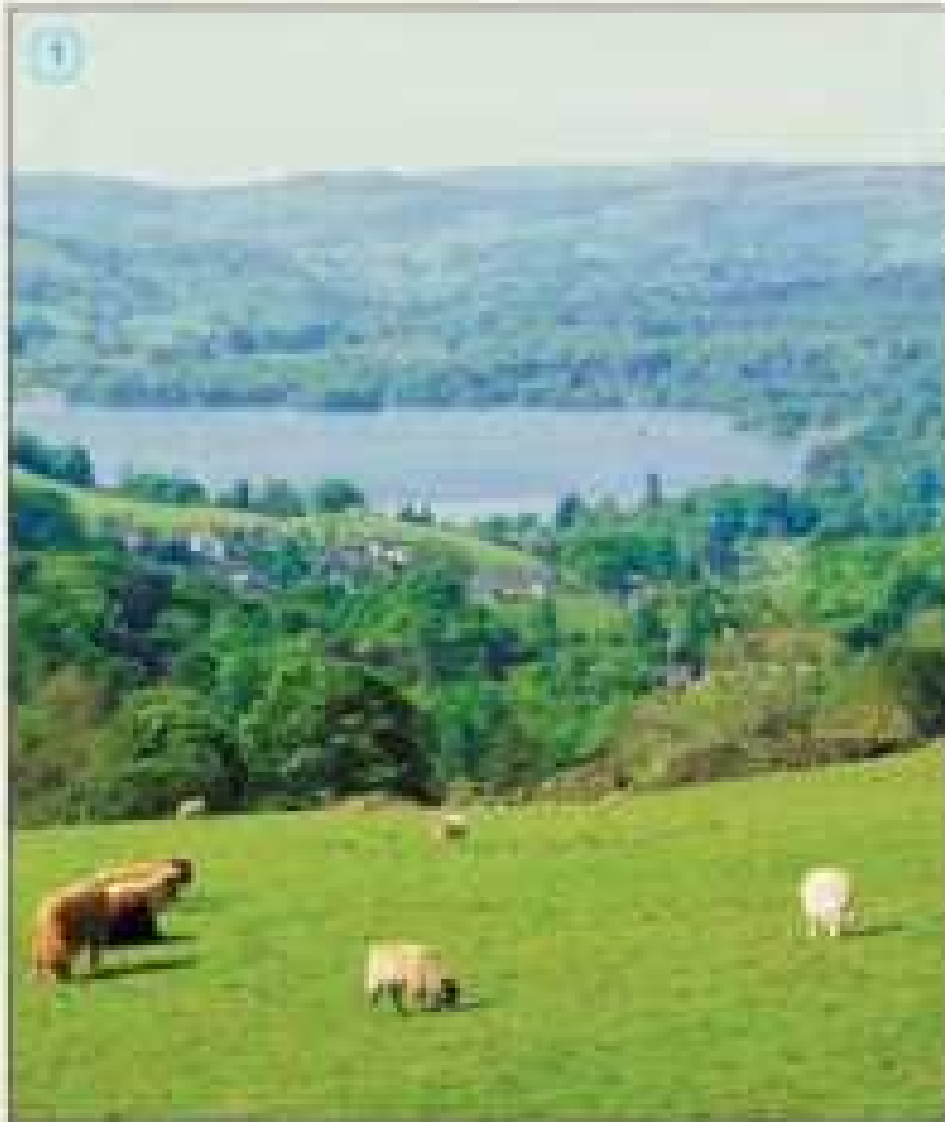
There are 5 main **links**:

- 1 Using raw materials to develop **long-term** benefits.
- 2 Reducing negative influences on the environment.
- 3 **Sharing** technology and energy fairly.
- 4 Using **labour** effectively.
- 5 **Making goods** safely.

Table 1 shows the cost of _____ container ships from 2000 _____ 2008. The currency used is _____ / _____.

Between 2000 and 2001 the cost decreased (_____) by around 75% as world trade _____ rapidly after the events of 9/11. The cost _____ by 100% after 2002 and rose (_____) to 25,000 US\$/day in 2003. The cost _____ again in 2004, climbing steeply to US\$45,000 in 2006.

However, the cost began to _____ significantly again, to US\$20,000 in 2006 and _____ to US\$11,000 in 2008 as the global economy _____ down.



Year	Cost: US\$/day
2000	23,000
2001	8,000
2002	12,000
2003	25,000
2004	45,000
2006	20,000
2008	11,000

Table 1: Costs of renting a standard container (US\$/day - ships with minimum capacity 2,500 containers)

5.2 Listening

lecture organization • 'signpost' language

A You are going to hear a lecture about globalization and sustainability. Look at the lecture slides. What will the lecturer talk about? Make a list of points.

B Listen to Part 1 of the lecture. How will the lecture be organized? Put the topics in order (1–4).

- sharing technology effectively _____
- using raw materials for maximum benefit _____
- reducing negative environmental impact _____
- impact on labour markets _____

C Study the topics in Exercise B.

- 1 Write some key words for each topic.
- 2 Can you match the topics with Slides 1–4?
- 3 What is a good way to make notes?
- 4 Make an outline for your notes.

D Listen to Part 2 of the lecture.

- 1 Add information to your outline notes.
- 2 What are the two main aspects in exploitation of materials?
- 3 Why does the lecturer apologize?

E Listen to Part 3 of the lecture.

- 1 The lecturer wants to highlight three issues? Which are they?
- 2 What topic does the lecturer say will be examined later in the course?

F The lecturer used these words and phrases. Match synonyms or similar meanings.

- | | |
|--|-----------------------|
| 1 globalization <input type="checkbox"/> | a skill |
| 2 sustainability <input type="checkbox"/> | b influence |
| 3 benefit (v) <input type="checkbox"/> | c an essential choice |
| 4 substitute <input type="checkbox"/> | d worldwide changes |
| 5 expertise <input type="checkbox"/> | e lasting growth |
| 6 shift (v) <input type="checkbox"/> | f replacement |
| 7 a high priority <input type="checkbox"/> | g gain advantage from |
| 8 impact <input type="checkbox"/> | h transfer |



Slide 1



Slide 2



Slide 3



Slide 4

5.3 Extending skills

note-taking symbols • stress within words • lecture language

A Look at the student notes on the right. They are from the lecture in Lesson 5.2.

- 1 What do the symbols and abbreviations mean?
- 2 The notes contain some factual mistakes. Find and correct them.
- 3 Make the corrected notes into a spidergram.

B Listen to the final part of the lecture.

- 1 Complete your notes.
- 2 Why does the lecture have to stop?
- 3 What is the research task?

C Listen to some stressed syllables. Identify the word below in each case. Number each word.

Example: You hear: / ˈsɜːn /seɪ/

You write:

appropriate	_____	assemble	1
efficient	_____	environment	_____
expertise	_____	exploit	_____
extractive	_____	manufacture	_____
pharmaceutical	_____	replaceable	_____
substitution	_____	sustainable	_____

D Study the extract from the lecture on the right.

- 1 Think of one word or phrase for each space.
- 2 Listen and check your ideas.
- 3 Match words or phrases from the blue box below with each word or phrase from the lecture.
- 4 Think of other words or phrases with similar meanings.

As I was saying certainly claim crucial
 fundamentally in other words merely
 most likely moving on must
 naturally perhaps possibly
 Some people say we can see that
 without doubt

E Discuss the research task set by the lecturer.

- 1 What kind of information should you find?
- 2 What do you already know?
- 3 Where can you find more information?


Exploitation of raw materials
 globalization = incentive & challenge
 → sustainability
 2 aspects: 1) resources 2) regulations
 1) resources are finite = will run out, e.g., oil (no replacement) ∴ substitutes needed
 China has no rare deposits
 (-) developing countries, esp. in Africa many raw materials
 (-) need expertise from 1st = technology to exploit, e.g., oil industry (approx. 250 yrs)
 Mid East refining capacity → production; risk to environment, e.g., BP (2009) in Gulf of Mexico
 2) regulations some improvements but problems with stricter laws in 2nd Africa ∴ environmental laws to protect oil workers

Now _____ the next topic, technology transfer. Here I want to mention 3Ps – priorities, pollution and poverty! Well, _____, technology should not just be shifted to a developing country. _____, a high priority must be technology which will benefit most people. _____ a factory with modern technology will manufacture cheaper products, for example, plastic goods. So, a new factory will _____ have a positive impact on local employment. But it will _____ cause pollution. _____ there are some _____ decisions to be made. Some people _____ that all technology transfer decisions will, _____, have negative consequences. They _____ that only the rich will gain from it and the poor will not benefit.

5.4 Extending skills

making effective contributions to a seminar

- A** Study the figures on the opposite page.
- 1 What do they show?
 - 2 Where do you think the information has come from?

- B**  Listen to some extracts from a seminar about official development assistance (ODA) and foreign direct investment (FDI).

- 1 What is wrong with the contribution of the last speaker in each case? Choose from the following:
 - the contribution is irrelevant
 - the student doesn't contribute anything to the discussion
 - the student interrupts
 - the student doesn't contribute anything relevant to the discussion
 - it is not polite
 - the student doesn't explain the relevance
- 2 What exactly does the student say, in each case?
- 3 What should the student say or do, in each case?



- C**  Listen to some more extracts from the same seminar.

- 1 How does the second speaker make an effective contribution in each case? Choose from the following:
 - by bringing the discussion back to the main point
 - by bringing in another speaker
 - by asking for clarification
 - by linking when unsure that the contribution is new
 - by paraphrasing to check understanding
 - by giving specific examples to help explain a point
 - by linking when unsure that the contribution is relevant
 - by disagreeing politely with a previous speaker
 - by linking to a previous speaker
- 2 What exactly does the student say, in each case?
- 3 What other ways do you know of saying the same things?

- D** Make a table of Do's (helpful ways) and Don'ts (unhelpful ways) of contributing to seminar discussions.

Do's	Don'ts
ask politely for information	demand information from other students

- E** Look at the information about aid and Foreign Direct Investment (FDI) on the opposite page. Discuss the data with a partner. Use a dictionary if necessary.

- F** Work in groups of four. Each student should find information about the country listed in brackets and identify economic and environmental issues. Also try to find out and evaluate the country's FDI situation.

OECD (2008) aid statistics (NOT FDI)

- Increased by 10% (on 2007) to \$120 bn (£85 bn)
- UK increase 24.1% to approx. £6 bn = 0.56% (GDP)
- UN target = 0.7% of country GDP
- Other increases – Greece (26.9%), Spain (19.4%), USA (16.8), Germany (5.9%), France (2.9%)
- USA still overall biggest donor (\$26 bn)
- Then Japan (2nd), Germany (3rd), France (4th), UK (5th)
- Sub-Saharan Africa received \$22.5 bn

Retrieved: September 20, 2010, from www.guardian.co.uk/business/2009/mar/30/uk-aid-increase

Figure 1: OECD Aid 2008 selected statistics

Key facts: Foreign Direct Investment

- Foreign direct investment (FDI) measures foreign ownership of productive assets, such as factories, mines and land
- Increasing levels of FDI = one measure of economic globalization
- Inflows of FDI measured as % of gross domestic product (GDP)
- Very high levels of FDI can mean problems for domestic economy
- Largest FDI flows between industrialized countries (North America, Western Europe and Japan – but China has lot of FDI in Africa and South America)
- Flows to non-industrialized countries are increasing sharply

Source: Watts, J. (2010). *Foreign Direct Investment: From the rich to the poor?* Harvard: Harvard University Press.

Figure 2: General information about FDI

UK FDI

(2006) Investment £49.6 bn compared with (2005) £44.5 bn

Overall FDI at end 2006 = £737 bn – earnings £84.6 bn

Overall FDI at end 2007 = £916 bn – earnings £92.2 bn

Overall FDI at end 2008 = £1,037 bn – earnings £71.3 bn

Region	Amount (2006)	Amount (2007)	Amount (2008)
Europe	16.2	90.7	54.1
The Americas	21.2	53.8	14.1
Asia	8.3	7.7	8.6
Australasia/Oceania	3.6	2.1	3.0
Africa	0.3	4.7	0.9
Total	49.6	159.0	85.7

Source: www.statistics.gov.uk, Office for National Statistics licensed under the Open Government Licence v10

Figure 3: FDI statistics