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**ECONOMIC
ISSUES
FOR ENGLISH
LANGUAGE
LEARNERS**

TASHKENT

**MINISTRY OF HIGHER AND SECONDARY SPECIALIZED
EDUCATION OF THE REPUBLIC OF UZBEKISTAN
TASHKENT STATE UNIVERSITY OF ECONOMICS**

***ECONOMIC ISSUES
FOR ENGLISH LANGUAGE LEARNERS***



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This book is compiled for the bachelor students and aimed to improve their economic English language. It equips students with economic terminology on their specialty and helps to improve their economic language oral skills. Moreover, it has Uzbek, Russian equivalents of English economic terms.

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PREFACE

The role and influence of English in today are gaining a higher speed in the world as well as in Uzbekistan. The main factors for this phenomenon include expanding communication with the world after gaining the independence and increasing speed and scope of information exchange in the global village. The dominant position in the internet space by the language of the published content is firmly held by English, which is a strong motivation to learn English for those who wish to promote their global competences. As it was mentioned since the declaration of independence the importance of the English language has been increasing in all aspects of Uzbek people's life.

Currently, in the Republic of Uzbekistan great attention is given to the radical reorganization of the educational system that will give an opportunity to raise it to the level of modern standards. In order to realize the aims and tasks put forward by the Law of the Republic of Uzbekistan "On Education" (1997) and the "National Programme of Personnel Training" (1997) the complex system of reorganizing the structure and the content of personnel training, proceeding from perspectives of the social, economic development of the society, contemporary achievements of science, culture, technique and technology are being created in the country. Besides On December 10, 2012 The first President of the Republic of Uzbekistan Islam Karimov signed a decree "On measures to further improve foreign language learning system" so the teachers and specialists are looking for the most effective teaching methods and they need to work out new internal mechanisms, applying the elements of other systems, to implement the best practices and recommendations on innovative educational technologies, to assess primary standards, to refresh educational process by means of modernizing educational system personnel and developing international cooperation in the sphere of higher and specialized education of English.

Economic Issues compiled for the bachelor students and it may be helpful for all other students learning English for special purposes in the sphere of economics, business, accounting , banking and etc.

The main aim of the book is to train students reading, speaking skills and understanding of special economic literature, so as

improving their abilities of participating in conversations, widening work stock in the fields of their future work.

It consists of : texts, grammar section , vocabulary and practice tasks. Each of them represents original materials of economic character with vocabularies and exercises. After each text there are questions to check students understanding, improving their language skills.

The book also contains some additional authentic articles on economics and business.

Compilers

WHAT IS ECONOMICS?



It is difficult to give a full and attractive definition of economics, but it is possible to indicate what problems economics are interested in. Economics is a social science concerned with the production, distribution, and consumption of goods and services. It studies

how individuals, businesses, governments, and nations make choices about how to allocate resources.

Economists are also interested in sellers and buyers behavior in the market, in the relationship between “price system “and “market mechanism “.

Now economics is more complex. There are three main approaches to economics: microeconomics, macroeconomics and development economics. There are also several specialized areas of study. Among them are money economics, international economics, labor economics, industrial economics, agricultural economics, growth economics, mathematical economics, etc.

Like many other sciences, economics uses models to understand economic problems. A model often helps an economist to make correct predictions. The economist usually follows several rules when he makes a model of economic behavior.

First, real life is complex and it is not possible for an economist to include all the details in a model. So, a model is an abstraction from real life. A model usually includes only essential elements and relationships of a particular economic situation. Second, if an economist has two different models of one phenomenon, he always chooses the model that predicts the result of a particular phenomenon more accurately.

Third, although models are helpful in economic analysis, an economist always studies the actual economic situation before he makes decisions.

It is not enough to make models, it is also necessary to collect and study actual data in order to know how accurate a model is.

Active Vocabulary

- economics (n) – экономика \ *iqtisodiyot*
- necessary (adj) – необходимый, нужный \ *kerakli, zarur*
- behaviors (n) – поведение \ *xulq-atvor*
- relationship (n) – отношение, взаимоотношение \ - *aloqa, munosobat*
- to produce (v) – производить \ *ishlab chiqarmoq*
- predictions (n) – предсказание, прогноз \ *bashorat, oldindan aytish*
- goods (n) – товары \ *tovarlar*
- particular (adj) – конкретный, отдельный \ *aniq*
- to choose (v) – выбирать \ *tanlamoq*
- to make a decision- принимать решение \ *qaror qabul qilmoq*
- labor (n) – труд \ *mehnat*
- to indicate – указывать \ *korsatmoq*
- to affect – влиять \ *ta'sir qilmoq*
- to include – включать \ *ichiga olmoq, qamrab olmoq*

I. Answer following questions

1. *What problems are economists interested in?*
2. *What are three main approaches to economics?*
3. *What specialized areas of economics do you know?*
4. *Why is it not possible to include all the details in a model?*
5. *What does a model usually include?*



GRAMMAR SECTION

Present Simple

We use the present simple to talk about:

- something that is **true** in the present
- something that **happens regularly** in the present
- something that is always true

*The human body **contains** 206 bones. Light **travels** at almost 300,000 kilometres per second.*

We also use the present simple to talk about:

- something that is **fixed** in the future
- something in the future after time words like **when, after and before** and **after if** and **unless**

*He won't come **unless** you ask him.*

The simple present tense is one of several forms of present tense in English. It is used to describe habits, unchanging situations, general truths, and fixed arrangements.

Notes on the simple present, third person singular

In the third person singular the verb always ends in **-s**:

he wants, she needs, he gives, she thinks.

Negative and question forms use **DOES** (= the third person of the auxiliary 'DO') + the infinitive of the verb.

He wants ice cream. Does he want strawberry? He does not want vanilla.



To describe FACTS

To describe HABITS

To describe ROUTINES

To describe SCHEDULES

The Present Simple tense is often used in English to describe an action that is real, true or normal.

Examples ▼

- (1) Paris is in France (FACT)
- (2) They live in Milan (FACT)
- (3) I don't smoke (HABIT)
- (4) I play tennis (HABIT)
- (5) She gets up at 6.00am every morning (ROUTINE)
- (6) The train leaves at 8.30am (SCHEDULE)

✎ II. Open the brackets using the verbs in correct forms

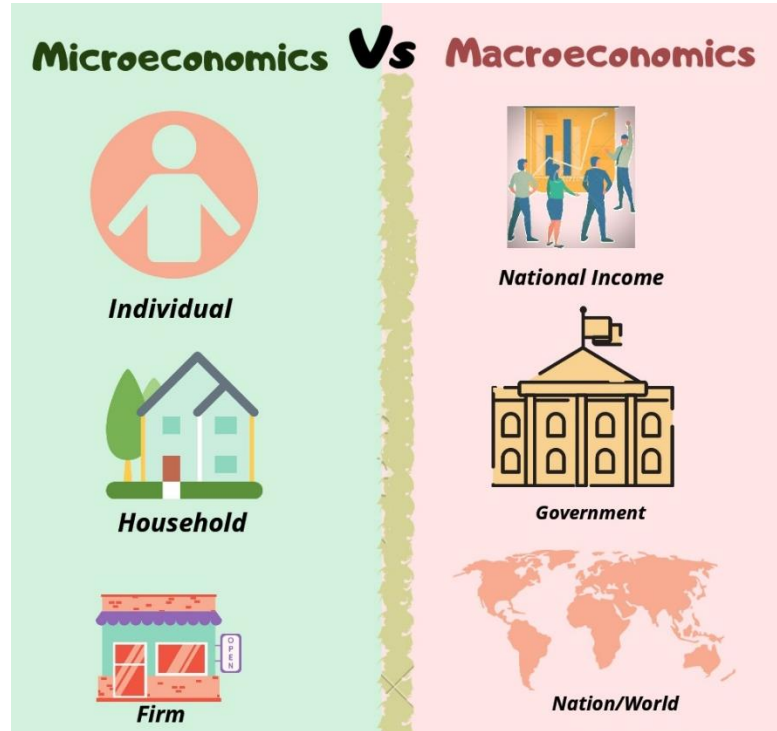
1. Economists (to study) situations from real life by means of economic models.
2. The buyer (to choose) goods for which he (to have) enough money.
3. He (not \ to follow) our recommendations.
4. The manager (to make) decisions only after careful analysis of all the data.
5. A consumer (to be) a person who (to buy) goods and services.



AREAS OF ECONOMICS

There are three main approaches to economics: microeconomics, macroeconomics and development economics.

Microeconomics focuses on individual economic units. The economic behavior of either individual consumers or firms or industries is studied by microeconomics. The distribution of products and income among all these units is also analyzed by microeconomics. In this field of economics individuals are considered both as



suppliers of labor and as consumers of goods. Firms are also studied both as suppliers of products and as consumers of labor and capital.

There was a long period in the 19th and early in the 20th centuries when microeconomic questions dominated in economics.

In the 20th century economists' interest in forces that affect income, employment and prices grew. They considered economy in all its relationships.

The term “macroeconomics” was first used in the 1930s. The world depression that began in 1929 required the study of such macroeconomic questions as achievement of full employment and economic growth by means of proper government policies. This area of economics was developed by the British economist John Maynard Keynes.

The third main field of economics, that is, development economics, studies the factors of economic growth and how these factors are used by governments in order to achieve high living standards. Development economics is a branch of economics that

focuses on improving fiscal, economic, and social conditions in developing countries. Development economics considers factors such as health, education, working conditions, domestic and international policies, and market conditions with a focus on improving conditions in the world's poorest countries.

Active Vocabulary

- distribution (n) – распределение \ *taqsim*
- income (n) – доход, прибыль \ *foyda*
- to consider (n) – рассматривать, полагать \ *ko'rib chiqish, hisoblash*
- supplier (n) – поставщик \ *ta'minlovchi*
- force (n) – сила \ *kuch*
- employment (n) – работа (по найму); занятость \ *bandlik, ish*
- to require (v) – требовать (чего- л.); нуждаться (в чем – л.) \ *talab qilish*
- achievement (n) – достижение \ *yutuq*
- proper (adj) – правильный, надлежащий \ *to'g'ri, aniq*
- living standard – жизненный уровень \ *hayot tarsi*

I. Answer following questions

1. *What does microeconomics study?*
2. *When did economists' interest in macroeconomics grow?*
3. *How is economy considered in macroeconomics?*
4. *What stimulated the development of macroeconomics?*
5. *What is studied by development economics?*



GRAMMAR SECTION

Present Simple Passive

Something is done by someone regularly / everyday / as expected...

Affirmative Form **Object + am / is / are + verb3 (past participle)**

Question Form **Am / Is / Are + Object + verb3 (past participle) ?**

Active : The gardener waters the flowers every evening.

Passive: The flowers are watered by the gardener every evening.

The present simple passive


1/ We store information in a computer

subject verb object

present simple singular

Information is stored in a computer

object — singular + is + V3



II. Open the brackets using the verbs in passive voice

1. *The goods (to sell) at a high price.*
2. *English (to teach) at schools and universities.*
3. *Goods for consumers (to provide) by industry and agriculture.*
4. *I (to ask) to help my grandmother in the garden.*
5. *We (not \ to teach) music at the University.*

SECTORS OF ECONOMY



There are three main sectors in any economy; the primary sector, the secondary sector, and tertiary sector.

The primary sector of economy includes industries that get goods from nature, such as agriculture and mining.

There are two main branches in agriculture; crop and animal farming. Mining partially belongs to the secondary sector as mineral resources need industrial processing. Forestry, fishing and beekeeping also belong to this sector.

Manufacturing industries which produce goods by means of mechanical, electrical or chemical, but not manual, processing of resources belong to the secondary sector. People who do not produce goods but provide different services for plants and factories work for the secondary sector, for example plant and factory managers. The sector also includes companies that provide fuel, energy, and transport for manufacturing.

The tertiary sector provides different services to consumers such as trade, transport, banking, insurance and other public services. Teachers, doctors, tourist agents, drivers, lawyers etc work in the tertiary sector.

There are countries which are rich in land. They can use land intensively and produce agricultural products and minerals. Manufacturing plays an important role in the world economy, but there is a tendency for the growth of the service sector in many economies, especially in industrialized countries.

Change in the importance of different sectors

A primitive economy will primarily be based on the primary sector – with most people employed in agriculture and the production of food.

As an economy develops, improved technology enables less labour to be needed in the primary sector and allows more workers to produce

manufactured goods. Further development enables the growth of the service sector and leisure activities.

Active Vocabulary

- industry (n) – отрасль; промышленность \ *sanoat, industriya*
- crop- (n) – урожай, жатва \ *hosil, yiq'im, o'rim*
- forestry – (n) – лесоводство \ *o'rmonchilik, o'rmon xo'jaligi*
- to belong to (v) – принадлежать (кому – л.) \ *tegishli bo'lish*
- manual – (n) – ручной, физический \ *qo'l mehnati*
- fuel (n) – топливо, горючее \ - *yoqilg'i, yonilq'i*
- consumer (n) – потребитель \ *iste'molchi*
- to use (v) – использовать, применять \ *qo'llash*
- growth (n) – рост, развитие \ *o'sish, yuksalish*
- trade (n) – торговля \ *savdo*
- primary- первичный, основной / *asosiy*
- secondary- вторичный / *ikkinchi*
- tertiary – третичный / *uchinchi*
- mining- горная промышленность / *tog'-kon sanoati*
- tendency – тенденция, стремление / *intilish*

I. Answer following questions

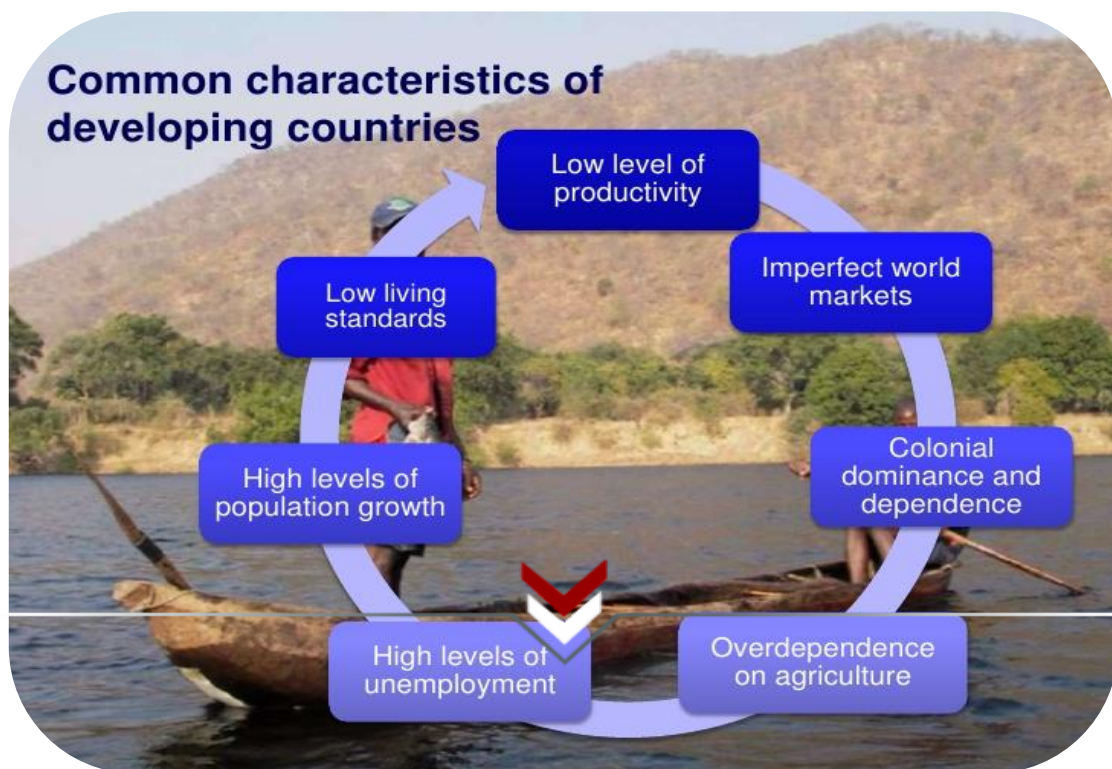
1. *What are the sectors of an economy?*
2. *Why does mining partially belong to the secondary sector?*
3. *How do manufacturing industries produce goods?*
4. *What countries produce agricultural products and minerals?*
5. *Which sector grows in industrialized countries?*

II. Complete the sentences using the words from active vocabulary

1. *There is a tendency for ... of trade between the two countries.*
2. *... is an important branch of economy as it helps industry and agriculture to provide goods for consumers.*
3. *... are people for whom all industries produce goods and*
4. *The primary sector ... mining, agriculture, hunting, fishing, and beekeeping.*
5. *Crop farming and animal farming are branches of*

DEVELOPMENT ECONOMICS

Development economics is an important branch of economics which considers specific problems of Third World countries. These countries are given a variety of different names such as “underdeveloped countries”, “less developed countries” (LDCs), and “developing countries” (DCs). All these terms contrast third world countries with first world countries which are called “developed” or industrialized”. Economies of Western Europe, North America, and Japan belong to this type.



The growth of Third World countries was especially great in the 1950s and 1960s. Most of these countries were a part of the colonial system and they were controlled by Western Europe. Many countries got political independence after World War II, but they have not become independent economically yet. For example, India has been independent country since 1945.

The most advanced Asian and South American countries are sometimes called “newly industrialized countries” (NICs). Hong Kong, Taiwan, Singapore, South Korea, have reached a great success in the development of their light manufacturing industries recently. They have already greatly increased the exports of such goods as

shoes, clothes, and electronics all over the world. Brazil and Mexico have also increased their share in the world market mainly by means of foodstuffs exports. It is important to understand that Third World countries are not uniform. Each country has its economic problems and it is necessary for each country to develop its own policy in order to make progress.

However, developing countries are distinguished from developed nations by the following common characteristics; low labor productivity; low level of education; high mortality rate; fast population growth; low living standards, etc. Some developing countries have all of these characteristics; others have only some of them.

Development Economics concerns the theory and practice of how to achieve economic development, while economic development simply makes a statement that there has been economic progress.

Uzbekistan is implementing ambitious market-oriented economic reforms. A surge in investment and a pickup in consumption boosted GDP growth to 5.6% in 2019. Public investment in industrial facilities, infrastructure (gas, hydroelectric, roads, and housing) - as well as household consumption (more than 50% of GDP) - promoted growth. Abundant and varied natural resources, low public debt, solid foreign exchange reserves, aggressive investment programmes, a growing labour force, and a strategic geographic position between China and Europe further factor into Uzbekistan's economic development. According to the updated IMF forecasts from 14th April 2020, due to the outbreak of the COVID-19, GDP growth is expected to slow down to 1.8% in 2020 and pick up to 7% in 2021, subject to the post-pandemic global economic recovery, conclusion of the market reforms opening new prospects for export-led growth and addressing production bottlenecks and regulatory constraints.

Active Vocabulary

- variety (n) – разнообразие \ *xilma-xillik*
- developed (adj) – (экономически) развитый \ *rivojlangan (iqtisodiy jihatdan)*
- advanced (adj) – передовой, развитой \ *rivojlangan*

- to reach (v) – достигать \ *erishmoq* \ to reach a success – достигать успеха \ *yutuqqa erishish*
- light manufacturing industry – легкая промышленность \ *yengil sanoat*
- to increase (v) – возрастать, увеличивать \ *o'shish*
- foodstuff (n) – пищевой продукт / *ozi'q ovqat mahsuloti*
- to distinguish (from) (v) – выделять (из), отличать (от) \ *farqlash, ajratish*
- average (adj) – средний \ *or'tacha*
- productivity (n) – пищевой продукт \ *oziq – ovqat*
- fast (adj) – быстрый, скорый \ *tez*
- contrast - противопоставлять, контрастировать / *taqqoslash, qiyoslash*
- uniform - одинаковый, стандартный / *bir hil, standart*
- mortality – смертность / *o'lim*
- surge in investment - всплеск инвестиций \ *investitsiyalarning ko'payishi*
- addressing production bottlenecks - устранение узких мест в производстве \ *ishlab chiqarishdagi to'siqlarni hal qilish*

I. Answer following questions

1. *What problems does development economics study?*
2. *What countries are known as “developed countries”?*
3. *When was the fastest growth of Third Worlds countries?*
4. *Are developing countries independent politically or economically?*
5. *What are the common characteristics of all developing countries?*



GRAMMAR SECTION

Adverbs

Already – Just – Yet



We use **already** in order to show that *something has been done*, i.e. it has been concluded.

- *Norman has already done his homework.*
-



We use **just** in order to stress that *something has just finished*. (recently completed activity)

- *Norman has just done his homework.*
-



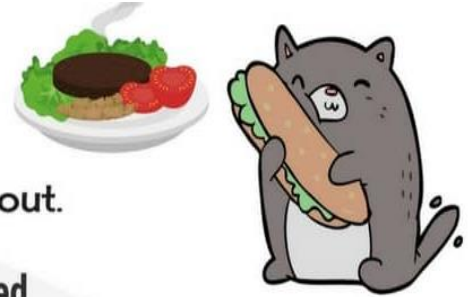
We use **yet** in negative sentences in connection with acts which *have not been concluded yet*. We also use yet in asking questions.

- *Norman has not done his homework yet.*
- *Has Norman done his homework yet?*

Just A very short time ago

Are you hungry? - No, I've **just** had dinner.

Is Tom here? - No, I'm afraid he's **just** gone out.



Already Before now or earlier than you expected

("Already" is possible to put **already** at the end of a positive sentence. This is more common in American English.)

What time does the film start? - It has **already** started.

What time does the film start? - It has started **already**.



Yet Before now/Until now

He hasn't arrived **yet**.



✍ **II. Complete the sentences using adverbs:
just, already, never, yet recently**

1. *The role of the service sector has increased*
2. *Most manufacturing industries have ... used intensive technologies for processing resources.*
3. *Economists have not given a full definition of economics*
4. *Economists have ... developed three main approaches to economics*
5. *Microeconomics has ... studied the problems of whole country's economy.*

APPLIED FIELDS OF ECONOMICS

There is a basic theory and facts in economics, in which all economists are interested. However, economics has some main applied fields that deal with specific topics, such as industrial economics agricultural economics, economics of energy, economics of education, labor economics, ect.

Industrial organization and structure are studied by industrial economics which also analyzed markets for manufactured goods

as well as policies of various enterprises. The degree of concentration and barriers against new competitors in the market have already been analyzed by industrial economics for such important branches of economy as mining, gas, and oil industries, etc. The behavior of firms and companies in an industry is influenced by the structure of the industry.

Both profits and losses in any industry are affected by the behavior of firms companies engaged in the industry.

The economics of energy is known as another important field of applied economics closely connected with industrial economics. A lot of energy has been used by the modern economy in recent decades. Farms, factories, plants, transportation as well as families have greatly increased the consumption of various sources of energy since new modern equipment and technologies were introduced.

In the past, wood and coal were used as the main sources of energy. Then, these sources were replaced by gas and oil in most industries. However, in the 1970s energy sources became scarce and there was a rise in energy prices. Since that time serious adjustments have been made by industrial economics in order to cope with energy scarcity.

For the last few decades the problems of energy economics have been discussed by specialists and governments in many countries.



Regular meetings by the OPEC formed in order to regulate oil prices.
OPEC – Organization of Petroleum Exporting Countries

Fossil fuels—namely crude oil, natural gas, and coal—are the world’s number one source of energy. Despite being a non-renewable source, there is still a high demand for fossil fuels due to their affordability and reliability. From heating and lighting homes to fueling vehicles, fossil fuels play an integral role in energy production and the global economy.

Even with the massive strides made in technological innovation, sustainable energy has failed to usurp traditional fossil fuels. In order to incentivize renewable energy adoption, governments have levied tax credits for solar and wind energy, which until recently, were far more expensive than the status quo.

Active Vocabulary

- applied – прикладной \ *amaliy*
- however – однако \ *biroq*
- enterprise – предприятие \ *korxon*
- degree – степень \ *daraja*
- competitor – конкурент \ *raqib*
- to influence – влиять \ *ta'sir ko'rsatish*
- profit – прибыль, доход \ *foyda*
- loss – потеря, убыток \ *zarar*
- to engage – занимать \ *shug'ullanish*
- consumption – потребление \ *iste'mol*
- scarce – недостаточный, скудный \ *taqchil*
- to rise – повышать, увеличивать \ *oshirish*
- to adjust – приспособлять \ *moslashish*

I. Answer following questions

1. *What topics do applied fields in economics deal with?*
2. *What influences profits and losses in any industry?*
3. *What were the main sources the energy in the past?*
4. *Why were adjustments made in most industries in the 1970s?*

**✎ II. Complete the sentences using the following words:
Applied; scarce; educative; introduction; consumption;
competitive;**

1. Resources of water are ... in hot and dry areas.
2. The ... of new methods in company management has increased in productivity.
3. Engineers have found some ... field for this new materiel.
4. Some imported goods are more ... than goods produced in the country.
5. Television in any country has some ... programmes.
6. The ... of electricity by an average family has increased.



AGRICULTURAL ECONOMICS



Agricultural economics has been one of the leading branches of applied economics since the 1920s. Now it is developing rapidly and successfully as it is important for most countries of the world.

In order to understand agricultural economics it is necessary to know how crops are sown, cultivated, fertilized, and harvested, how livestock are bred, fattened, and sold.

One of the main characteristics of agricultural sector is its great dependence on natural conditions, such as climate, weather, soil, etc. For example, there are differences between farms growing crops or fattening cattle in the central part of Russia and in its southern regions, as well as between farms growing wheat in the Ukraine and Kazakhstan. Farms of the same type working under different natural conditions use different livestock breeds, crop varieties, harvesting machinery, etc. In developed countries the productivity in agricultural sector including agriculture and processing of agricultural products is being raised as fast as in economy as a whole. The main reasons for rising efficiency are: a) better agricultural technology; b) better capital inputs, such as machinery; c) achievements in biological sciences.

However, there are two main factors limiting further rise of efficiency: increasing energy scarcity as well as the loss of soil and water.

Unlike incomes in most industries, farms incomes vary from year to year. They depend on weather conditions and changes in demand for and supply of most farm products.

All these problems are considered by agricultural economics.

Agricultural development in Uzbekistan

Uzbekistan has been an agrarian country, with its rural population at more than 60% and agriculture accounting for around 30% in employment and 18% in GDP (World Bank, 2013). As is typical of economies, dependent on agriculture.

In terms of developments over time, the share of agriculture in GDP has declining from 36% to 18% since 1991, showing a definite downward trend during the last twenty four years although the Agriculture GDP in 2014 is 2.11 times as much as the data in 1991 because the GDP grows 4.5 times sine year 1991. It was meaning, the remaining sectors, such as: industry, service increase much faster than Agriculture, and the country is going industrialization.

Active Vocabulary

- rapidly (adv) – быстро \ *tez*
- successful (adj) – успешный, удачный \ *omadli*
- to raise (v) – выращивать, увеличивать \ *o'stirish, ko'paytirish*
- condition (n) – условие \ *shart- sharoit*
- difference (n) – разница, различие \ *farq*
- reason (n) – причина, основание \ *asos, sabab*
- breed (v)(bred) – выводить, разводить \ *boqish, ko'paytirish*
- to vary (v) – изменяться \ *o'zgarish*
- fattened (v) – откармливать на убой \ *semirtitish*
- demand (for smth) (n) – спрос (на что- л.) \ *talab (nimagadir)*
- supply (n) – предложение; запас \ *taklif*
- crop(n)- посев, урожай \ *urug', hosil*
- sow (v) (sown)- сеять, засеять \ *ekish*
- fertilize (v) – удобрять \ *o'g'itlash*
- harvest (v) – собирать урожай, жать \ *hosilni yiq'ish*

- livestock (n) – домашний скот \ *qoramol*
- soil (n) – почва, земля \ *yer*

✍ I. Answer following questions

- 1. Why is agricultural economics developing rapidly?*
- 2. What is it necessary to know to understand agricultural economics?*
- 3. What is the main characteristic of agriculture?*
- 4. What are the main reasons for rising efficiency in agriculture in the developed countries?*
- 5. Why do farm incomes vary from year to year?*



GRAMMAR SECTION

SOME AND SAME

*As pronouns the difference between **some** and **same** is that some is a certain number, at least one while same is the identical thing.*

As adverbs the difference between some and same is that some is of a measurement; approximately, roughly while same is together.

As a determiner some is a certain proportion of, at least one.

As an adjective same is not different or other; not another or others; not different as regards self; selfsame; identical.



✍ II. Choose some or the same

- 1. Conditions in southern regions are not ... as in northern regions.*
- 2. The reason for energy scarcity are not ... as the reasons for water scarcity.*
- 3. In ... countries living standards have risen in the last decade, in ... countries they are ... as they were ten years ago, in ... countries they have become worse.*
- 4. This farm raises ... breeds of livestock as most farms of the region.*
- 5... livestock breeds are more rapid growing than others.*

ECONOMICS OF EDUCATION

Education for young people has always been a leading social task. In all industrial society young people from the age of 5 to 16 and sometimes older go to school. A lot of young adults then take jobs, but some – go to college and a few more take advanced studies.



Education varies from country to country but it has the same economic characteristics in all countries. It improves skills which make people more productive. By means of education people are made stable members of society. Some teachers also do creative research which helps to improve technology. So education creates large economic values varying from technical productivity in factories and offices to progress of knowledge.

Various values of education are of two classes: private and social. Each student gets private benefits when he or she learns new skills which will allow them to get higher pay on the job. Besides, the job will probably be more pleasant and the person will cope with problems of modern life better.

There are also public benefits of education. First, it provides more productive workers for society; economy becomes more efficient and profitable. Without education many people do not cope with difficulties of life turn to crime or require public support. Second, people understand social life better and they will deal with public problems more intelligently and avoid extremism. Third, greater productivity of population provides more taxes in order to pay for public needs.

The task of economics of education is to evaluate public and private benefits and make decisions how much a government is going to invest in every type of school and how the government is going to do it. As productivity and stability of population is mainly increased at school level, total public subsidies for school are justified. For

education at the college level, however, the public benefits are weaker than private benefits and full public subsidies are considered less justified than at the school level. Education is being financed by subsidies or scholarships. Which of them are more effective is also a problem studied by economics of education. Technologies are becoming more complex and demand for education as well as number of qualified specialists will grow in future. With it, the role of economics of education and the scope of problem studied by it is growing in the years to come.

The Government of Uzbekistan (GoU) recently approved a national development strategy for the period 2017–21 that has implications for reform of the country’s education sector. The “Strategy of Actions for Five Priority Development Directions of the Republic of Uzbekistan in 2017–2021”¹ aims to: (i) improve the public sector; (ii) ensure the rule of law; (iii) develop and liberalize the economy; (iv) develop the social sphere; and (v) ensure security, peace, and tolerance. This strategy explicitly highlights a need to develop the education sector, improve the quality and efficiency of public services, strengthen economic competitiveness, and improve policy for youth. The strategic objectives in education include improving the quality of education services, modernizing learning environments in education institutions, expanding the network of preschools, aligning vocational offerings with the needs of employers, and promoting quality assurance in higher education

Active Vocabulary

- society (n) – общество \ *jamiyat*
- to improve (v) – улучшать, совершенствовать \ *yahshilash*
- stable (adj) – устойчивый, прочный \ *barqaror*
- research (n) – исследование \ *izlanish*
- value (n) – ценность, стоимость, значение \ *baho, qiymat*
- private (adj) – частный \ *xususiy*
- support (n) – поддержка \ *qo'llab-quvvatlash*
- to avoid (v) – избегать \ *oldini olish, qochish*
- tax (n) – налог \ *soliq*
- scholarship (n) – стипендия \ *stipendiya*
- benefit (n) – преимущество, выгода \ *afzallik, foyda*

- justify (v) – оправдывать \ *oqlash*
- vary (v) – меняться, изменяться \ *o'zgarish*
- cope (v) – справляться \ *hal qilish , echish*

 ***I. Answer following questions***

- 1. What are the characteristics of education which are the same in all countries?*
- 2. What is the role of education in social progress?*
- 3. What are the private benefits of education?*
- 4. What are the public benefits of education?*



GRAMMAR SECTION

First Conditional

First vs. Zero Conditional: The first conditional describes a particular situation, whereas the zero conditional describes what happens in general.

For example (zero conditional): if you sit in the sun, you get burned (here I'm talking about every time a person sits in the sun - the burning is a natural consequence of the sitting)

But (first conditional): if you sit in the sun, you'll get burned (here I'm talking about what will happen today, another day might be different)

The first conditional describes things that I think are likely to happen in the future, whereas the second conditional talks about things that I don't think will really happen. It's subjective; it depends on my point of view.

For example (first conditional): If she studies harder, she'll pass the exam (I think it's possible she will study harder and so she'll pass)

FIRST CONDITIONAL			
We can use other modal verbs in the result part of the sentence. For example:			
IF	CONDITION	RESULT	SITUATION
If	she gets good grades,	she will go to university.	If the condition is met, then she definitely will go
If	he gets good grades,	he may go to university.	He is not sure about going to university.
If	she gets good grades,	she should go to university.	The speaker is expressing his or her opinion , giving advice .
If	he gets good grades,	he can go to university.	This means that it is possible .
If	she gets good grades,	she could go to university.	This means that it is possible , but not that likely .
If	he gets good grades,	he might go to university.	This means that it is possible , but not that likely .

II. Finish the sentences

1. University students will do more research if
2. If the scholarship is raised, I
3. Society will be more stable if
4. When the government supports universities and schools more
5. The level of education will rise in this country if (when)

THE SHARING ECONOMY



If we look around us at the things we have purchased at some point in our lives, we would no doubt notice that not everything we own is being put to good use: the thick woollen coat which we thought looked trendy despite the fact that we live in a tropical country, the smartphone that got put away when we bought ourselves the newest model, the car that only gets used at the weekends, or even the guest room in our house that somehow got turned into a storeroom.

Those underutilized items may seem useless to some, but could be an asset to others. While the advent of the internet, online communities have figured out a way to generate profit from the sharing of those underused assets. Using websites and social media groups that facilitate the buying and selling of second-hand goods, it is now easier than ever for peer-to-peer sharing activities to take place. And this is known as the sharing economy.

These democratized online platforms are providing a chance for people to make a quick buck or two. To give an example, busy parents previously might not have bothered with setting up a stall at the local market or car boot sale to sell their children's old equipment, but with

online marketplaces, parents are now able to sell on those hardly worn baby clothes that their children have outgrown and the expensive pushchairs and baby equipment they have invested in, so as to put some cash back into their pockets.

Businesses have also caught on to the profitability of the sharing economy and are seeking to gain from making use of those underutilized resources. A business model that has rapidly risen in popularity sees companies providing an online platform that puts customers in contact with those who can provide a particular product or service. Companies like Airbnb act as a middleman for people to cash in on their unused rooms and houses and let them out as lucrative accommodation. Another example is Uber, which encourages people to use their own personal cars as taxis to make some extra cash in their free time.

This move towards a sharing economy is not without criticisms. Unlike businesses, unregulated individuals do not have to follow certain regulations and this can lead to poorer and inconsistent quality of goods and services and a higher risk of fraud. Nevertheless, in the consumerist society we live in today, the increased opportunities to sell on our unwanted and underused goods can lead to a lesser impact on our environment.

Active Vocabulary

- rapidly (adv) – быстро \ *tez*
- underutilized items - недоиспользованные предметы\ *kam ishlatilgan narsalar*
- sharing economy - экономика совместного использования\ *birgalikdagi iqtisod*
- to make a quick buck - быстро заработать\ *tez pul ishlash*
- car boot- багажник автомобиля\ *avtomobil yuk xonasi*
- middleman- посредник \ *vositachi*
- unregulated- нерегулируемые\ *tartibga solinmagan*

I. Circle the best answer

1. The sharing economy does not involve ...

a. people selling their used things to others.

b. people offering their services to others.

- c. *businesses selling their goods to people.*
- d. *businesses acting as a middleman for people who want to sell a product and people who want to buy it.*

2. People can now sell things more easily because ...

- a. *people nowadays buy more things.*
- b. *businesses want to buy the things they don't use.*
- c. *there are now more market stalls and car boot sales.*
- d. *there are now online platforms where they can meet people who want to buy their goods and services*

3. Parents might want to sell their baby clothes and baby equipment because ...

- a. *they want to make back some of the money some of the money they spent on those baby purchases.*
- b. *they don't like the baby items they have bought.*
- c. *the baby clothes and equipment are old and worn out.*
- d. *they need the money for other investments.*

4. Which of these is something that the author says we might underutilise?

- a. *A thick coat in a cold country*
- b. *The latest smartphone*
- c. *Clothes our babies don't or can't wear any more*
- d. *The storeroom in our house*

5. It might be a problem for unregulated individuals to sell to others because ...

- a. *they have to follow certain regulations.*
- b. *what they sell might be of a lower quality.*
- c. *they don't have a business licence.*
- d. *they like to criticise their buyers.*

6. What might be a good title for this article?

- a. *The consumerist society*
- b. *Parents who need money*
- c. *The rise of the sharing economy*
- d. *Why we buy things we don't need*

✎ II. Match the definitions (a–h) with the vocabulary (1–8)

Vocabulary Definitions

1. to facilitate a. not used a lot or enough
2. inconsistent b. something you own that has value if sold
3. underutilised c. to make a process or action easier
4. lucrative d. to make money quickly
5. to make a quick buck e. to not want to do something because it's too much trouble
6. to not bother with something f. something that can make you a lot of money
7. consumerist society g. something that keeps and is not always the same
8. an asset h. a society where people who love owning things and are always buying new goods

✎ III. Are the sentences true or false?

1. We don't always use everything we buy.
2. By offering our goods and services online, we can make a profit.
3. Things that are useless to you will also be useless to others.
4. Businesses have realized that they can make money by buying people's unwanted goods.
5. Airbnb is a company that sells people's unwanted houses.
6. The chance to buy other people's unwanted goods can lead to a greener lifestyle.

SMALL NATIONS

People of every nation try to achieve as high level of living as possible. They also seek economic security to make their level of living constant. But nations vary in area and population, so security can only be relative. Nations with large territories but which are no too large in population, such as the USA, Canada, Australia, may have a relatively high degree of economic security because they are supplied with proper amounts of natural resources, manufacturing companies, trade facilities, such as rivers, roads, railroads, airports and efficient means of communication.



In contrast, some nations are small in area and large in population. They can ensure economic security only if they cooperate effectively with other people. For example, Belgium is a small country of about 31,000 square kilometers and with a population of about 10 million, or about 300 persons per square kilometer. The Belgians can maintain a relatively high level of living but they should produce at home as large quantities of foodstuffs and other necessities as possible. They have to buy raw materials and sell their products in the world market. The obtained profits are to be used to import additional foodstuffs and other necessities of life that the Belgians must use to maintain their level of living.

Thus, the Belgians have to turn to world markets for three reasons:

- 1) They have to buy raw materials;*
- 2) They must sell the manufactured goods;*
- 3) they have to buy additional quantities of necessities of life.*

The Belgians greatly depend on world markets, so they should welcome any international action that can ensure the stability of prices in the world markets.

Japan is known as another small nation with big population, which was able to overtake such industrialized country as the USA in some fields of economy. Traditionally the country has to produce some manufactured goods for export in order to import additional foodstuffs. The main items of Japanese export are high – tech products such as computers and computer programmers, modern automobiles, high-quality machinery and equipment, reliable household appliances, etc. Nowadays Japan has become one of the largest contributors of long-term capital to developing countries.

Active Vocabulary

- to seek (v) – искать, добиваться, \ *qidirish, erishish*
- security (n) – безопасность \ *xavfsizlik*
- amount (n) – количество \ *miqdor*
- facility (n) – удобства, оборудование \ *qulayliklar, uskunalar*
- means (n) – средства \ *vosita*
- to ensure (v) – обеспечивать, гарантировать \ *ta'minlash*
- to cooperate (v) – сотрудничать \ *hamkorlik qilish*
- to maintain (v) – поддерживать, сохранять \ *qo'llab-quvvatlamoq, saqlamoq*
- raw materials (n) – сырье \ *xom ashyolar*
- to obtain (v) – получать, приобретать \ *erishmoq, olmoq*
- to overtake (v) – перегонять, обгонять \ *o'zib ketish, yetib olish*
- item (n) – (каждый отдельный) предмет \ (*alohida narsa*), *element*
- long-term (adj) – долгосрочный \ *uzoq muddatli*
- constant (adj) – постоянный \ *doimiy*

I. Answer following questions

1. Why is the economic security of large nations relatively high?
2. How can a small nation ensure its economic security?
3. What do you know about Belgium?
4. Why is trade so important for Belgium?
5. What are the main items of Japanese export?



GRAMMAR SECTION

Modal Verbs

Modality is about a speaker's or a writer's attitude towards the world. A speaker or writer can express certainty, possibility, willingness, obligation, necessity and ability by using modal words and expressions.

Speakers often have different opinions about the same thing.

We use modals to show if we believe something is certain, possible or impossible. We also use them to do things like talk about ability, ask permission, and make requests and offers.

Modal Verbs

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CAN	Ability	I can speak Spanish.
	Permission	Can I go to bathroom?
	Probability	It can't be Mark. He is in London.
COULD	Past ability	He could speak French when he was 6 years old.
	Past permission	He could go to theater.
	Probability (40%)	It could get much hotter in July.
	Request	I could lend you my notebook.
MAY	Probability (50%)	It may snow tomorrow.
	Permission	May I come in?
MIGHT	Probability (35% or less)	It might rain today.
MUST	Prohibition	You mustn't speak loudly. It is hospital.
	Deduction/probability (100%)	The teacher must be Mark. I've seen his bicycle outside.
SHOULD	Advice	You shouldn't smoke. It is unhealthy.
WILL	Prediction	I think he will study harder this time.
	Spontaneous decision	Oh, it's very hot today. I'll open the window.



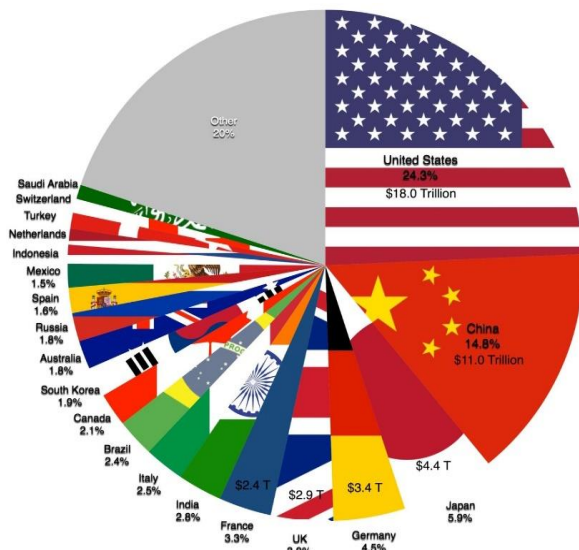
II. Supply the modal verbs: can, could, may, must

1. If there is a few firms in an industry, the change in the behavior of one firm ... influence other firms.

2. *The firm increase its profits by means of new materials or technologies.*
3. *Any crisis in the economy of the USA seriously influence the economies of other nations.*
4. *Any country follow some rules in international trade.*
5. *You ... have a special license to import or export exotic animals.*



LARGE NATIONS



Economic security of large nations, like the United States and Russia, can be maintained, which means their smaller dependence on world markets. Nowadays these large nations are provided with such economic fundamentals as natural resources, good agricultural land, and effective manufacturing enterprises relatively well, although in future gas, oil, and mineral resources will be

exhausted and these nations will have to export them.

Self-sufficiency can be ensured by the government policies of large nations but it is impossible for more dependant nations. Self-sufficiency may be achieved by various policies in accordance with particular economic characteristics of each nation. Although large and rich nations are less self-sufficient today than they were 30 years ago, they are still able to rely mainly on their domestic resources and production for national prosperity.

The USA is an example of country with a free market economy and strong economic fundamentals. It is also known as an economy of free enterprise. American government (usually called the US administration) does not participate directly in foreign trade but it often uses protective tariffs to support domestic producers.

However, with its large territory which includes about 6 percent of the land surface of the earth, the United States has always been more interested in the development of domestic market. More than 90 percent of the nation's total trade has recently been done on its territory. Thus, the United States has sought to maintain its economic security through a policy of protection that has restrained trade with other nations in favor of a domestic market where industry and agriculture have been free to develop and expand to meet domestic demand.

At present a variety of policies are being followed by different countries in the world economy. However, all these policies are being in order to provide a certain degree of economic security for a nation.

On the one hand, the economic security of any nation is based on economic nationalism recognized as the only practical economic way of life in the modern world. On the other hand, various conflicts can be caused if a nation follows policies of restrains in trade which prevent the growth of world economic well-being.

Active Vocabulary

- fundamentals (n) pl- основы \ *asoslari*
- self-sufficiency (n) – самообеспеченность, независимость \ *mustaqillik*
- policy (n)- политика, правила, принципы \ *qonun, siyosatto*
- rely on (v) – полагаться, рассчитывать (на), зависеть \ *tayanish*
- domestic (a) - внутренней, отечественный \ *ichki*
- prosperity (n): *syn* (well-being) - процветание, преуспевание, благополучие \ *gullab-yashnashi*
- protection (n) – защита \ *muhofaza*
- to restrain (v) – ограничивать, сдерживать \ *chegaralash, saqlash*
- to expand (v) – расширять, увеличивать \ *kengaytirish*
- to meet demand (v) – удовлетворять спрос \ *talabga javob berish*
- recognize (v) – признавать \ *tan olish*
- cause (v) – послужить причиной, быть причиной \ *sabab bo'lish*
- free (a) – свободный \ *erkin*
- tariff (n) - тариф, налог, пошлина \ *tarif, boj*

I. Answer following questions

1 *What kind of policy can the governments of large nations follow?*

2 *Are large nations more self-sufficient nowadays than several decades ago?*

3 *What are the main characteristics of the US economy?*

4 What is the aim of every economic policy of any country?



GRAMMAR SECTION

The Participle

English verbs have two participles: the present participle (typing, writing) and the past participle (typed, written). Participles have some qualities of verbs and are used in the formation of the continuous, perfect and perfect continuous tenses (he is typing; he has written a letter). Participles have some qualities of adjectives and are used as attributes in a sentence (a smiling girl; surprised faces).

Participle

1. Present Participle	Verb + ing	Walking Dancing
2. Past Participle	V.3	Walked Danced
3. Perfect Participle	Having + v.3	Having walked

Difference between Participle and Gerund

Participle = Verb-ing (Used as **Adjective**)

Gerund = Verb-ing (Used as **Noun**)

GERUND	PARTICIPLE
He likes playing football.	I saw him playing football.
Swimming is a good exercise.	We saw her swimming .
He is fond of gambling .	I saw him gambling .

✎ *II Choose Participle I or Participle II*

- 1. Large nations relatively well (providing/ provided) with fundamentals may follow the policy of self- sufficiency.*
- 2. Small nations (imported / importing) large amounts of foodstuffs and natural resources are more dependant on the world market*
- 3. The country (following/ followed) the policy of self-sufficiency should rely on its domestic resources.*
- 4. The government (reduced/ reducing) the import of foreign goods in the country may make domestic producers less competitive.*
- 5. Recently (increasing/ increased) influence of monopolies can be restrained by special government laws.*

GLOBALIZATION OF WORLD ECONOMY

Globalization is understood as increasing internationalization of ideas, science, communication and technology that must be distinguished from economic globalization. The latter means the process of integration of markets, great changes in trade and finance and the establishment of the global economy. The main aim of economic globalization is to change the world into one dynamic market which has uniform characteristics in different countries. Globalization should lead to a free mobility of capital as well as to privatization of the economy and a sharp reduction in government budgets. Besides, globalization means wide advertising of new consumer products all over the world, low taxes for producers both domestic and foreign and similar life-styles for people of different nationalities.

What is the Global Economy?



The economy of our planet. All the economies added up.

The world today consists of economies that are entwined and interdependent.

**The economy of the world seen as a whole.
A world comprising economically interdependent nations.**

First steps towards globalization in Europe were made by the establishment of the Common Market in 1993 and the introduction of the “euro” as the new single currency for Europe on January 1, 1999. Since that time the euro has been used in foreign trade transactions by the countries which joined the euro-zone. Euro banknotes were introduced in circulation in 12 members- countries of the European Union on January 1, 2002.

Some countries of Central and Eastern Europe have recently joined the European Union, such as Lithuania and Poland while others



are planning to do it in the near future. However, in order to transform the former planned economies into really mixed economies, countries of Eastern Europe must increase sharply the levels of productivity and competitiveness of their economies. Special adjustments should be made

in agriculture, tax system and in the system social security.

Economists think that the single currency will increase trade integration as well as labor mobility in the euro-zone. The introduction of the currency and participation of different countries in integrated European financial markets should reduce any risks in business transactions and lead to more efficient European finance, promote European political as well as economic integration.

Globalization at a business level means that a company has decided to participate in the global economy and it's going to establish its subsidiaries in foreign markets. However, a company will have to adjust its products or services to the consumers' requirements in a foreign country. Nowadays any company may do e-business using the Internet services. In order to attract consumers it is important to advertise new goods and services both in national and international markets. Advertising of popular goods and services is often done in such international languages as English, German, French and Spanish.

But the current coronavirus situation is profoundly impacting all types of businesses. With the temporary cessation of some businesses, and activities slowing down for many, the consequences of the pandemic are even worse for the world economy than the ones following the Global Financial Crisis in 2007-08.

As everybody knows, the first country to suffer from the impact of COVID-19 was China, the second largest economy worldwide. The drastic lockdown, which required a number of significant

manufacturing companies and retail businesses to close or reduce their activities, has drastically slowed down the Chinese economy.

In the United States for instance, with the quarantine measures continuously reducing economic activities, economists at Morgan Stanley have predicted a drop of 30% in consumption and a level of unemployment reaching approximately 12.8% in the second quarter of the year. Indeed, the impact of the pandemic cannot be taken lightly, as it affects everyone directly or indirectly. The travel industry is among the sectors suffering the hardest hit, due to the travel restrictions implemented by governments worldwide.

As it can be seen, the pandemic will continue to disturb the global market; therefore it is essential that all should work together to successfully get through this challenging time.

Active Vocabulary

- finance (n) – финансы, денежные отношения \ *moliya, mablag'*
- establishment (n) – основание, создание \ *barpo qilish, muassasa*
- sharp (a) – резкий, определенный \ *keskin*
- reduction (n) – снижение, уменьшение \ *pasaytirish, kamaytirish*
- introduction (n) – введение \ *tanishtirish, muqaddima*
- transaction (n) – сделка \ *bitim, kelishuv*
- to join (v) – соединять, сливать \ *qo'shilish*
- competitiveness (n) – конкурентоспособность \ *raqobatbardoshlik*
- participation (n) – участие \ *qatnashish, ishtirok etish*
- to promote (v) – способствовать, выдвигать \ *tarq'ib qilish*
- subsidiary (n) – филиал \ *sho'ba korxonasi*
- distinguish (v) – различать \ *farq qilmoq, ajratmoq*

I. Answer following questions

1 What does globalization mean?

2 What are the aims of economic globalization?

3 What are the main steps of globalization in Europe?

4 When and where was the euro introduced?

5 What benefits can the single European currency ensure?

6 What is the impact of COVID-19 on the global economy?

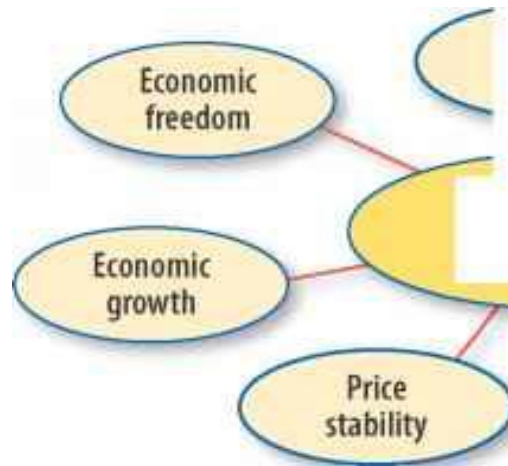
✍ II Supply the correct forms of the verbs

1. Farmers of different countries usually _____(to support) long-term ecological programmers
2. Problems of globalization _____(to discuss) by leading economists, scientists, writes and activists at the International Forum on Globalization every year
3. The first meeting of the International Forum on Globalization _____(to hold) in San Francisco in January 1994
4. Lately the euro _____(to become) an alternative to the US dollar as an international currency
5. Modern and improved transport facilities _____(to build) in Moscow in the near future



ECONOMIC AND SOCIAL GOALS

In the United States, people share many broad social and economic goals. While it might be difficult to find them, they are repeated many times in statements made by friends, relatives, community leaders and etc. Some of these major economic and social goals are described below.



Economic Freedom. In the United States, people place a high value on the freedom to make their own economic decisions. For instance, people like to choose their own occupation, employer, and how to spend their money. The belief in economic freedom, like political freedom, is one of the cornerstones of American society.

Economic Efficiency. Americans recognize that resources are scarce and that factors of production must be used wisely. If resources are wasted, fewer goods and services can be produced and fewer wants and needs can be satisfied.

Economic Equity. Americans have a strong sense of justice, impartiality and fairness. For example, many people feel that there should be equal pay for equal work. As a result, it is now illegal to discriminate on the basis of sex, race, or religion. In addition, laws protecting consumers against false advertising, unfair prices, and dangerous products have also been passed.

Full Employment. When people work, earn income for themselves while they produce goods and services for use by others. When people do not have jobs, however, they cannot support themselves or their families, nor can they produce output for others. As a result, people want their economic system to provide as many jobs as possible.

Price Stability. Another goal is to have stable prices. If there is inflation – a rise in the general level of prices – life becomes difficult for many people. Workers need more money to pay for food, clothing and shelter. People on a fixed income – an income that does not

increase even though prices go up – find that bills are harder to pay and that planning for the future is more difficult. Price stability makes budgeting easier and adds a degree of certainty to the future.

Active Vocabulary

- belief (n) – вера, доверие / *ishonch*
- cornerstone (n) – краеугольный камень / *poydevor tosh*
- waste (v) – тратить (впустую) / (*bekorga*) *sarflash*
- justice (n) – правосудие, справедливость / *adolat*
- impartiality (n) – беспристрастие, объективность / *betaraflik, beg'arazlik*
- fairness (n) - честность, законность / *odillik, haqqoniylik*
- output (n) – продукция, продукт / *mahsulot*
- fixed (a) – постоянный, закрепленный / *o'zgarmas*
- certainty (n) – уверенность / *ishonch*

✎ I. Answer following questions

1. *What are the main goals of the United States economy?*
2. *What is economic efficiency?*
3. *Why people cannot support themselves?*
4. *What is a fixed income?*
5. *What will happen if there is a rise in the general level of prices?*

✎ II. Each of the sentences has one word which should not be there. Cross it out

1. *By this time next week, we will have been being here for over a year.*
2. *He told to me you were having problems with your computer.*
3. *You don't have got to do that if you don't want to*
4. *I wish I didn't had a bit more money.*
5. *Have you ever had your hair dyed?*

PARTNERSHIP



Business Partnership

A partnership is a business that is jointly owned by two or more persons. The most common form of partnership is a general partnership; one where all partners are responsible for the management of the business. In a limited partnership, at least one partner is not active in the daily running of the business though he or she may have

contributed funds to finance the business.

Partnership is relatively easy to set up. Because more than one owner is involved, formal legal papers are usually drawn up to specify arrangements between partners. Although not always required, these papers state ahead of time how profits – or losses – are divided.

The partnership agreement may divide the profits fifty-fifty, sixty-fourty, or any-other arrangement suitable to the partners. Partnership is a relatively simple business to establish and manage. Generally, each partner takes care of certain parts of the business. One partner might agree to do the marketing, another production, and so on.

Partnerships can usually attract financial capital easier than proprietorship. They are generally a little bigger and, if established, have a better chance at getting a bank loan. If money cannot be borrowed, the existing partners can always take in new partners who bring financial capital with them as part of their price for joining the business.

The main disadvantage of a partnership is that each partner is fully responsible for the acts of all other partners.

If, for example one partner causes the firm to suffer a huge loss, each partner is fully and personally responsible for the loss.

In the case of a limited partnership, the limited partner is not fully liable for the losses and debts of the business. This is known as limited liability and means that the owner's responsibility for the debts of the business is limited by the size of his or her investment in the firm. If the business fails, or if huge debts remain, the limited partner only loses the original investment and the other partners must make up the rest.

Next disadvantage of a partnership is that all partners share the profits. Unlike a sole proprietorship, no single person keeps all the profits.

Active Vocabulary

- responsible (a) – ответственный / *javobgar*
- miming (v) – исполнение / *bajarilishi*
- contribute (v) – вносить (вклад) / (*hissa, pul*) *qo'shish*
- sole proprietorship (n) – единые права, дело / *hususiy ish*
- loan (n) – заем, ссуда / *ssuda, pul*
- to suffer a loss (v) – потерпеть убытки / *zarar ko'rish*
- limited partnership (n) – ограниченное сотрудничество / *chegaralangan hamkorlik*
- liable (a) – обязанный, ответственный / *ma'sul, javobgar*
- remain (v) – оставаться / *qolmoq*
- to specify (v) – устанавливать, определять / *o'rnatish, aniqlash*
- stale (v) – устаревать, утративший силу / *eskirish, kuchini yo'qotish*

I. Answer following questions

1. *How are partnerships formed?*
2. *How are profits divided in partnership?*
3. *What is the main disadvantage of a partnership?*
4. *What is limited liability?*

II Which of the following is not true about partnership?

1. *A general partnership is the most common type of partnership; one where the company's management is accountable to all stakeholders.*
2. *It's not easy to establish a partnership*
3. *Each partner takes care of certain parts of the business.*
4. *The main advantage of a partnership is that each partner is fully responsible for the acts of all other partners*
5. *The disadvantage of a partnership is that all partners share the profits*

OPPORTUNITY COST

Do you have things you want? Probably not. Very few people ever reach the stage where they have everything they want. In fact, one want often leads to another. It is important to point out however, that there is a difference between wants and needs. Everyone needs food, clothing and shelter but other so-called “needs” are really “wants”. For example, you may insist that you need a car but you may live in an area where you really don’t have to have one. You can walk, bicycle, or rely on public transportation to get around.



Similarly, you may want new clothes, but whether or not you need them is a value judgment. If you think about it, you probably will agree that most people’s needs are limited. In contrast, people’s wants are unlimited.

Because of the problem of scarcity nations, businesses, and individuals all must make choices in an effort to satisfy unlimited wants with limited resources. These choices are not always easy. Suppose you have saved some money and are thinking of buying a new bicycle. Before buying the bicycle, however, you may give some consideration to the possibility of buying something else instead. Would a stereo system give you more pleasure than the bicycle? What about the possibility of buying a used bike so you will have enough money left over to buy the new shoes you need or to put some money aside for college? Or would it be better to save the money toward a down payment on a used car that you can use on your part-time job as well as at college? Because your income is limited and you can buy only a limited number of things, you probably will give considerable thought to the situation before making your purchase.

However you decide to use your money you will have to give up the opportunity to purchase something else that also may have given you pleasure. If you decide to purchase the second-hand bicycle so that you will have some money to put aside for college, you will have to give up the opportunity to buy the stereo system or to buy the new

bicycle. Economists use the term opportunity cost to refer to the next best alternative that is given up when a decision is made to use resources in a way. In this example, if your second choice would have been the purchase of a stereo system, then the opportunity cost of buying the used bicycle and putting aside the money for college is the stereo system you could have had.

Money is not the only scarce resource that individual have. Time is also a scarce resource. Suppose that on a particular Saturday night you have the opportunity to go out on a date with a person you like very much. At the same time, you also have the opportunity to go roller-skating with several of your friends. Because you can't do both you must make a choice. No matter which choice you make, you are going to pay a price in terms of the opportunity cost of your decision. If you decide to go out on the date the opportunity cost of your choice is giving up the opportunity to go roller skating. If you decide to go roller skating, the opportunity cost of that decision is giving up the opportunity to go out on the date.

Nations, too, are constantly faced with the realities of opportunity costs. For example, the government must decide how much it will spend for national defence and how much will be spent on non-defence programs, such as education, transportation, and other public services. Since the government has a limited amount of money, a decision to spend more money on national defence usually will require funding for non-defence programs to be cut. Thus, the opportunity cost of the increased defence spending is the reduction of funding of non-defence programs.

✎ I. Choose the best answer to the following questions, using the text

1 Why is scarcity the most basic of all economic problems?

- a. because the federal government must decide how much it will spend for natural defence.*
- b. it gives you an opportunity to buy something else.*
- c. because it is the most important issue in balancing unlimited needs with limited resources.*

2 What is meant by the term “opportunity cost”?

- a. it is your limited income
- b. it refers to the next best alternative that is given up when a decision is made to use resources in a particular way.
- c. it is defined as a decision to spend money.

3 How do opportunity costs affect both individuals and nations?

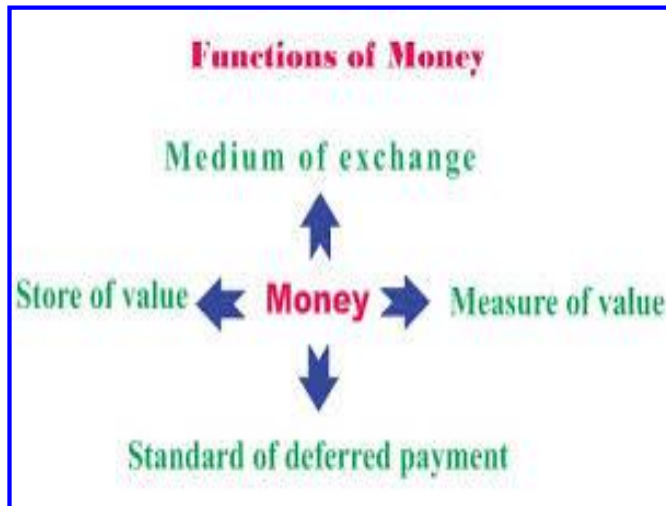
- a. a state must spend less money on education
- b. an individual has to give up something that gives him pleasure.
- c. an individual or a nation has to sacrifice something for the choice made.

✎ II. Say if these statements are true or false

- 1. Because of the problem of scarcity nations, businesses, and individuals all must make choices in an effort to satisfy unlimited wants with limited resources. _____
- 2. Economists use the term opportunity cost to refer to the next best alternative. _____
- 3. Any time you decide to use scarce resource in a particular way, you do not incur an opportunity cost- the cost of the next best alternative use of that resource.. _____
- 4 Governments never have problems with defence spending. _____



MONEY AND ITS FUNCTIONS



As you read the text, focus on the types and functions of money.

Historically, many commodities, ranging from precious metals to cigarettes, have been used as money. In prisoner-war camps, cigarettes served as money. In the nineteenth century money was mainly gold and silver coins.

These are examples of commodity money, ordinary goods with industrial uses (gold) and consumption uses (cigarettes) cigarettes which also serve as a medium of exchange. In most modern societies, however, commodities are rarely used as money because they are expensive. Instead, they use fiat money, that is mainly paper currency issued by governments and deposits in checking accounts that are accepted as a means of payments for goods and services. Fiat money is sometimes called token money. By collectively agreeing to use fiat money, society economizes on the scarce resources required to produce money as a medium of exchange. The essential condition for the survival of fiat money is the restriction of the right to supply it. Private production is illegal. Society enforces the use of fiat money by making it legal tender. The law says it must be accepted as a means of payment.

In modern economics, fiat money is supplemented by IOU (I owe you) money. IOU money is a medium of exchange based on the debt of a private firm or individual. A bank deposit is IOU money because it is a debt of the bank. When you have a bank deposit the bank owes you money. Bank deposits are a medium of exchange because they are generally accepted as payment.

Although the crucial feature of money is its acceptance as the means of payment or medium of exchange, money has three other functions. It serves as a unit of account, as a store of value, and a standard of deferred payment.

Money, the medium of exchange, is used in one-half of almost all exchanges. Workers exchange labour services for money. People buy or sell goods in exchange for money. Money is the medium through which people exchange goods and services.

To see that society benefits from a medium of exchange, imagine a barter economy. A barter economy has no medium of exchange. Goods are traded directly or swapped for other goods. In a barter economy, the seller and the buyer each must want something the other has to offer. Each person is simultaneously a seller and a buyer. There has to be a double coincidence of wants.

Trading is very expensive in a barter economy. People must spend a lot of time and effort finding others with whom they can make mutually satisfactory swaps. The use of money – any commodity generally accepted in payment for goods, services, and debts – makes the trading process simpler and more efficient.

The unit of account is the unit in which prices are quoted and accounts are kept. In Britain prices are quoted in pounds sterling; in America in dollars. It is usually convenient to use the units in which the medium of exchange is measured as the unit of account as well.

Money is a store of value because it can be used to make purchases in the future. To be accepted in exchange, money has to be store of value. Nobody would accept money as payment for goods supplied today if the money was going to be worthless when they tried to buy goods with it tomorrow. But money is neither the only nor necessarily the best store of value. Houses, stamp collections, and interest-bearing bank accounts all serve as stores of value. Since money pays no interest and its real purchasing power is eroded by inflation, there are almost certainly better ways to store value.

Finally, money serves as a standard of deferred payment or a unit of account over time.



Active Vocabulary

- commodity (n) – товар/ *mahsulot*
- shells (n) – скорлупа, оболочка / *chig'anoq, po'choq*
- supersede (v) – заменять, замещать / *almashtirmoq, o'zgartirmoq*
- goldsmiths (n) – ювелир / *zargar*
- denomination (n) – обозначения, название единицы / *nom*
- standard of deferred payment – средство погашения долга / *qarzni qoplash vositasi*
- medium of exchange – средство обмена / *ayirboshlash vositasi*
- emergent market phenomenon – проявляющие рыночное явление / *kutilmaganda*
- *paydo bo'ladigan hodisa*
- contemporary – одновременный, новый / *zamonaviy, hozirgi kundagi*
- a unit of account – единица учета / *hisob birligi*
- intrinsic – важный, значительный / *o'ziga hos, ichki*
- derive – получать, извлекать / *hosil qilmoq, ajratib olmoq*
- legal tender – законное платежное средство / *qonuniy pul vositasi (muomalasi)*
- double coincidence of wants – двойное совпадение потребностей/ *talabning ikki omonlama mos kelishi*
- secure – надежный, гарантированный / *himoya qilingan*
- verifiable record – проверенная запись (регистрация)/ *tekshirilgan, tasdiqlangan*
- *bayonnomat (yozuv)*

I. Answer following questions

1. *What commodities were served as money?*
2. *How the first banknotes came into existence?*
3. *What are the functions of money?*
4. *What is a medium of exchange?*
5. *What do you know from the history of money?*
6. *Can you give any examples of things that were used as money in the previous societies?*
7. *Do you see any advantages of a barter system?*

8. *What functions does money serve in modern societies?*

✎ II. Say whether the following is true or false

1. *Money eliminates the need for barter. _____*
2. *Any item can successfully serve as money. _____*
3. *Money is said to be liquid because it is immediately available to spend for goods. _____*

✎ III. Complete the sentences using the words from active vocabulary

1. *The metal was first weighed out when was made.*
2. *The receipts became banknotes after became bankers*
3. *Nearly all money systems are based on fiat money*
4. *Many different have served as money at different periods of time*



UNEMPLOYMENT



Unemployment is the number of adult workers who are not employed and are seeking jobs. To be classified as unemployed, a person must be able and willing to work, be actively seeking work, and be without a job. Everyone who fits this description is unemployed. The labour force is

the total number of employed and unemployed workers. The unemployment rate is unemployment expressed as a percentage of the labour force.

Try to imagine a world in which there is no unemployment. The world that we've just considered would clearly not be a nice place in which to live and work. Workers and jobs would be badly mismatched, productivity would probably not be very high, and there would be a good deal of unhappiness and lack of job satisfaction. The world that we live in differs from this fictional world in many respects, and we'll focus on two of them.

First, in real world, people don't usually take the first job that comes their way. Instead, they spend time searching out what they believe will be the best job available for them.

Second, the real world is dynamic and ever-changing. Production and consumption change as new technologies are developed and exploited. The rapid expansion of jobs in the high-tech computer-oriented sectors and the loss of jobs in traditional sectors such as automobiles and steel making have resulted in a large rate of labour turnover, which has resulted in workers moving not only from one sector of the economy to another but from one region of the country to another.

Unemployment has negative sides. The most obvious cost of unemployment is the loss of output and the loss of income. How big this cost is depends on the natural rate of unemployment.

Besides prolonged unemployment seriously lowers the value of a person's human capital, i.e. the value of a person's education and

acquired skills. When unemployment is prolonged, human capital depreciates or deteriorates – skills lose their value.

A rise in the unemployment rate also causes an increase in the amount crime. When people cannot earn an income from legitimate work, they sometimes turn to crime. A high crime rate is also one of the costs of high unemployment.

A final cost that is difficult to quantify is the loss of self-esteem that is human dignity, which afflicts people.

Unemployment is a serious issue for any economy. It creates negative affects to unemployed as they are jobless and suffer from worse prospects to find new job and those who are employed feel less secure to keep their jobs in future.

Active Vocabulary

- description – описание\ *tavsif*
- labour force- рабочая сила\ *ishchi kuchi*
- mismatch – несоответствие\ *nomuvofiqlik*
- fictional world- вымышленный мир\ *xayoliy dunyo*
- ever-changing – постоянно меняющийся\ *har doim o'zgarib turadigan*
- consumption – потребление\ *iste'mol*
- exploit – разрабатывать\ *rivojlantirish*
- labour turnover- текучесть кадров\ *kadrlar almashinuvi*
- loss of output- потеря производительности \ *mahsuldorlikni yo'qotish*
- prolonged unemployment- длительная безработица\ *uzoq muddatli ishsizlik*
- depreciate- обесцениваться\ *qiymatni pasayishi*
- legitimate work- законная работа\ *qonuniy ish*
- quantify- определять количество\ *miqdorni aniqlash*
- self-esteem – самооценка\ *o'z-o'zini baholash*
- dignity – достоинство\ *qadr-qimmat*
- afflict – тревожить\ поражать\ *bezovta qilmoq*

✎ I. Personal application

- 1. Did you or your relative (friend) ever lose a job? If so, describe how it felt.*
- 2. What are the most financially stable companies in your country?*
- 3. Do you get along well with your boss?*
- 4. Are there any openings where you work?*
- 5. Would your friends help you find a job?*

✎ II. Read the dialogue in pairs and do the following exercises

1 – I hear that Sam lost his job. Did you hear that, too?

2 – I did hear something about his job being abolished.

1 – What a terrible thing to happen now, just when he and Helen are expecting first baby!

2 – It is a shame. I'll admit, but I told Sam months ago to get out of that place where he works and get another job. I had a feeling that the company wasn't very stable financially.

1 – You mean it's not a strong company? I'd always thought it was one of the strongest around.

2 – If you've been reading the news in the financial section, you could see that the company was headed for trouble. I wouldn't be surprised to see it go bankrupt before the end of the year.

1 – It sure is too bad. Is there anything we can do for Sam?

2 – I'm going to call him this afternoon. I heard yesterday that there's going to be an opening in the section where I work. He can get his application in today.

1 – I'll check things out with my boss, too. There may be something open in one of the departments over in Fairmont.

Notes:

- 1) to head – to move or go in a certain direction;*
- 2) opening – place or position that is vacant;*
- 3) to get in – to submit*
- 4) check out – to prove true.*

✍ III. Conversation in context

- 1. What is Sam's relationship to the speakers?*
- 2. Where does the discussion take place?*
- 3. Is Sam present?*
- 4. Can the speakers help Sam?*



CONTRACT

A **contract** is an **agreement** entered into voluntarily by **two parties or more** with the **intention** of creating a legal obligation, which may have elements in writing, though contracts can be made orally.

The elements of a contract are: (i) an agreement; (ii) between competent parties; (iii) based upon the genuine assent of the parties; (iv) supported by consideration; (v) made for a lawful objective; and (vi) in the form

required by law. The remedy for breach of contract can be "damages" or compensation of money. In equity, the remedy can be specific performance of the contract or an injunction. Both of these remedies award the party at loss the "benefit of the bargain" or expectation damages, which are greater than mere reliance damages, as in promissory estoppel. The parties may be natural persons or juristic persons.

A contract is a legally enforceable promise or undertaking that something will or will not occur. The word promise can be used as a legal synonym for contract although care is required as a promise may not have the full standing of a contract, as when it is an agreement without consideration.

Insurance

Insurance is a promise of compensation for specific potential future losses in exchange for a periodic payment. Insurance is designed to protect the financial well-being of an individual, company or other entity in the case of unexpected loss. Some forms of insurance are required by law, while others are optional. Agreeing to the terms of an insurance policy creates a contract between the insured and the insurer. In exchange for payments from the insured (called premiums), the insurer agrees to pay the policy holder a sum of money upon the



occurrence of a specific event. In most cases, the policy holder pays part of the loss (called the deductible), and the insurer pays the rest. Examples include car insurance, health insurance, disability insurance, life insurance, and business insurance.

Active Vocabulary

- legal obligation- правовое обязательство\ *qonuniy majburiyat*
- agreement- соглашение\ *bitim*
- reliance damages- возмещение ущерба\ *zararni qoplash*
- enforceable- подлежащий исполнению\ *majburiy*
- consideration – рассмотрение \ *ko'rib chiqish*
- entity –организация\ *tashkilot*
- unexpected loss- неожиданная потеря\ *kutilmagan yo'qotish*

I. Answer the questions

1. *What are the key elements of a binding contract?*
2. *Must a contract be in writing to be enforceable?*
3. *What are the remedies for breach of contract?*
4. *What is Insurance?*

II. Complete the text with the words below appendix binding fulfil parties sue terms

A contract is a legal agreement between two or more _____1 (people or groups). Every contract contains different _____2 (conditions) which state what each side must do. If the contract is in a written form, and somebody signs it, then usually that person must meet or _____ 3 all the conditions, even if he or she has not read the full agreement. We can also say that the conditions are now _____ 4 . If someone does not fulfil certain conditions, for example if a person refuses to pay after receiving a service, the other party may decide to _____5 in a court of law. Sometimes, the parties may want to include some extra conditions in a contract after it has been signed. They can do this by adding an _____ 6 .

✎ II. Complete the phrases below with the following verbs
breach complete draw up extend renew sign terminate

1. *sign a contract* ⇒ to put your signature on a contract to show that you agree to it
2. _____ a contract ⇒ to prepare/write a contract
3. _____ a contract ⇒ to break one or more of the terms of the contract
4. _____ a contract ⇒ to end a contract before the official end date
5. _____ a contract ⇒ to fulfil all the terms of the contract
6. _____ a contract ⇒ to make a contract continue for a longer time
7. _____ a contract ⇒ to sign a new contract (when the previous contract
has finished)

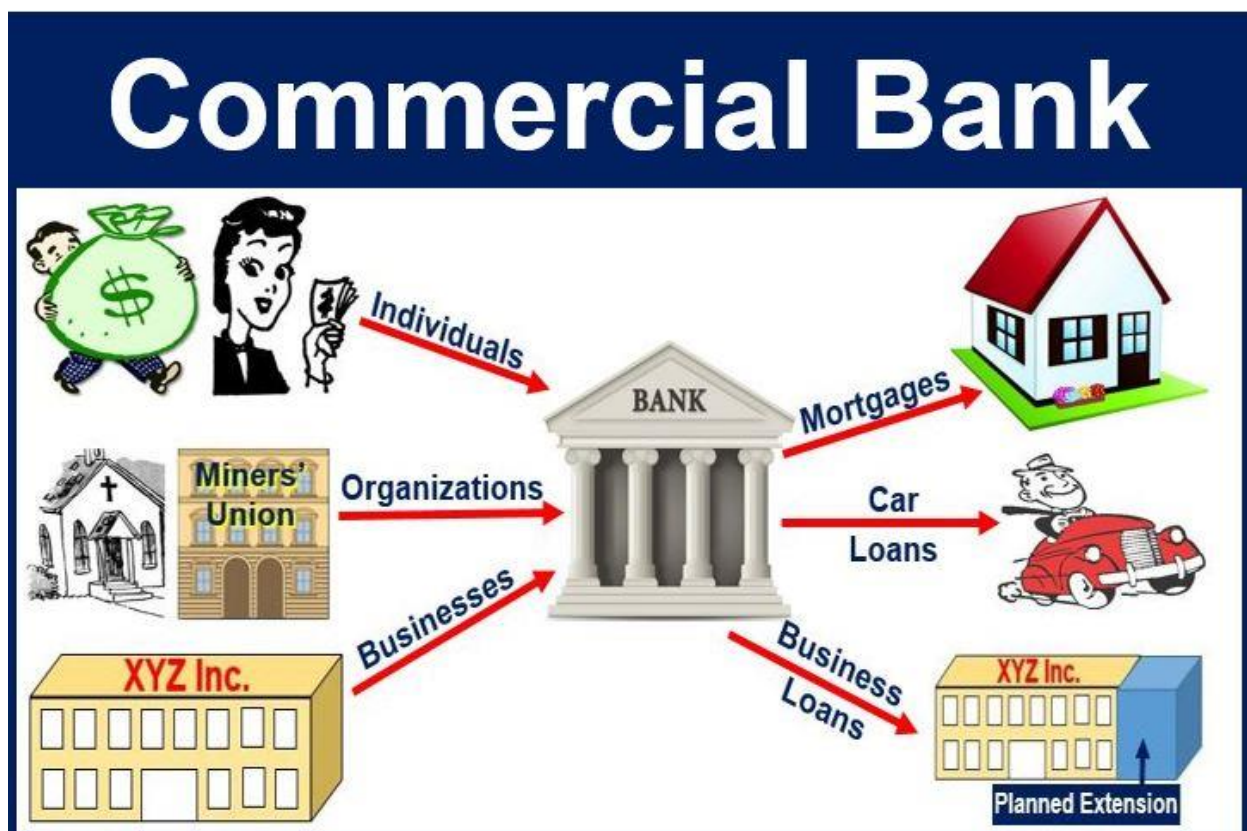


COMMERCIAL BANKS OF BRITAIN

Scan the text for the information about the functions of commercial banks, accounts and services they offer their customers.

A bank is an intermediary between a depositor will and a borrower. The interest rate which the commercial banks charge borrowers and pay to depositors will be influenced by the interest rate which is quoted from time to time by the Bank of England recommends that the interest rates will have to rise, then the commercial banks and most other financial institutions will also raise their interest rates.

A rise in the interest rate will make borrowing more expensive and saving more attractive. A fall in the interest rate will make borrowing cheaper, saving less attractive.



The government may use the interest rate (sometimes called the bank rate) to regulate the economic climate of the country. By this we mean that borrowing becomes more expensive, businessmen will become more reluctant to borrow and develop their business, but if it falls, then they probably become more more active.

If the economy becomes too active, there is usually a tendency for inflation to occur, and this is usually caused by too many goods produced and too much money circulating in the economy.

To combat inflation the government will often raise the interest rate. If the economy was stagnant then the interest rate would probably be lowered so that to encourage it to expand and become more active. There are, of course, factors which the government must consider before it influences the institutions to raise or lower their interest rates.

Commercial banks make a profit by:

- 1. Making loans to businessmen and private individuals.*
- 2. Charging interest payments on overdrawn accounts.*
- 3. Lending to the money market.*
- 4. Investing in sound shares and securities.*

The bank's most important activity is the extension of credit. In order to provide a loan, a bank must have funds to lend. This comes from paid-in capital, earnings of previous years, borrowed funds and the bank's customers' deposits. The banker must always remember that the money he lends is not his bank's own money. It is the money deposited by the bank's customers. To evaluate the risk, a banker must first obtain certain basic information about the potential borrower. The banker must learn how much money the borrower needs, the purpose and the term of the loan, and how the borrower will repay the loan. The borrower's ability to repay depends on the purpose of the loan.

Banks will lend money in two ways:

- by a personal loan;*
- by an overdraft loan arrangement.*

The personal loan is charged at a fixed rate of interest repayable over a fixed period of time.

The overdraft is used mostly by businessmen. The advantage with overdrafts is that interest is repayable only on the amount owed at a particular time. Interest is calculated on a daily basis. The borrower will have to pay a lot of interest when the debt is large, but if he is able to make a good deposit and reduce the size of the overdraft then the

interest charged will be lowered accordingly. Overdrafts may be recalled by the bank at a very short notice.

The commercial bank offers its customers accounts of two types: deposit account and the current account. The deposit account will probably be used to pay a fixed rate of interest, and will sometimes issue the saver with a saving book. The current account pays no interest. A cheque book is used to make payments from an account and a paying-in book is used when money is paid into the account.

Banks will normally give statements to both deposit and current holders about once every three month, or more frequently if required by the account holder. Statements give a detailed account, on a day to day basis, of all money and cheques which have either been paid into account or withdrawn from the account.

Money is the commodity that bank sell. A bank seeks to buy money cheaply and to sell it dearly. This is what the banks are busy doing. Naturally, the banks put their money where it brings the highest profit. That is why they always keep up to date with the market situation by shifting money from one geographical region to another, the banks activity stimulates progress in industry, construction and agriculture.

Banks are interested in keeping most of their money in circulation so that it should bring them profit. They seek to reduce their lending rates in order to attract buyers. In their pursuit of high profit, the banks sometimes get involved in risky operations fraught with bankruptcy. That is why the government takes measures to minimize the danger of banks going broke. Every bank is obliged to take out insurance against robbery or bankruptcy lest the clients should lose their money in any case.

Banks and other financial institutions are using computer technology now, that is why they can offer their clients different types of services:

1 Accept deposits from depositors.

2 Make loans to borrowers

3 Conduct deposit and current accounts for customers

4 Keep valuables in safe custody.

5 Give advice on income tax matters.

6 Give advice on overseas trading

7 Buy and sell shares for customers

8 Issue foreign currency and travellers' cheques

9 Act as executors and trustees for deceased persons.

10 Change old bank-notes for new ones.

The commercial banks cater to big companies, small companies and to individuals.

Active Vocabulary

- intermediary- посредник\ *vositachi*
- reluctant – неохотно\ *istamay*
- stagnant – застойный\ *turg'un*
- pursuit of high profit - стремление к высокой прибыли\ *yuqori foyda olishga intilish*
- safe custody - безопасное хранение \ *xavfsiz saqlash*
- executors and trustees for deceased persons – исполнители и попечители умерших лиц\ *vafot etgan shaxslar uchun ijrochilar va ishonchli shaxslar*

I. Answer the questions

1. Have you ever been to the bank? What did you go there for?
2. What different kinds of services do banks offer to the public?
3. How would you comment the saying “A banker is a man who lends you umbrella when the weather is fair, and takes it away from you when it rains”? Do you agree with it?

II. Expand the sentences

1. The interest rate which commercial banks charge
2. A rise in the interest rate will
3. The banker must always remember that the money he lends
.....
4. The government may use the interest rate to
5. The advantage with overdraft is that
6. To combat inflation
7. Banks will normally give statements to
8. Banks make a profit by

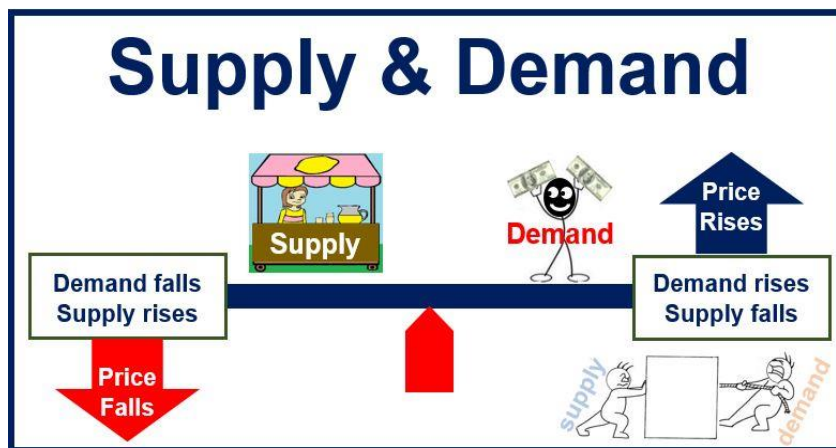
SUPPLY AND DEMAND

As you read the text, pay special attention to the definitions of terms in italics.

The terms *supply* and *demand* refer to the behavior of people as they interact with one another in markets. A *market* is defined as an institution or mechanism which brings together buyers – “**demanders**” and sellers – “**suppliers**”.

Demand is the amount of the good that buyers are willing and able to purchase. What factors determine the demand for any good? They are as following:

Price. The quantity demanded falls as the price rises and rises as the price falls, so the quantity is *negatively related* to the price. The relationship between price and quantity demanded is true for most



goods in the economy and, in fact, is so pervasive that economists call it the *law of demand*: **other things equal** (*ceteris paribus* in Latin), when the price of a good

risers, the quantity demanded of the good falls.

Income. A lower income means that you have less to spend in total so you would have to spend less on some – and probably most – goods. If the demand for a good falls when income falls, the good is called a *normal good*. Not all goods are normal goods. If the demand for a good rises when income falls, the good is called *an inferior good*. An example of an inferior good might be bus rides. As your income falls, you are less likely to buy a car or take a cab, and more likely to ride the bus.

Prices of Related Goods. Suppose that the price of frozen yogurt falls. The law of demand says that you will buy more frozen yogurt. At the same time you will probably buy less ice-cream. Ice-cream and

frozen yogurt are substitutes, that is pairs of goods that are used in place of each other.

When a fall in one price of one good raises the demand for another good, the two goods are called complements. Complements are often pairs of goods that are used together, such as gasoline and automobiles, computers and software.

Tastes. The most determinant of your demand is your tastes. If you like ice-cream, you buy more more of it.

Expectations. Your expectations about the future may affect your demand for a good or service today too.

We now turn to supply that is the amount that sellers are willing and able to sell. What determines the quantity an individual supplies? These are:

Price. Because the quantity supplied rises as the price rises and falls as the price falls, we say that the quantity supplied is positively related to the price of the good. This relationship between price and quantity supplied is called the *law of supply*. Other things equal, when the price of a good rises, the quantity supplied of the good also rises.

Expectations. The amount of goods you supply today may depend on your expectations of the future. For example, if you expect the price of goods to rise in the future, you will put some of your current production into storage and supply less to the market today.

Active Vocabulary

- pervasive – всепроникающий\ *keng tarqalgan*
- determinant – определитель\ *aniqlovchi*
- complements – дополнения\ *qo'shimchalar*
- quantity supplied - поставляемое количество\ *etkazib berilgan miqdor*
- expectations – ожидания\ *taxminlar*
- inferior good – товары низкого качества\ *sifatsiz mahsulot*

I. Answer the questions

1. *What is demand? What does the law of demand say?*
2. *What factors affect the amount of the good that buyers are willing and able to purchase?*

3. What is the difference between a normal good and an inferior good?
4. How can you define compliments and substitutes?

✎ II. Vocabulary Focus

Study the meaning of the following words.

1. To affect means 'to influence': The tax increases have affected us all.
2. An effect is a result or consequence of an event. The political crisis has already had an effect on the Stock Market.
3. The word 'effect' can have two other meanings: We tried exporting tea to China but with little effect (impact). In effect (in fact) the two systems are identical.
4. There is also a verb 'to effect', which is fairly formal. Production was stopped until repairs were effected. (made)

✎ III. Choose the words with similar meaning from two columns

- 1) concept (n) a) rise (v)
- 2) interaction (n) b) idea (n)
- 3) loan (n) c) expenses (n)
- 4) supply (v) d) cooperation (n)
- 5) increase (v) e) credit (n)
- 6) purchase (v) f) buy (v)
- 7) transaction (n) g) bargain, deal (n)
- 8) affect (v) h) commodity (n)
- 9) demand (n) i) request (n)
- 10) good (n) j) influence (n)
- 11) costs (n) k) offer (v)

✎ IV. Complete the sentences using the words given below

1. The government increased prices on several basic
2. Computers and software, gasoline and automobiles are

3. for these services is outgoing supply.
4. The of demand and supply may be explained in the context of a market for specific goods.
5. The new model comes in an exciting of colors.
6. We made a small charge for parking to cover the of hiring the hall.
7. Supply, the quantity of a product that suppliers will provide, is the seller's side of a transaction.
8. Manufacturing has increased by 8% in two years.
9. They discussed the of additional resources into the scheme.

Words for reference: input; range; output; concepts; demand; goods\commodities; market; compliments; cost



INTERNATIONAL TRADE

As you read the text, focus on the difference between absolute and comparative advantage and pay attention to trade restrictions.

Since ancient times people have strived to expand their trading as



far as technology allowed. Today,

container ships laden with cars and machines and Boeing 747s shuttled with fresh fruit, fresh New Zealand lamb, and French cheeses ply the sea and air routes, carrying billions of dollars worth of goods

and services. Trade in goods such as food, raw materials, and manufactured goods is known as *visible exports* and *visible imports*. Trade in services such as banking, insurance, and tourism is known as *invisible exports* or *invisible imports*. So why do people go to great lengths to trade with those in other nations?

International trade is a form of specialization. Sri Lanka specializes in tea because it has an appropriate climate and soil, and skilled growers and packers. The principle is just the same as individual specialization:

Jill specializes in math teaching because she is good at math and at dealing with people. Jack specializes in dentistry because he understands the biology and is deft with his hands. Of course, it is important for both that there is demand for what they are offering.

Economic theory distinguishes between *absolute advantage* and *comparative advantage*.

Absolute advantage is the ability of a country to produce a good using fewer resources than another country.

Comparative advantage is a bit harder to understand, but more important for trade. The principle of comparative advantage is a central concept in international trade theory which holds that a country or a region should specialize in the production and export of those goods and services, and import those goods and services in which it has a comparative disadvantage.



Comparative advantage is the ability of a country to produce a good at a lower opportunity cost than another country. Comparative advantage refers to *the relative opportunity* costs between countries of producing the same goods. World output and consumption are maximised when each country specialises in producing and trading goods for which it has a comparative advantage.

The majority of economists believe that international trade should be based on comparative advantage and free trade.

Free trade is a system which allows certain countries to buy and sell goods from each other without any financial restrictions. In practice, despite the advice of economists, every nation protects its own domestic producers to some degree from foreign competition. Behind these barriers to trade are people whose jobs and income are threatened, so they clamour to the government for protectionism. **Protectionism** is the government's use of embargoes, tariffs, quotas, and other restrictions to protect domestic producers from foreign competition.

Embargoes are the strongest limit on trade. **An embargo** is a law that bars trade with another country. For example, the United States and other nations in the world imposed an arms embargo on Iraq in response to Iraq's invasion of Kuwait in 1990.

Tariffs are the most popular and visible measures used to discourage trade. **A tariff** is a tax on an import. Tariffs are also called customs duties. Historically, these provided revenue to governments when taxes were not easily collected from other sources.

Another way to limit foreign competition is to impose a quota. A quota is limit on the quantity of a good that may be imported in a given time period. For example, the United States might allow 10 million tons of sugar to be imported over a one-year period. Once this quantity is reached, no more sugar can be imported for the year. Quotes can limits imports from all foreign suppliers or from specific countries. Like all barriers to trade, quotes invite other nations to retaliate with more measures to restrict trade. With tariffs, it is impossible to know the quantity that will be imported, because prices might be elastic. With quotes, governments can set a limit to imports. Yet unlike tariffs, quotes provide no revenue for the government.

International trade allows countries to expand their markets and access goods and services that otherwise may not have been available domestically. As a result of international trade, the market is more competitive. This ultimately results in more competitive pricing and brings a cheaper product home to the consumer.

Uzbekistan's top foreign trade partners in 2019 were China (7.6 billion dollars or 18.1%), Russia (6.6 billion dollars or 15.7%), Kazakhstan (3.3 billion dollars or 8%), Republic of Korea (2.7 billion dollars or 6.5%), Turkey (2.5 billion dollars or 6%), Germany (980 million dollars or 2.3%), Kyrgyzstan (829 million dollars or 2%), Afghanistan (618 million dollars or 1.5%) and the United States (596 million dollars or 1.4%).

Active Vocabulary

- restrictions – ограничения \ *cheklovlar*
- distinguish – отличать \ *farq qilmoq*
- relative opportunity - относительная возможность \ *nisbiy imkoniyat*
- clamour to – требовать \ *talab qilish*
- embargoes - эмбарго, запрещение \ *taqiq*
- revenue – доход \ *daromad*
- to retaliate – нанести ответный удар \ *o'ch olmoq*
- quotes – котировки \ *kotirovkalar*

I. Fill the gaps with one of the words in its correct form

a. export	c. decrease	e. progress	g. refund	i. permit	k. trade
b. import	d. increase	f. record	h. produce	j. transport	l. protest

1. Scotland _____ a lot of its food from other countries.
2. Its _____ includes oil, beef, and whisky.
3. I'm very pleased with my English. I'm making a lot of _____.
4. Ministers are worried. There has been an _____ in the number of unemployed.
5. But the number of crime has _____, so that's good news.
6. How dare you call me a liar and a cheat! What an _____!
7. There was a demonstration yesterday. People were _____ about blood sports.
8. People usually buy CDs, these days. Not many people buy _____ any more.
9. Don't touch the video! I'm _____ a film.
10. _____ Britain _____ about 75% of its own oil.
11. _____ Uzbekistan's top foreign _____ partners in 2019 were China, Russia, Turkey and other countries.

II. Find in the text the answers to the following questions

1. What is the basis for trade between nations?
2. Why does international trade bring gains to all countries?
3. What is the difference between absolute advantage and comparative advantage ?
4. What encourages governments to impose tariffs and quotes?
5. What is the difference between embargoes, tariffs and quotes ? In what way?

ACCOUNTING

What is Accounting?

Accounting is the process by which the profitability and solvency of the company can be measured. It also provides information needed as a basis for making decisions, that will enable management to guide the company on a profitable and solvent course.

The range of those who use accounting information is not limited by businesses only. It also includes:

Individuals. People use accounting information in day-to-day affairs to manage their bank accounts, to evaluate job prospects, to make investments, and to decide whether to rent or to buy a house.

Investors and Creditors. Investors provide the money that businesses need to begin operations. To decide whether to help start a new venture, potential investors evaluate what income they can reasonably expect on their investment.

Government Regulatory Agencies base their regulatory activity on the accounting information they receive from firms.

Taxing Authorities. Local, state, and federal governments levy taxes on individuals and businesses using the accounting information they present.

Non-profit Organizations such as churches, most hospitals, government agencies, and colleges, which operate for purposes other than to earn a profit – use accounting information in much the same way that profit-oriented businesses do. The methods used by a business to keep records of its financial activities and to summarize these activities in periodic accounting reports comprise the accounting system.



The first function of an accounting system is creating information, that is a systematic record, classifying and summarizing information. The second function of an accounting system is communicating the summarized information to interested parties. Third function is interpreting the accounting information as it relates to specific business decisions. In accounting, business activities are associated with transactions. A transaction occurs whenever the firm enters into a legal contract for the acquisition of means of production or the sale of goods and services. Transactions between the firm and its markets – both its supply markets and its selling markets – are defined as “external transactions”. Transactions within the firm, consisting of the exchanges which occur between the various departments are defined as “internal transactions”. The totality of “internal transactions” forms the subject matter of cost or managerial accounting. The main task of *managerial accounting* is preparing budgets and other financial reports necessary for management. Cost accounting deals with working out the unit cost of products, including materials, labour and all other expenses. Other types of accounting are tax accounting and creative accounting. Tax accounting is used for calculating an individual's or a company's liability for tax. Creative accounting uses all available accounting procedures and tricks, to disguise the true financial position of a company. Persons with little knowledge of accounting may fail to understand the difference between accounting and bookkeeping. Bookkeeping means the recording of transactions, the record-making phase of accounting. The recording of transactions tends to be mechanical and repetitive, it is only a small part of the field of accounting and probably the simplest.

Accounting includes the design of accounting system, preparation of financial statements, audits, cost studies, development of forecasts, income tax work, computer applications to accounting processes, and the analysis and interpretation of accounting information as an aid to making business decisions. A person might become a reasonable proficient bookkeeper in a few weeks or months, however, to become a professional accountant requires several years of study and experience.

Active Vocabulary

- accounting – Бухгалтерский учет \ *Buxgalteriya hisobi*
- solvent course – сольвентный курс \ *hal qiluvchi kursi*
- acquisition – приобретение \ *sotib olish*
- transaction - сделка \ *kelishuv*
- to disguise – замаскировать \ *yashirmoq*
- managerial accounting - управленческий учет \ *boshqaruv hisobi*

I. Discovering Connections

1. *Do you know what accounting is ?*
2. *What is the view on accountancy as a job in you country?
How important is accountancy for running business ?*
3. *What particular skills do you think an accountant needs?*
4. *Do you find this job prestigious or do you think it is rather boring to deal with figures?*

II. Vocabulary Focus

Study the difference between the following synonyms.

Then use them in the sentences that follow.

Evaluate. If you evaluate something you decide on its significance, value, or quality after carefully studying its good and bad features.

Estimate. If you estimate an amount or quality you calculate it approximately, you make judgement about it based on the available evidence.

Appreciate. If you appreciate something, for example a piece of music or good food, you recognize and understand the good qualities or features that it has and like or admire it because of them.

- a) They meet monthly to discuss policy and the current political situation.*
- b) They really the peace and quiet of rural Wales.*
- c) The hurricane caused damageat 300 mln pounds.*
- d) How would you our chances?*
- e) He is the kind of individual that's very hard to*
- f) The lawyersthe property at 90 thousand pounds.*
- g) The builder the cost of repairing of roof at 600 pounds.*
- h) It can explain why actual costs varied from cost*
- i) I wouldthe size of the garden at 1000 square metres.*

✎ III. Answer the questions

- 1. 1 What is the definition of accounting?*
- 2. 2 What information does accounting provide business entities with?*
- 3. 3 Who are the users of accounting information? Why do they need it?*
- 4. What are the functions of accounting?*



MARKETING

Concept of Marketing



What does the term of “marketing” mean? Many people think of marketing as selling and promotion. In fact selling is only the tip of the marketing iceberg. It is but one of several marketing functions – and often not the most

important one. If the market does a good job of identifying consumer needs, developing good products, and pricing, distributing, and promoting them effectively, these goods will sell easily.

Most businesses now are dominated by an orientation toward marketing, not toward production. Marketing has become a key factor in business success. Today’s companies face increasingly stiff competition, and the reward will go to those who can best identify customer needs and deliver the greatest value to their target customer. Marketing activities are an expensive undertaking, and their costs are built into the prices of products. It is estimated that at least half of the cost consumer pays for a product is accounted for by marketing expenditures.

Since no organization can satisfy all consumer needs, it must concentrate its efforts on certain needs of a specific group of potential customers. This is the target market.

One of the advantages of target marketing is the possibility of becoming the leader in a specific market segment. Market segmentation involves aggregating prospective buyers into groups that 1) have common needs and 2) will respond similarly to a marketing action.

Modern marketing is most simply defined as the process of directing the flow of goods from producers to customers. It encompasses a broad range of activities including product planning, new-product development, organizing the channels by which the product reaches the customer, the actual distribution of products,

wholesaling, price setting, advertising and promotion, public relations, retailing, product warranties, financing and more.

Market research estimates the demand for specific products and services, describes the characteristics of probable customers, and measures potential sales.

Marketing research studies people as buyers and sellers, examining their habits, attitudes, preferences, dislikes, and purchasing power and almost every aspect of the seller-buyer relationship. It also investigates distribution systems, pricing, promotion, product design, packaging, brand names, etc.

A marketing strategy is a means by which a marketing goal is to be achieved, characterized by 1) a specific target market and 2) a marketing program to reach it. A marketing program is a plan that integrates the marketing mix to provide a good, or service to prospective customers. The elements of the marketing mix, usually called 4 Ps, are as follows:

- *Product: a good, a service, or an idea to satisfy the consumer's needs;*
- *Price: what is exchanged for the product;*
- *Promotion: a means of communication between the seller and buyer;*
- *Place: a means of getting the product into the consumer's hands.*

To implement a marketing program successfully, hundreds of detailed decisions are often required, such as writing an advertising copy or selecting the amount for temporary price reductions. These decisions, called marketing tactics, are detailed day-to-day operational decisions that must be taken right away.

Within the field of economics, two types of marketing are defined: **micro-marketing** and **macromarketing**. The former describes the activities of individual firms, beginning with originating and producing products and ending when the product reach the final user, the customer. Macromarketing, by contrast, describes how the whole system of production and distribution works in a society. Marketing is not confined to profit-making companies that manufacture products.

Active Vocabulary

- identify- опознавать \ *aniqlash*
- stiff competition- жесткая конкуренция \ *qattiq raqobat*
- expenditures- расходы \ *xarajatlar*
- encompass – охватить\ *qamrab oladi*
- product warranties- гарантии на продукцию\ *mahsulot kafolatlari*
- confine – ограничивать\ *cheklamoq*

I. Answer the questions

1. *What is marketing?*
2. *What does marketing include?*
3. *Can you tell the difference between marketing and promotion?*
4. *Is marketing a theoretical or an applied discipline?*
5. *What is your opinion : are high marketing costs worth the efforts and expenditures*

II. Vocabulary Focus

Fill in the gaps using words given below. Some words are to be used twice:

1. *Marketing is concerned with getting the rightto the rightat the right*
2. *Marketing is about meeting customerat a*
3. *Marketing makes it easier for to do business with you*

Words for reference: customers; needs; place; price; product; profit.

A. Study the meaning of the following words:

- 1 *appraise (v) – fix a price for something, say what something is worth;*
- 2 *appreciate (v) – judge rightly the value of something; put a high value of something*
- 3 *calculate (v) – find out by working with numbers;*
- 4 *estimate (v) – form a judgement about, calculate;*
- 5 *evaluate (v) – find out, decide, the amount or value of something.*

B. Choose the right word in italics:

1. Astronomers can *calculate* \ *estimate* when there will be eclipses of the sun and moon.
2. I really *appreciate* \ *estimate* your efforts.
3. He was *evaluated* \ *appraised* as unfit for military service.
4. The clerk *appraises* \ *calculates* property for taxation.
5. I *estimate* \ *evaluate* his income at \$ 300
6. You can't *appreciate* \ *evaluate* English poetry unless you understand its rhythm.

III. Find information in the text to answer the questions

1. What factors are required for marketing to occur?
2. What kind of decisions is required to implement a marketing strategy?
3. What is marketing mix?
4. Why are firms becoming more customer-oriented?
5. What does a firm usually carry out before it introduces a product onto the market?
6. What kind of relationship does a marketing research study?
7. What is the difference between macro- and micromarketing?



ADVERTISING

In the eyes of business world and of many economists, advertising serves an indispensable function. It helps consumers to choose among competing products. Also, by spurring demand for products, it extends the possibilities of mass production and thus leads to economies of scale and lower consumer costs. Indeed, advertising is sometimes depicted as “*the engine of prosperity*”.



Advertising informs consumers about the existence and benefits of products and services, and attempts to persuade them to buy them. The best form of advertising is probably *word-of-mouth advertising*, which occurs when people tell their friends about the benefits of products or services that they have purchased.

Yet virtually no providers of goods or services rely on this alone, but use paid advertising instead. Indeed, many organizations also use institutional or prestige advertising, which is designed to build up their reputation rather than to sell particular products.

Advertising may be described under three headings:

1 descriptive ;

2 persuasive;

3 both descriptive and persuasive together.

Descriptive advertising gives the most important facts about the product. It is the cheapest form of advertising and is used a lot by the small traders selling through the local paper. It will usually say:

1) What the product is;

2) How much it will cost;

3) Where it may be obtained.

Persuasive advertising tries to persuade people that the product which is being advertised has a special quality or usefulness which

makes it much better than other similar products. It is used a lot in television advertising where consumers are persuaded to think that if they buy that product they will become very popular or very happy.

Any paid form of non-personal communication through the *mass media* about the product by an identified *sponsor* is advertising

Sponsors are people or firms that pay for radio or TV programmes in return for advertising. Sponsors may be a nonprofit organization, a political candidate, a company or an individual. Advertising is used when sponsors want to communicate with a number of people who cannot be reached economically and effectively through personal means.

Mass media used include magazines, direct mail, radio, television, billboards or hoardings, newspapers where advertising are placed. Advertisement is an announcement in a newspaper, on television, or on a poster about something such as a product, event, or job. The forms *advert* and *ad* are also used. Advertisements on the radio and TV are called commercials. Classifieds, flyers, handbills, junk mail and spam are also forms of advertising. *Classified advertisements* (also classifieds or want ads) are small adverts placed in a newspaper by people wishing to buy or sell something, to find a job, etc. Handbills is the type of advertisements used by local traders. They are expensive in labour costs and not very effective. Junk mail is advertisements that you receive through the post, which you have not asked for and which you do not want. Spam is unwanted e-mail advertisements sent to a large number of people

Outdoor and transit

There are many ways to advertise outside and on-the-go. Outdoor billboards can be signs by the road or hoardings at sport stadiums. Transit advertising can be posters on buses, taxis and bicycles. Large billboards can get your message across with a big impact. If the same customers pass your billboard every day as they travel to work, you are likely to be the first business they think of when they want to buy a product.

Even the largest of billboards usually contain a limited amount of information; otherwise, they can be difficult to read. Including your website address makes it easy for customers to follow up and find out more about your business. Outdoor advertising can be very expensive especially for prime locations and supersite billboards.

Active Vocabulary

- agreed budget\ brief – согласованный бюджет \ *kelishilgan byudjet*
- billboard Am. (hoarding Br.) advertising – реклама на стендах \ *reklama taxtasi*
- classified advertisements – систематическая реклама \ *tasniflangan reklama*
- depict - изображать \ *tasvirlash*
- descriptive advertising - описательная реклама \ *tavsiflovchi reklama*
- handbill – рекламный листок \ *reklama varaqasi*
- junk mail – «макалатурная» почта (реклама) \ *keraksiz pochta*
- persuasion – убеждение \ *ishontirish*
- spam – практическая бесполезная информация \ *foydasiz ma'lumot*

I. Answer the questions

1. *What do you know about advertising ?*
2. *Who usually uses advertising ?*
3. *What media are used in advertising ?*
4. *How is advertising spread in your country ?*
5. *Does advertising help you to make your purchases?*
6. *Do you find advertising useful and necessary?*

II. Decide which of the following statements are correct

1. *It is legal to make untrue statements about goods*
2. *Adverts influence all people*
3. *Advertising creates an extra demand.*

4. *The manufacturers want their revenue to exceed their costs.*
5. *The mass media used in advertising include only radio and television.*

✎ III. Answer the questions

1. *In what way does advertising differ from news and publicity?*
2. *What kinds of mass media are used in advertising?*
3. *What is the difference between the descriptive advertising and the persuasive one ?*



CHANNELS OF MARKETING

Individual consumers and corporate organizational buyers are aware that thousands of goods and services are available through a very large number of diverse channel outlets. What they may not be well aware of is the fact that the channel structure, or the set of institutions, agencies, and establishments through which the product must move to get to them , can be amazingly complex.



Usually, combinations of institutions specializing in manufacturing, wholesaling, retailing, and many other areas join forces in marketing channel arrangements to make possible the delivery of goods to industrial users or customers and to final consumers. The same is true for the marketing of services. For example, in the case of health care delivery, hospitals, ambulance services, physicians, laboratories, insurance companies, and drugstores combine efforts in an organized channel arrangement to ensure the delivery of a critical service. All these institutions depend on each other. Therefore, marketing channels can be viewed as sets of interdependent organizations involved in the process of making a product or service available for use or consumption. From the outset, it should be recognized that not only do marketing channels satisfy demand by supplying goods and services at the right place, quantity, quality, and price, but they also stimulate demand through the promotional activities of the units (e.g. retailers, manufacturers representatives, sales offices, and wholesalers) comprising them. Therefore, the

channel should be viewed as an orchestrated network that creates value for the user or consumer through the generation of form, possession, time, and place utilities.

A major focus of marketing channel management is on delivery. It is only through distribution that public and private goods can be made available for consumption. Producers of such goods including manufacturers of industrial and consumer goods, legislators framing laws, educational administrators conceiving new means for achieving quality education, and insurance companies developing unique health are individually capable of generating only form or structural utility for their “products”. They can organize their production capabilities in such a way that the products they have developed can, in fact, be seen, analyzed, debated and by a select few perhaps, digested. But the actual large-scale delivery of the products to the consuming public demands different types of efforts which create time, place, and possession utilities. In other words, consumers cannot obtain a finished product unless the product is transported to where they can gain access to it, stored until they are ready for it, and digested, exchanged for money or other goods or services so that they can gain possession of it. In fact, the four types of utility (form, time, place, and possession) are inseparable: there can be no “complete” product without incorporating all four into any given object, idea or service.

Active Vocabulary

- diverse – разнообразный \ *xilma-xil*
- health care delivery – оказание медицинских услуг \ *tibbiy yordam ko'rsatish*
- can be viewed as – можно рассматривать как \ *quyidagicha ko'rib chiqish mumkin*
- interdependent - взаимозависимый \ *o'zaro bog'liqlik*
- orchestrated network - слаженная сеть \ *uyg'unlashgan tarmoq*
- legislators - законодатели \ *qonun chiqaruvchilar*
- to ensure – обеспечивать \ *ta'minlash*

I. Answer the questions

- 1. What are individual consumers and corporate buyers aware of ?*
- 2. What combinations of institutions specializing in manufacturing, wholesaling, retailing usually do to maximize their profits?*
- 3. What is an example of health care delivery used for?*
- 4. What is the major focus of marketing channel management concentrated on ?*

✎ II. Which of the following is false?

- 1. Channel structure could be very complex.*
- 2. Channels of marketing are of the most importance the delivery of goods.*
- 3. Public and private goods could be available for consumption only through distribution.*
- 4. According to the author, legislators also use the channels of marketing to distribute their products laws.*
- 5. The only way to use marketing channels is to digest them.*



ENTREPRENEURSHIP

An entrepreneur is someone who organizes, manages, and assumes the risks of a business or enterprise. An entrepreneur is an agent of change.

Entrepreneurship is the process of discovering new ways of combining resources. An entrepreneur who takes the resources necessary

to produce a pair of jeans that can be sold for thirty dollars and instead turns them into a denim backpack that sells for fifty dollars will earn a profit by increasing the value those resources create. This comparison is possible because in competitive resource markets, an entrepreneur's costs of production are determined by the prices required to bid the necessary resources away from alternative uses.

Some people become entrepreneurs because they see it as a mandatory journey to take. Their prior experience in the job market or achievements in education makes them realize that working for others is no longer a life suited for them.

Entrepreneurs are driven with the need to succeed and control their own destiny.

Successful entrepreneurs expand the size of the economic pie for everyone. Bill Gates, who as an undergraduate at Harvard developed BASIC for the first microcomputer, went on to help found Microsoft in 1975. During the 1980s, IBM contracted with Gates to provide the operating system for its computers, a system now known as MS-DOS. Gates procured the software from another firm, essentially turning the thirty-dollar pair of jeans into a multibillion-dollar product. Microsoft's Office and Windows



operating software now run on about 90 percent of the world's computers. By making software that increases human productivity.

Gates expanded everyone's ability to generate output (and income), resulting in a higher standard of living for all.

Sam Walton, the founder of Wal-Mart, was another entrepreneur who touched millions of lives in a positive way. His innovations in distribution warehouse centers and inventory control allowed Wal-Mart to grow, in less than thirty years, from a single store in Arkansas to the nation's largest retail chain. Shoppers benefit from the low prices and convenient locations that Walton's Wal-Marts provide. Along with other entrepreneurs such as Ted Turner (CNN), Henry Ford (Ford automobiles), Ray Kroc (McDonald's franchising), and Fred Smith (FedEx), Walton significantly improved the everyday life of billions of people all over the world.

Active Vocabulary

- assume the risks - брать на себя риски \ *tavakkal qilmoq*
- costs of production - затраты на производство \ *ishlab chiqarish xarajatlari*
- destiny - предназначение \ *taqdir*
- generate output (and income) - \ производство продукции (и доход) \ *mahsulot ishlab chiqarish (va daromad)*
- human productivity - человеческая продуктивность \ *inson unumdorligi*
- inventory - опись , инвентарь \ *inventarizatsiya*
- retail chain - розничная сеть \ *chakana savdo tarmog'i*

I. Answer the questions

1. *What is Entrepreneurship ?*
2. *Who is entrepreneur ?*
3. *Why do people become entrepreneurs?*
4. *Who was Sam Walton ?*

✍ II. Choose the right answer

1. *Entrepreneurship is a (small \ big) business .*
2. *Another word for entrepreneurship is (small business \ creator)*
3. *An entrepreneur is the (employee, owner) of the business.*
4. *The entrepreneur is the person who (creates \ destroys) the business.*



SERVICE BUSINESS

Service business is a business that provide intangible products. It doesn't have any physical stocks/inventories. Consultant, law firms, cleaning services companies fall to this category. They provide services where they need to complete at the agreed time.

Merchandising business is a business that provide products, mostly physical products, where they keep stocks in their warehouses. Stocks are bought from other stores or manufacturers. Any stores you can find either offline or online fall to this category. The third category is manufacturing business. It produces or assemblies goods for their inventories. Usually, they hold brands. Any branded bags, shoes, clothes fall to this type of business. But, there are many businesses that can be classify to one of category above strictly since they provide mixed products or services. For example, hair saloon is a service business, but it sells shampoos, conditioners, etc where it requires warehouse or inventory system to keep their stocks. It is a mixed between a service and merchandising business. Another example is a food truck business, it produces food to eat but also sell beverage from other companies. This business will fall into merchandising and manufacturing business.

Typically, a service company : doesn't have physical product form.

For examples, consultant provides advises while singer provides good voices.

Has no standard prices. They are decided by quality, good and famous singer will be more expensive than unknown singer. doesn't require warehouse or physical place to put stocks. Value is usually more on their talents.



*Architect and Management
Consulting Firm
Lawyer
Saloon
Car rental
Seminar equipment rental
Language courses
Artist Management
Laundry services
Car wash services*

*✎ II. Complete the following using the correct form
of the word shown in brackets*

- 1. We offered the discount to all our _____
customers. (exist).*
- 2. Unfortunately, the customer was not _____ with
the discount we offered him. (satisfy).*
- 3. The _____ date is approximately two weeks after
the date the order is placed. (deliver).*
- 4. Our service is both fast and _____ (rely).*
- 5. We're sure that the new product meets all our customers'
_____ (require).*
- 6. We don't want to lose them – they're a long-standing and
_____ customer. (value).*
- 7. They sent the invoice but haven't received the
_____ from the customer yet. (pay).*



WORLD BANK



The World Bank is an international financial institution that provides loans and grants to the governments of low- and middle-income countries for the purpose of pursuing capital projects. It comprises two institutions: the

International Bank for Reconstruction and Development (IBRD), and the International Development Association (IDA). The World Bank is a component of the World Bank Group. The World Bank's most recently stated goal is the reduction of poverty.

Conceived in 1944 at the Bretton Woods Monetary Conference in Bretton Woods, New Hampshire, the World Bank's initial aim was to help rebuild European countries devastated by World War II. Its first loan was to France in 1947 for post-war reconstruction.

 <p>30 gigawatts of new renewable energy</p>	 <p>Adaptive social protection for 50 million people</p>	 <p>IFC will lead on leveraging \$13 billion a year in private sector investment</p>
 <p>Mobilize \$25 billion in private financing for clean energy</p>	 <p>Help countries build climate change into their policies and planning</p>	 <p>Develop climate-smart agriculture investment plans for at least 40 countries</p>
 <p>Quadruple funding for climate-resilient transport</p>	 <p>Step up advocacy and work with countries and companies to put price on carbon pollution</p>	 <p>Boost assistance for sustainable forest and fisheries management</p>
 <p>Bring early warning systems for natural disaster to 100 million people</p>	 <p>Integrate climate into urban planning through the 'Global Platform for Sustainable Cities'</p>	

Technically the World Bank is part of the United Nations system, but its governance structure is different: each institution in the World Bank Group is owned by its member governments, which subscribe to its basic share capital, with votes proportional to shareholding.

In order to promote global public goods, the World Bank tries to control communicable diseases such as malaria, delivering vaccines to several parts of the world, and joining combat forces. In 2000 the bank announced a "war on AIDS" and in 2011 the Bank joined the Stop Tuberculosis Partnership.

Traditionally, based on a tacit understanding between the United States and Europe, the president of the World Bank has been selected from candidates nominated by the United States. This is significant because the World Bank tends to lend more readily to countries that are friendly with the United States, not because of direct U.S. influence but because of the employees of the World Bank. In 2012, for the first time, two non-US citizens were nominated. On 23 March 2012, U.S. President Barack Obama announced that the United States would nominate Jim Yong Kim as the next president of the Bank. Jim Yong Kim was elected on 27 April 2012 and reelected to a second five-year term in 2017. He announced that he would resign effective 1 February 2019. He was replaced on an interim basis by now-former World Bank CEO Kristalina Georgieva, then by David Malpass on 9 April 2019.

Uzbekistan became a World Bank member in 1992, shortly after declaring independence in 1991 following the collapse of the Soviet Union. The World Bank has supported projects in Uzbekistan in the areas of education, infrastructure, agriculture, and water resource management. Uzbekistan's collaboration with the bank has been increasing, with IBRD and IDA lending reaching a recent peak of \$500 million in 2015. The World Bank has provided financing for 27 projects through the IBRD and IDA in throughout its relationship with Uzbekistan, with 15 active projects as of June 2017. Current IBRD and IDA projects total \$1.9 billion.

The World Bank gets its funding from rich countries, as well as from the issuance of bonds on the world's capital markets. The World Bank serves two mandates: To end extreme poverty, by reducing the share of the global population that lives in extreme poverty to 3% by 2030

Amid the global fight with the COVID-19 pandemic, in September 2020 the World Bank announced a \$12 billion plan to supply "low and middle income countries" with a vaccine once it is approved. The plan is set to affect over two billion people.

Active Vocabulary

- loans- займы \ *kreditlar*
- reduction of poverty - сокращение бедности \ *qashshoqlikni kamaytirish*
- devastate – опустошать \ *xarob qilmoq*
- interim basis - временная основа \ *vaqtinchalik asos*
- peak – пик \ *eng yuqori nuqta*
- communicable diseases - передающиеся заболевания \ *yuqumli kasalliklar*
- joining combat forces - объединение боевых сил \ *jangovar kuchlarga qo'shilish*

I. Answer the questions

1. *What is World Bank ?*
2. *How is the World Bank president chosen?*
3. *When did Uzbekistan become a World Bank member ?*
4. *Where does World Bank get money?*

II. Match the following words with their definitions

1. *Reduction a) to quit or retire from a position.*
2. *Announce b) a disorder of structure or function in a human, animal, or plant*
3. *Influence c) give assistance to, especially financially.*
4. *Diseases d) the capacity to have an effect on the character, development*
5. *Resign e) make a formal public statement about a fact, occurrence, or intention.*
6. *Support f) the action or fact of making something smaller or less in amount, degree, or size.*

INFLATION



Anyone who has ever wondered why today's prices are so much higher than those of 100, 50, and even 25 years ago have actually considered the effects of **inflation**, or the decrease in value relative to overall quantity and production.

To explain this definition, let's consider why today's prices are higher than those of the past. As the world population has grown, central banks, or the institutions tasked with managing countries' economies, have responded to this growth by **minting**, or officially creating and releasing, more money. Their reasoning for this course of action is that not having enough money in circulation could lead to **panics**, or economic downturns that're usually accompanied by anxiety over currency.

So, to reduce the chances of a panic and assure that today's citizens have access to physical money, central banks release more dollar bills and coins regularly, based upon a pre-planned schedule. As additional currency has come into circulation, its value has decreased; this is the process of inflation.

To better understand the idea of inflation, consider the following example: if children that enjoy trading marbles implement a value system where red marbles are fairly common, grey marbles are rarer, and green marbles are the rarest, because there are more and of the first type, fewer of the second type, and fewer of the third type, the system will be stable until more marbles enter into circulation. Thus, by tripling the number of marbles in circulation, they will all become significantly less valuable.

What this means for consumers is that the money that they earn is worth less over time, and essentially, even though their wages might

increase in amount, they will have a lesser purchasing power, or a measure of how many goods and/or services it can be exchanged for.

Lastly, **deflation** is the process of a currency becoming more valuable due to a tight production schedule. If there was less currency around today, each dollar would be worth more—just as was the case many years ago, when some products could be purchased for pennies!

Active Vocabulary

- overall quantity - общее количество \ *umumiy miqdor*
- growth by minting - рост путем чеканки \ *zarb qilish yo'li bilan o'sish*
- circulation - обращение \ *aylanma harakat*
- valuable – ценный \ *qimmatli*
- releasing more money - выпуск больше денег \ *ko'proq pul chiqarish*

I. Answer the following questions of understanding:

1) What effect does inflation have on currency?

- A. *It increases its value* C *It doesn't affect its value*
- B. *It decreases its value* D *Economists are still trying to figure this out*

2) What are central banks, and what process allows them to increase the flow of currency?

- A. *Central banks are the institutions tasked with managing countries' economies, and they mint new money*
- B. *Central banks are local establishments that make loans to residents*
- C. *Central banks are digital money distributors that protect credit card companies*
- D. *None of the above*

3) What is the main difference between panics and recessions?

- A. *There aren't any differences between the two*
- B. *Recessions are shorter than panics*
- C. *Panics are characterized by affordable prices, while recessions are not*

D. Recessions last longer than panics and could be indicative of largescale economic downturns.

4) What is purchasing power?

- A. typical measure of how many goods\services currency can be exchanged for*
- B. The strength of one's credit score*
- C. A measure of someone's wealth*
- D. 1 and 2*

5) What is deflation, and how does it compare to inflation?

- A. Deflation and inflation are basically the same*
- B. Inflation is always good, while deflation is always bad*
- C. Deflation is the increased value of something due to a modest supply,
while inflation is a reduced value of something due to an enhanced supply*
- D. Researchers are still attempting to find the differnces between the two.*



TAXATION

A **tax** is a compulsory financial charge or some other type of levy imposed on a taxpayer (an individual or legal entity) by a governmental organization in order to fund government spending and various public expenditures. A failure to pay, along with evasion of or resistance to taxation, is punishable by law. Taxes consist of direct or indirect taxes and may be paid in money or as its labour equivalent. The first known taxation took place in Ancient Egypt around 3000–2800 BC.

The main purpose of taxation is to accumulate funds for the functioning of the government machineries. Higher taxes on such goods reduce the consumption as the price of the product will be very high for the consumers. Government also uses taxes as a way to protect local industries and as such make them more profitable.

Most countries have a tax system in place to pay for public, common, or agreed national needs and government functions. Some levy a flat percentage rate of taxation on personal annual income, but most scale taxes based on annual income amounts. Most countries charge a tax on an individual's income as well as on corporate income. Countries or subunits often also impose wealth taxes, inheritance taxes, estate taxes, gift taxes, property taxes, sales taxes, payroll taxes or tariffs.

In economic terms, taxation transfers wealth from households or businesses to the government. This has effects which can both increase and reduce economic growth and economic welfare. Consequently, taxation is a highly debated topic.



There are several very common types of taxes:

- ***Income Tax*** – a percentage of individual earnings filed to the federal government;
- ***Corporate Tax*** – a percentage of corporate profits taken as tax by the government to fund federal programs;
- ***Sales Tax*** – taxes levied on certain goods and services;
- ***Property Tax*** – based on the value of land and property assets;
- ***Tariff*** – taxes on imported goods imposed in the aim of strengthening internal businesses;
- ***Estate tax*** – rate applied to the fair market value of property in a person's estate at the time of death.

Both residents and non-residents are subject to tax in Uzbekistan. Residents are taxed on their worldwide income; non-residents are taxed on income from sources in Uzbekistan.

Banking and insurance services, pharmaceuticals, educational services, veterinary services and passenger transportation services provided by the government are exempt. Generally, export of goods, international transportation services, utility services provided to private consumers and goods and services supplied for official use to diplomatic missions are zero-rated.

Other Consumption Taxes

Excise tax is imposed on certain types of imported goods (cigarettes, jewellery, petrol, alcohol drinks). Rates vary from 5% to 70%, depending on the type of goods imported.

Corporate Taxes

The other taxes to which companies are subjected to include:

- ◆ *property tax (2%)*
- ◆ *land tax (fixed fees that vary depending on the quality, location, and level of water supply of each land plot; 0.95% of the standard value for agricultural land)*
- ◆ *stamp duties*
- ◆ *water tax (depends on the source of water consumption; water tax rates on water used for agricultural irrigation are reduced by 50% for 2020 in response to the COVID-19 crisis)*

- ◆ *social tax (12% assessed on total payroll cost related to local and expatriate staff; 25% for budget organisations)*
- ◆ *tax on subsurface users (for companies exploring and extracting natural resources).*

Active Vocabulary

- levy imposed on a taxpayer - сбор, взимаемый с налогоплательщика\ *soliq to'lovchiga solinadigan yig'im*
- evasion of or resistance to taxation - уклонение от налогообложения или сопротивление налогообложению \ *soliq to'lashdan bo'yin tovlash yoki unga qarshilik ko'rsatish*
- a flat percentage rate - фиксированная процентная ставка\ *belgilangan foiz stavkasi*
- payroll taxes - налоги на заработную плату\ *ish haqidan olinadigan soliqlar*
- exempt – освобожден\ *ozod qilingan*
- excise tax - акцизный налог\ *aktsiz solig'I*
- water consumption - потребление воды\ *suv sarfi*

I. Answer the questions

1. *What is a tax in simple words?*
2. *What is the purpose of tax?*
3. *What types of taxes are there?*
4. *Why do people pay tax ?*

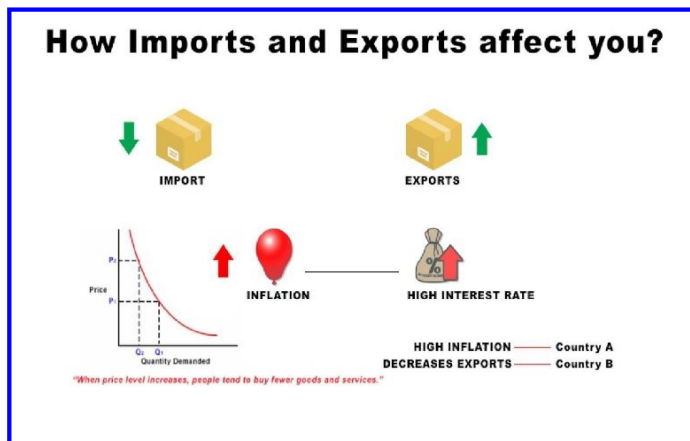
II. Complete the text with appropriate words

Taxes

An old proverb says that only two things are really (1) - death and taxes. But when did taxes (2) begin?

In the ancient world, (3) was not very high. One (4) for this is because people did not have very much money which they could give to the state. Also the state did not have enough (5) to decide fairly who should pay what taxes. Also, in those days people did not believe that the state had an automatic (6) to take some of their money. So people who tried to tax them were resisted. However, there were also disadvantages.

Instead of taxing its own people, the state (7) taxed people from outside, such as merchants. The result was bad for trade, since in some places merchants had to pay (8) of taxes before they arrived at a



market where they could sell their (9) Also, in most countries, people had to do military service as their (10) to the state.

1.	a) unmissable	b) final	c) inevitable	d) ultimate
2.	a) in reality	b) actually	c) in true	d) in real
3.	a) taxation	b) taxing	c) taxis	d) taxes
4.	a) reason	b) explain	c) region	d) cause
5.	a) abilities	b) capable	c) qualify	d) resources
6.	a) law	b) right	c) pretend	d) demand
7.	a) however	b) anyway	c) instead	d) otherwise
8.	a) a dozen	b) many	c) dozens	d) much
9.	a) purchases	b) selling	c) offer	d) goods
10	a) giving	b) payment	c) donation	d) doing

IMPORT AND EXPORT



International trade is the exchange of goods and services between different countries. Depending on what a country produces and needs, it can export (sell goods to another country) and import (buy goods from another country). Governments can control international trade.

The most common measures are tariffs or duties and quotas. A tariff is a tax on imported goods, and a quota is the maximum quantity of a product allowed to a country during certain period of time. These measures are protectionist as they raise the price of imported goods to protect domestically produced goods. Companies can choose from various methods to establish their products in a foreign market. One option is to start by working with local experts such as sole agents or multi-distributors, who have a specialist knowledge of the market and sell on behalf of the company. This often leads to the company opening a local branch or sales office. Another option is to sell, or give permission to use patents and licences for their products.

Companies may wish to start by manufacturing in the export market, in which case they can either set up a local subsidiary or a joint venture with a local partner.

Uzbekistan's foreign trade represented 67.8% of GDP (World Bank, 2018). The country exports energy products, cotton, gold, mineral fertilizers, ferrous and nonferrous metals, textiles, food, machinery, and automobiles. Imports include machinery and equipment, food, chemicals, ferrous and nonferrous metals (OEC).

Main export destinations include Switzerland, China, Russia, Turkey, Kazakhstan, Bangladesh, and Afghanistan. Imports generally arrive from China, Russia, South Korea, Kazakhstan, Turkey and Germany and Germany (OEC). Uzbekistan's main imports are machines and equipment, chemical products, food and metals. As of 2019, Uzbekistan has trade relations with over 140 countries and is

harmonizing its import tariffs with Eurasian Economic Union standards. The UAE has also agreed to increase trade volume and investments in textiles, renewable energy, infrastructure, and agriculture. A large trade and logistics center will also be constructed in the border areas of Kazakhstan and Uzbekistan.

Active Vocabulary

- tariff – тариф \ *tarif; narx qo'ymoq*
- quota – квота \ *norma, belgilangan soli'q miqdori*
- sole agents – единственные агенты \ *yagona agentlar*
- on behalf of - от имени \ *nomidan*
- local subsidiary - местная дочерняя компания \ *mahalliy filial*
- nonferrous metals – цветные металлы \ *rangli metallar*
- branch - филиал \ *filial*

I. Answer the questions

1. *What is export ?*
2. *What is import ?*
3. *What are the measures to control international trade ?*
4. *What is tariff ?*
5. *What are the methods to establish products in a foreign market ?*
6. *What are the major imports and exports of Uzbekistan?*

II. Complete the following sentences with **IMPORT and **EXPORT** and their derivatives.**

Export; Exportation; Exporter; Exportable; Import; Importation; Importer;

1. *We a large number of cars from Japan.*
2. *The fashion for wearing baseball hats was directly from the States.*
3. *Japan is a majorof cars (sells goods to another country)*
4. *He has been arrested for illegalof drugs.*
5. *He is anof African foodstuffs.*

6. *French cheeses are to many different countries.*
7. *I need todata from the database into my word processor.*
8. *Our clothes sell so well in this country that we have no need to*
9. *These crates have been packed for*
10. *The Government is planning new restrictions on foreign*
11. *American culture has beenall over the world.*
12. *Coffee is one of Brazil's main*
13. *The of ivory is now strictly controlled.*
14. *India grows tea for*



ONLINE SHOPPING

Everyone has noticed the mammoth impact technology has had on business. Although all facets of the business world have been affected in some way, one seems especially supportive by the public – the shopping industry. Consumers are spending more of their time and money without ever



leaving the comfort of their own homes. Although many people still like to spend a day at the mall and prefer to see items before they buy them, online shopping has become a major player in the retail world with more and more people joining the ranks as Internet shoppers. Consumers can buy almost anything via Internet and electronic sales appear unstoppable.

Clearly, electronic shopping is becoming more and more popular. However, it isn't just about buying from a retailer. Consumers can play the role of the seller as well.

One of the more popular sites that allows the consumer to be the retailer is eBay.com. The online shopping website enables people to participate in auctions to sell items. The site was originally founded in 1995 and has become a major player in the world of online business. Although it started in San Jose, California, eBay now has localized websites around the world. Some countries with their own eBay sites are Canada, Malaysia and Turkey. Consumers can buy and sell hundreds of different items like appliances, books, computers, clothing, cosmetics and even cars.







The online auction business model is successful. Other sites that have adopted this business model include Amazon.com, Overstock.com, and Ubid.com. Success could be attributed to a variety of factors. Consumers are not constrained by time and geography.

Online shopping in general has its advantages and disadvantages. Online stores, like the auctions, are available around the clock. People

can shop from home or work whereas a visit to the mall requires consumers travel via some form of transportation and forces them to visit the stores during the stores' business hours. Physical stores aren't necessarily losing business. It's simply far more convenient to click on an item on the store's website. However, when shopping in person, the consumer can actually examine the item before they purchase.

The purpose of online shopping is to save time, save money. Through online shopping one can save his valuable time. One can watch and select things he wants to buy. Through online shopping we can save our money because prices are less than market prices and we receive our bought things at our home.

Things Customers Consider When Buying Online

-  *Authenticity of the online shopping website. The number of online stores increases by the day. ...*
-  *Online identity. On top of confirming that a site is credible, it is also important to ascertain that the website is what it claims to be. ...*
-  *Safety of the payment method. ...*
-  *Shipping. ...*
-  *The return and refund policy. ...*
-  *Customer reviews.*

Shopping online forces the consumer to be dependent on pictures and text descriptions. Online shoppers have the advantage of comparing competing stores without driving to the actual stores, but visitors to a physical store don't face the same security and privacy concerns.

Whether it's an auction or a simple sale, whether it is an online click or a visit to a store, whether it is full price or on sale, the online retail business world is very popular.

Active Vocabulary

- mammoth – гигантский\ *ulkan*
- facets – грани\ *qirralar*
- enable – давать возможность\ *imkoniyat bermoq*
- adopt - усвоить\ *qabul qilmoq*

- constrain – ограничивать \ *chegara*
- privacy concern - забота о конфиденциальности \ *shaxsiy hayot uchun tashvish*

✎ I. Answer the questions

1. What is online shopping ?
2. What is the main purpose of online shopping?
3. What are the negative effects of online shopping?
4. What should consumers be aware of when shopping online?

✎ II. Match the words in the left column with the best definition in the right column

- | | |
|---|---|
| <p>1. Mammoth a. have a specific place</p> <p>2. Facets b. sales</p> <p>3. Retail c. depending on summer, winter, autumn or spring</p> | <p>4. Whopping d. giving a way to do something</p> <p>5. Seasonal e. very big</p> <p>6. Variation f. very big</p> <p>7. Enables g. giving a cause</p> <p>8. Localized h. an area</p> <p>9. Attributed i. differences</p> <p>10. Geography j. aspects</p> |
|---|---|



ENVIRONMENTAL IMPACT OF ONLINE SHOPPING

In the past few decades, the way we shop has changed dramatically. We used to buy our goods in traditional shops, on the high street or in department stores. Now, customers are increasingly buying online, where they can order whatever they want directly to their door with the click of a mouse. One in seven sales are now made online and studies suggest that by 2021, global online retail will reach an enormous US\$4.8 trillion.



As companies race to improve their internet shopping experience, the trend towards shopping online is predicted to continue. But what is ? You might think that online shopping is greener than in-store shopping.

After all, an online store does not use the electricity that a traditional store might use and it doesn't require the customer to drive anywhere. Items are often delivered to several homes at once, so you would think the carbon savings must be significant. Take the typical home delivery round in the UK, for example. Supermarket drivers often do 120 deliveries on an 80-kilometre round, producing 20 kilograms of CO₂ in total. In contrast, a 21-kilometre drive to the store and back for one household would generate 24 times more CO₂! However, the reality is slightly more complex than that. Many home deliveries fail the first time and the driver has to make a second or third attempt to deliver the purchase. Customers who choose speedy delivery or those who buy single items from different places also contribute towards increasing the carbon footprint.

The carbon footprint also goes up if the customer chooses to return the item. A study in Germany showed that as many as one in three online purchases are returned. According to another study, merchandise worth nearly US\$326 million is returned each year in the USA. Two billion kilograms of this ends up in landfill, leading to 13 tonnes of CO₂ being released. Clothing is one product that has high return rates. Unlike in a walk-in store, the online shopper can't try things on before buying. So, companies offer free returns to make it easier for shoppers to purchase the same item of clothing in different sizes and colours. Customers try them at home, keep one and return the rest of them. However, when clothes are returned, they are not always cleaned and put back for sale. This is because many companies have found it cheaper to simply throw away the returned items than to pay someone to sort the damaged goods from the unwanted ones. In these cases, the returned clothes, which might be in perfect condition, end up in landfills or burnt. When we take all these factors into consideration, we realise that online shopping isn't necessarily as green as people might think. That last kilometre to your door is costly, for companies and for the environment. There is some positive news, as various online retailers are starting to lower their carbon footprint by investing in electric delivery vehicles. However, the question of how to deal with returns efficiently and without waste is a challenge that many companies have not wanted to face. As online shoppers become aware of what companies are doing, and campaign groups demand urgent action in the face of the climate and ecological emergency, there is increasing pressure for companies to take responsibility for the environmental impact of their activities.

Active Vocabulary

- carbon savings - экономия углерода \ *uglerodni tejash*
- home delivery- доставка на дом \ *uyga etkazib berish*
- generate – генерировать \ *yaratish*
- aware- осведомленный \ *xabardor*

I. Answer the questions

1. *What is the impact of all this online shopping on the environment?*
2. *How has the way people shop changed ?*

3. *How does shopping affect the environment?*

✎ II. Are the sentences true or false?

1. *More sales are now made online than in shops.*
2. *It is predicted that more and more shopping will be done online in the future.*
3. *Online shopping uses less electricity than in-store shopping.*
4. *The carbon footprint of online shopping is made worse by failed deliveries, speedy delivery and returns.*
5. *Companies encourage customers to try clothes on at home.*
6. *Companies make sure returned clothes are repackaged and resold.*
7. *Most companies now use electric delivery vans.*
8. *Most companies have found environmentally-friendly solutions for the problem of returned goods.*

✎ III. Write the word to fill the gaps

1. *In the past few decades, the way we shop changed dramatically.*
2. *We used buy our goods in traditional shops.*
3. *Now, customers increasingly buying online.*
4. *The trend towards shopping online is predicted continue.*
5. *You might think that online shopping is greener in-store shopping.*
6. *Customers choose speedy delivery or buy single items from different places also contribute towards increasing the carbon footprint.*
7. *The carbon footprint also goes if the customer chooses to return the item.*
8. *Many companies have found it cheaper to simply throw the returned items.*

ADDITIONAL MATERIALS ON BUSINESS ENGLISH NEWS

Free Trade Deal

Fifteen Asian and Pacific countries have signed the world's biggest free trade deal. It is called the Regional Comprehensive Economic Partnership (RCEP). The countries include 10 Southeast Asian economies along with China, Japan, South Korea, Australia and New Zealand. These countries account for



around 30 per cent of the global economy. The idea for the RCEP started in 2012. The governments have been talking to each other since then. China was key in pushing the deal forward to help economies during the coronavirus pandemic.

An economics expert said: "COVID-19 has reminded the region of why trade matters and governments are more eager than ever to have positive economic growth." Leaders of the 15 governments believe the free trade deal will help their countries and the Asia-Pacific region. The Chinese Premier said: "The fact the RCEP has been signed after eight years of negotiations brings a ray of light and hope amid the clouds." He added: "It clearly shows that multilateralism is the right way, and represents the right direction of the global economy and humanity's progress." South Korea said: "We believe that the RCEP, being the world's largest free trade arrangement, represents an important step forward toward an ideal framework of global trade and investment." It said the deal included, "a diverse mix of developed, developing and least developed economies."

📖 1. COMPREHENSION QUESTIONS.

- 1. How many countries signed the free trade deal?*
- 2. How many Southeast Asian nations signed the deal?*
- 3. How much of the global economy do the countries represent?*
- 4. When did talks about the deal first start?*

5. *What positive thing did an economics expert say the region wants?*
6. *What did China's premier say the negotiations brought?*
7. *What did China's premier say multilateralism was?*
8. *What is going in the right direction, besides the global economy?*
9. *What is the deal an ideal framework of, besides global trade?*
10. *What kind of mix of economies did South Korea say the deal was?*

✎ **2. TRUE / FALSE:** *Read the headline. Guess if a-h below are true (T) or false (F).*

- a. *Nearly a dozen countries signed a free trade deal. T / F*
- b. *Ten Southeast Asian countries signed the new free trade deal. T / F*
- c. *The countries in the deal make up nearly a third of the global economy. T / F*
- d. *China was reluctant to sign the deal. T / F*
- e. *Countries talked about the deal for eight years. T / F*
- f. *China's Premier said the deal brings a laser beam of light. T / F*
- g. *The Premier said the deal shows multilateralism is the wrong way. T / F*
- h. *South Korea said all countries' economies in the deal were developed. T / F*

✎ **3. SYNONYM MATCH:** *(The words in **bold** are from the news article.)*

- | | |
|---|--|
| <p>1. comprehensive a.
correct</p> <p>2. along with b.
important</p> <p>3. global c. aid</p> <p>4. key d. mixed</p> <p>5. growth e. as well as</p> | <p>6. help f. agreement</p> <p>7. right g. development</p> <p>8. direction h. full</p> <p>9. arrangement i. way</p> <p>10. diverse j.
worldwide</p> |
|---|--|

Tech stocks lead 300-point rise on Dow Jones Index



500 rising 1.9 per cent.

Stock prices rose sharply on Monday led by shares in technology giants. This caused the Dow Jones Industrial Average to rise by 353 points, or 1.2 per cent. Other financial indicators also saw gains, with the Nasdaq Composite advancing 2.9 per cent and the S&P 500 rising 1.9 per cent.

The three indices are the most-followed stock markets in the United States. A key performer on Monday was Apple, which soared an impressive six per cent. Analysts say this was on the back of investors anticipating the tech giant to unveil its first 5G smartphone later this week. Other tech giants fared well. Facebook, Amazon and Microsoft jumped 5.3 per cent, 5.2 per cent and 3.5 per cent respectively. Trading on Wall Street on Monday saw its best performance in three months. Confidence among investors continues to be strong, despite the economic ravages created by the coronavirus pandemic. Analysts say the strength of tech companies is largely responsible for the bullish markets. Most of these companies have proved largely immune to the economic downturn experienced this year. Sales and use of many of their products and services have skyrocketed as people stay at home and become more dependent on the Internet. Energy stocks were the only stragglers on Monday. Their prices dropped after an unexpected fall in U.S. crude oil prices.

1. COMPREHENSION QUESTIONS.

- 1. By how many points did the Dow Jones Industrial Average rise?*
- 2. What rose by 1.9 per cent?*
- 3. What company did the article say was a key performer?*
- 4. What might Apple unveil later?*
- 5. Which company saw its shares jump by 3.5%?*
- 6. What saw its best trading in three months?*
- 7. What did the article say continues to be strong?*
- 8. How did the article describe the markets as being?*

9. What did the article say happened to sales of tech company products?

10. What commodity saw an unexpected fall in its prices?

2. **TRUE / FALSE:** Read the headline. Guess if a-h below are true (T) or false (F).

a. The Dow Jones Index rose by over 350 points on Monday. T / F

b. The S&P 500 index rose by nearly 2% on Monday. T / F

c. Apple stocks rose by 5% on Monday. T / F

d. Microsoft stocks fared better than Amazon's stocks on Monday. T / F

e. Wall Street hadn't performed so well in three months. T / F

f. The article said tech companies were responsible for a bear market. T / F

g. Tech companies are working on a vaccine to make workers immune. T / F

h. Energy companies fared poorly because of a drop in crude oil prices. T / F

3. **SYNONYM MATCH:** (The words in bold are from the news article.)

1. **rose** a. damaging effects

2. **indicators** b. did

3. **key** c. faith

4. **anticipating** d. untreated

5. **fared** e. signs

6. **confidence** f. reliant

7. **ravages** g. shot up

8. **immune** h. expecting

9. **dependent** i. resistant

10. **crude** j. important

UK economy shrinks by 25 per cent

The UK economy has suffered its worst economic performance since a mini ice age over 300 years ago when the River Thames froze. The UK's Office for National Statistics reported that the economy was around 25 per cent smaller in April than it was in February. The Bank of England governor, Andrew Bailey, acknowledged there was a 20.4 per cent drop in GDP in April alone.

**HOW MUCH MORE
LOCKDOWN CAN THE
UK ECONOMY TAKE ?!**



He called this "a dramatic and big number". He was positive about the future and said there were "signs of the economy now beginning to come back to life". Much of the UK economy shut down in a bid to curb the spread of the coronavirus. The UK has seen the biggest economic collapse among the world's developed economies.

The United Kingdom's economy has seen nearly 20 years' worth of growth wiped out because of the coronavirus lockdown measures. This week, people are being encouraged to go shopping again as many stores have reopened. Many shoppers remain wary about venturing out to shops or commuting, as the number of daily deaths is still around 200. Talking about the economic collapse, Mr Bailey said: "It's not surprising. The economy clearly closed out substantially at the end of March into April. The big question is what happens next." The UK's 'Guardian' newspaper was pessimistic about a recovery. It wrote: "Britain's economy has fallen off a cliff. It will be a long climb back".

1. COMPREHENSION QUESTIONS.

- 1. What happened in the UK 300 years ago?*
- 2. What happened to the River Thames 300 years ago?*
- 3. By how much did the UK's GDP fall in April?*
- 4. What did the Bank of England say was coming back to life?*
- 5. Which developed country has seen the biggest economic collapse?*
- 6. How much growth has been wiped out in the UK?*
- 7. What is reopening in the UK this week?*
- 8. How do people feel about shopping and commuting?*

9. What did a newspaper say was the big question?
 10. What did a newspaper say the UK had fallen off?

2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).

- a. The UK economy is its worst since a mini ice age 300 years ago. T / F
 b. GDP in the UK dropped by 20.4% in April. T / F
 c. The Bank of England called the numbers "dramatic". T / F
 d. The UK has seen the worst economic collapse among developed nations. T / F
 e. Over 50 years of growth has been wiped out in the UK. T / F
 f. Shoppers are looking forward to getting back in stores this week. T / F
 g. The number of daily deaths in the UK is making shoppers wary. T / F
 h. A newspaper said the UK economy has fallen from the sky. T / F

3. SYNONYM MATCH: (The words in bold are from the news article.)

1. **suffered** a. cautious
 2. **acknowledged** b. effort
 3. **positive** c. actions
 4. **bid** d. cave in
 5. **collapse** e. considerably

6. **wiped out** f. recognized
 7. **measures** g. endured
 8. **wary** h. downbeat
 9. **substantially** i. eradicated
 10. **pessimistic** j. optimistic

Saudi Arabia to triple VAT to support economy

Saudi Arabia triples VAT as Covid-19 hits economy



Saudi Arabia is going to triple the rate of the value added tax (VAT) it imposes on goods and services. VAT will increase from 5 per cent to 15 per cent on the 1st of July. The tax was introduced in Saudi Arabia for the first time in 2018. Government authorities say this drastic measure is

necessary to curb the effects of the coronavirus pandemic on the economy.

The cut is also part of wider austerity measures to help the economy. Finances of the oil-rich nation have been badly hit as the pandemic has seen oil prices and demand for oil plummet. Analysts are reporting that oil revenues this year have fallen by almost a quarter when compared to the same period last year.

Another measure the finance ministry has taken in a bid to shore up the economy is the suspension of a cost of living allowance. This is a payment of about \$256 per month to state employees. It was introduced to help offset rising prices and more expensive petrol at the pump. Saudi's Finance Minister said: "These measures are painful but necessary to maintain financial and economic stability over the medium to long term...and to overcome the unprecedented coronavirus crisis with the least damage possible." A Gulf expert said: "The move will impact consumption and could also lower the expected revenues. These are proausterity and pro-revenue moves rather than pro-growth ones."

1. COMPREHENSION QUESTIONS.

- 1. By how many times will Saudi Arabia's value added tax increase?*
- 2. When was value added tax introduced in Saudi Arabia?*
- 3. What did the government say the tax was necessary to curb?*
- 4. How have Saudi Arabia's finances been hit by the coronavirus pandemic?*

5. *By how much have oil revenues fallen since last year?*
6. *How much is Saudi Arabia's cost of living allowance?*
7. *What was the cost of living allowance introduced to offset?*
8. *Over what timeframe does Saudi want to maintain financial security?*
9. *Who said consumption would be impacted by the move?*
10. *What did an expert say the moves would not promote?*

✎ **2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).**

- a. *VAT in Saudi Arabia is set to increase three-fold. T / F*
- b. *The value added tax in Saudi Arabia will go up on June the 1st. T / F*
- c. *Saudi Arabia first introduced VAT in 2018. T / F*
- d. *Saudi Arabia's oil revenues have fallen by a half in the pandemic. T / F*
- e. *The Finance Ministry has abolished a cost of living allowance. T / F*
- f. *Saudi's Foreign Minister acknowledged the measures were painful. T / F*
- g. *The Foreign Minister said the measures were for the short-term. T / F*
- h. *An expert on the Gulf said the measures will raise revenues. T / F*

✎ **3. SYNONYM MATCH: (The words in **bold** are from the news article.)**

1. imposes a.
attempt

2. introduced b.
actions

3. drastic c. income

4. measures d.
extreme

5. plummet e. affect

6. bid f. applies

7. offset g. unheard

8. unprecedented h.
nosedive

9. impact i.
established

10. revenue of
j. counterbalance

New York City bans cashless stores



The advance of technology in our lives has been halted somewhat in New York City. Lawmakers have passed a bill to ban cashless businesses. With many parts of the world in a seemingly relentless drive to replace cash with plastic or digital payments, New York City officials have decided cash still has a valuable part to play in

our lives. The officials have approved legislation that prohibits stores, restaurants and other retail outlets from refusing to accept cash.

They want to provide the ability for people who prefer to pay via traditional means, through notes and coins. This means businesses in the city will no longer be able to insist that customers make use of cashless payments in any transactions. Businesses that violate the new regulation could face hefty fines of up to \$1,500 for each offense. Critics of cashless businesses say they discriminate against the poorer sections of society, many of whom do not have bank accounts or credit cards. One city resident said: "I worry about the real-world discriminatory effect that cashless business can have on New Yorkers, especially in communities of color." Another said: "I think it's incredibly discriminatory not to accept cash because some people can't get credit." An opponent of the bill said it was a sign of government interference: He said: "We are inserting ourselves in the business of business in a way that we don't have the right to".

1. COMPREHENSION QUESTIONS.

- 1. What did the article say had been halted somewhat?*
- 2. What are parts of the world in a seemingly relentless drive to do?*
- 3. What did city officials say has a valuable part to play in our lives?*
- 4. What places cannot refuse cash besides stores and restaurants?*

5. *What will businesses not be able to insist customers make use of?*
6. *How much could a business be fined for violating the law?*
7. *Who do critics think cashless payments discriminate against?*
8. *What did the article say some people do not have?*
9. *What did an opponent say the bill was a sign of?*
10. *What did the opponent say the government is interfering in?*

2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).

- a. *The article says technology has enhanced people's lives in New York. T / F*
- b. *The article says people use plastic and digital payments when they drive. T / F*
- c. *The article says NYC officials believe cash is still important. T / F*
- d. *Businesses in New York City will not be able to refuse cash. T / F*
- e. *Businesses could get a \$1,500 fine for not following the new law. T / F*
- f. *Critics say the new law will hurt the poorer sections of society. T / F*
- g. *A resident said cashless hurt people who cannot get credit. T / F*
- h. *An opponent of the bill said government has no right to interfere. T / F*

3. SYNONYM MATCH: (The words in **bold are from the news article.)**

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. advance a. large 2. ban b. constant 3. valuable c. citizen 4. relentless d. detractors 5. prefer e. outlaw | <ol style="list-style-type: none"> 6. violate f. intrusion 7. hefty g. progress 8. critics h. would rather 9. resident i. contravene 10. interference j. crucial |
|--|--|

A 4-day work week in Japan increased productivity



Productivity rose by 40 per cent and 92 per cent of employees expressed their satisfaction with the scheme. The trial could lead to a change in Japan's infamous workplace practices of long hours and lots of overtime.

Microsoft called the trial the Work-Life Choice Challenge. The company said it aimed, "to create an environment where each employee can choose a diverse and flexible way of working according to the circumstances of their work and life". Other aspects of the trial included shortening the length of meetings to a maximum of 30 minutes and encouraging workers to choose online chats over face-to-face ones. There were additional advantages to the trial. Microsoft said that 23 per cent less electricity was consumed and 59 per cent fewer pages were printed compared with August 2018. Microsoft will conduct another experiment in Japan later this year and has asked employees for their input.

1. COMPREHENSION QUESTIONS.

1. What is the name of the company that conducted the trial?
2. When did the trial take place?
3. What day of the week did the employees have off?
4. By how much did productivity rise?
5. What did the article say Japan's workplace practices were?
6. What was the trial called?
7. What were workers urged to spend no longer than 30 minutes doing?
8. By how much did the company's electricity bill fall?
9. What fell by 59 per cent?
10. What will employees be asked for ahead of the next trial?

✎ **2. TRUE / FALSE:** *Read the headline. Guess if a-h below are true (T) or false (F).*

- a. A 4-day working week was trialed in Japan by Microsoft. T / F
- b. The trial took place in the spring of 2018. T / F
- c. Employees didn't have to work on Mondays but got paid. T / F
- d. Japan is famous for not asking its workers to do overtime. T / F
- e. The trial was called the "Work-Life Choice Challenge". T / F
- f. Workers were asked to keep meetings to less than 30 minutes. T / F
- g. The trial meant the month's electricity bill decreased by 59%. T / F
- h. The company will carry out a further experiment in Japan. T / F

✎ **3. SYNONYM MATCH:** *(The words in **bold** are from the news article.)*

1. trialed a. main office

2. improvements b. situation

3. headquarters c. increased

4. monitored d. ideas

5. rose e. advances

6. flexible f. carry out

7. circumstances g. adaptable

8. encouraging h. tested

9. conduct i. urging

10. input j. tracked

2021 to be huge for space exploration



Cosmologists, astronomers and space engineers are predicting that 2021 will be a great year for space exploration. An increasing number of countries and commercial companies are investing in technology to venture into the heavens. Entrepreneurs like SpaceX's Elon Musk and Virgin Galactic's Richard Branson are setting their sights on space tourism and sending astronauts to Mars.

What once seemed like science fiction is quickly becoming space fact. Such are the advances in technology, we might no longer be surprised at news of asteroids being mined, Mars being colonised, or of new forms of holidays, such as getaway weekend breaks to the Moon. The year will start with an exciting project that will help scientists better understand the universe. NASA will launch its Q-PACE probe on January the 15th. This will study the collision of small particles in space to provide an insight into how planets originally formed. A month later, NASA's Perseverance rover will land on Mars. This mission will test for signs of possible past microbial life. NASA said: "Returning samples of Mars to Earth has been a goal of planetary scientists since the early days of the space age." In October, the James Webb Space Telescope, the successor to the Hubble Telescope, will launch into space. Its mission is to observe the first galaxies that formed in the early universe.

✎ 1. COMPREHENSION QUESTIONS.

1. Who is predicting a great 2021 besides cosmologists and astronomers?
2. Where do commercial companies want to venture into?
3. Where do entrepreneurs want to send astronauts?
4. What does the article say science fiction is becoming?
5. Where might we be going for weekend breaks?
6. What will NASA launch on January the 15th?
7. In what month will NASA launch its rover?
8. What will NASA's Perseverance rover test for signs of?
9. When will the James Webb Space Telescope launch into space?
10. What is the mission of the James Webb Space Telescope?

2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).

- a. Cosmologists doubt that 2021 will be great for space exploration. T / F
- b. Companies are investing in technology to get us to heaven. T / F
- c. The article says science fiction is turning out to be real life. T / F
- d. The article says we will not be surprised by our colonising Mars. T / F
- e. A NASA probe called Q-PACE will study the collision of small particles. T / F
- f. Another NASA probe will look for microbial life on the Moon. T / F
- g. NASA said scientists have wanted samples of Mars for a long time. T / F
- h. The Hubble Telescope will re-launch in October. T / F

✎ 3. SYNONYM MATCH: (The words in **bold** are from the news article.)

1. **predicting** a.
impact

2. **commercial** b.
journey

3. **venture** c.
enterprise

4. **advances** d.
vacations

5. **breaks** e. cosmos

6. **project** f.
forecasting

7. **collision** g.
specimens

8. **samples** h. next-
in-line

9. **successor**

i. private
enterprise

10. **universe**

j. breakthroughs

Basic income for poor could slow COVID-19 spread

The United Nations has come up with a plan to help slow the spread of COVID-19. The United Nations Development Programme (UNDP) said the world's poorest people should get a basic income. It



said the introduction of a "Temporary Basic Income" for the world's poorest people could slow the current surge in coronavirus cases. The money would allow around 2.7 billion people to stay at home. This

would reduce the chances of them spreading the virus.

The UNDP suggested giving the income to poor people in 132 developing countries. The cost of this would be around \$199 billion per month. It said: "Unprecedented times call for unprecedented social and economic measures."

The UNDP said the basic income would mean directing money to people instead of economies. It said: "Bailouts and recovery plans cannot only focus on big markets and big business. A Temporary Basic Income would allow governments to give people in lockdown a financial lifeline, inject cash back into local economies to help keep small businesses afloat, and slow the devastating spread of COVID-19." It pointed out that the poor are the hardest hit by the pandemic. There are huge numbers of people without social insurance and many workers without contracts. There are also many low-waged women and young people. It also said refugees, migrants, and people with disabilities need financial help.

1. COMPREHENSION QUESTIONS.

- 1. What part of the UN has come up with a plan?*
- 2. How many people could stay at home if they got a basic income?*
- 3. How many countries would the basic income help?*

4. *How much would the basic income cost each month?*
5. *What kind of times did the UN say we are living in?*
6. *Who would get the money instead of economies?*
7. *How long would the basic income be for?*
8. *Who did the article say were hardest hit by the pandemic?*
9. *What kind of insurance do many people not have?*
10. *What kind of help did the UN say people needed?*

✎ **2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).**

- a. *The UN said giving money to the poor would slow down COVID-19. T / F*
- b. *The UN said the basic income should be a temporary measure. T / F*
- c. *A basic income would let over 2.5bn people stay at home. T / F*
- d. *A basic income would cost \$199bn a year. T / F*
- e. *The UN said it is more important to give money to businesses. T / F*
- f. *The UN said the basic income would inject money into local economies. T / F*
- g. *The article says there are very few people without social insurance. T / F*
- h. *The article said migrants and refugees did not need the basic income. T / F*

✎ **3. SYNONYM MATCH: (The words in **bold** are from the news article.)**

1. **come up with** a. push
2. **temporary** b. unheard of
3. **surge** c. assistance
4. **suggested** d. highlighted
5. **unprecedented** e. short-term

6. **allow** f. large
7. **inject** g. recommended
8. **pointed out** h. thought of
9. **huge** i. let
10. **help** j. rise

Facebook to launch a global crypto-currency

Facebook CEO Mark Zuckerberg is expected to unveil details of an ambitious plan for his company to create a new global crypto-currency. A white paper outlines a plan that is designed to create a new global currency. It will represent the entry of the social network site into the lucrative financial services market. The crypto-currency is called Libra. Facebook said it is aimed at the millions of people around



the world who cannot get a bank account.

Libra will allow people to send and receive payments anywhere in the world with minimal fees. The banking will be done online via the myriad of Facebook-owned apps. The 2.7 billion users of Facebook

and WhatsApp will have access to the Libra crypto-currency.

Analysts say Libra has some similarities to the Bitcoin crypto-currency. However, a major difference is that Libra will be a more stable currency and will avoid the wild fluctuations in value that Bitcoin has experienced. Libra will be backed up by a basket of currencies, such as the dollar, euro and yen. It will also have the backing of major multi-national companies like Mastercard, PayPal, Spotify and Uber. The new crypto-currency could revitalize Facebook's fortunes. The finance company RBC Capital Markets said: "We believe [Libra] may prove to be one of the most important initiatives in the history of the company, to unlock new engagement and [generate new] revenue streams."

1. COMPREHENSION QUESTIONS.

- 1. What kind of paper will outline the crypto-currency plan?*
- 2. What lucrative market did the article say Facebook is entering?*
- 3. What is the name of the new Facebook crypto-currency?*
- 4. How much will the fees be to use the crypto-currency?*

5. How many Facebook and WhatsApp users will have access to it?
6. What did analysts say the Facebook crypto-currency is similar to?
7. What did the article say the crypto-currency will avoid?
8. What currencies will the crypto-currency be backed by?
9. What music site is supporting the crypto-currency?
10. What did a finance company say Facebook could generate?

✎ **2. TRUE / FALSE:** Read the headline. Guess if a-h below are true (T) or false (F).

- a. Facebook's CEO has unveiled full details of a new crypto-currency. T / F
- b. A blue paper will outline more details of the crypto-currency. T / F
- c. The new crypto-currency will be called Virgo. T / F
- d. The new crypto-currency will have very low fees. T / F
- e. The article says the new crypto-currency has no similarities with Bitcoin. T / F
- f. The new crypto-currency will be backed by the dollar, euro and yen. T / F
- g. A finance company said the crypto-currency could really help Facebook. T / F
- h. The company said Facebook could create new ways of making money. T / F

✎ **3. SYNONYM MATCH:** (The words in **bold** are from the news article.)

1.unveil	a. boost	5.myriad	e.	8.backed	h. plans
2.lucrative	b. great	profitable		9.revitalize	i.
number		6.similarities	f.	variations	
3.aimed	c. targeted	parallels		10.initiatives	j.
4.minimal	d.	7.fluctuations	g.	reveal	
supported		very little			

Airbus to end production of A380 airplane

The airplane maker Airbus has announced plans to cease production of its A380 aircraft. The iconic A380 is the world's largest passenger airplane and has been in service for 12 years. When it was launched, it was heralded as the future of aviation. However, changes



in the demands of passengers mean the days of giant, four-engine passenger planes are over. Airbus decided to call a halt to production of the 544-seat A380 due to weaker than expected sales.

The nail in the coffin was when the Dubaibased Emirates Airline cut its A380 order by 39 planes. Airbus said it would stop building the A380 in 2021. This will result in significant job losses at companies linked to the plane's manufacture.

The A380 embarked on its inaugural flight in April 2005 to great fanfare. Then British Prime Minister Tony Blair called the giant jet a "symbol of economic strength". His Spanish counterpart called the plane "the realization of a dream". The plane was designed to combat congestion at airports by reducing the number of planes needed in the skies. However, booming air travel has generated a higher demand for twin-engine planes that can fly non-stop to where people want to travel. Giant, four-engine jets usually require passengers to transit at hub airports. An Emirates spokesperson said the A380 was a "passenger magnet" that was misunderstood and badly marketed by other airlines.

✎ 1. COMPREHENSION QUESTIONS.

1. How long has the A380 been in service?
2. What was the A380 believed to be the future of?
3. What days did the article say was over?
4. How many planes did Emirates cut its order by?
5. What will be lost because of the ending of the production of the A380?
6. When was the A380's inaugural flight?
7. What did Britain's former Prime Minister say the A380 was a symbol of?
8. What did the article say there was a higher demand for?
9. Where did the article say passengers were required to transit?
10. What did an Emirates spokesperson call the A380?

✎ 2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).

- a. The A380 airplane is the world's biggest passenger airplane. T / F
- b. The Airbus A380 has been flying for over 20 years. T / F
- c. Production of A380s is stopping because of falling demand. T / F
- d. Airbus will stop making the A380 in 2021. T / F
- e. There was a funfair next to the A380 when it first launched. T / F
- f. A Spanish leader suggested the A380 was like a dream come true. T / F
- g. There is a higher demand for 4-engine planes than twin-engine planes. T / F
- h. Airbus said ending the A380 will not result in job losses. T / F

✎ 3. SYNONYM MATCH: (The words in **bold** are from the news article.)

1. **announced** a. flight
2. **cease** b. strong
3. **aviation** c. serious
4. **expected** d. peer
5. **significant** e. stop

6. **inaugural** f. overcrowding
7. **counterpart** g. made public
8. **congestion** h. change
9. **booming** i. hoped for
10. **transit** j. first

World blocks UK over new mutant virus strain

Forty countries have blocked air, sea and land travel to and from the United Kingdom. Many European countries, Canada, Iran, Saudi



Arabia, Russia, India, and Colombia are among the countries. The reason is because of a new strain of COVID-19 that is spreading around the UK.

The new coronavirus is a mutant - this means it has changed from the original virus that started spreading at the beginning of the year. Some nations have blocked transport links to the UK for a few days; others for at least two weeks. Many countries say they are reviewing the situation. The biggest problems are being caused by a travel ban from France. A lot of the UK's food comes across the English Channel from France. The UK government says the mutant virus is 70 per cent more infectious than the original coronavirus. It said the mutant strain is so fast-spreading that it is "out of control". London and many other parts of the country are now in lockdown. The government has issued new rules about mixing with other people. This means most people will only be able to spend Christmas with the people they live with. They cannot travel to see any other family members or friends. An opposition leader said: "The news over the last 24 hours has been deeply disturbing. The number of coronavirus cases has nearly doubled in the last week." The UK Prime Minister Boris Johnson assured people that there would be enough food.

1. COMPREHENSION QUESTIONS.

1. How many countries blocked travel to and from the UK?

2. *Where is a new strain of the coronavirus spreading?*
3. *What is the longest amount of time countries are blocking the UK?*
4. *What are many countries reviewing?*
5. *Where does a lot of the UK's food come from?*
6. *How much more infectious is the mutant virus?*
7. *What did the government say about the spread of the mutant virus?*
8. *Who can people in the UK spend Christmas with?*
9. *By how much have coronavirus cases increased in the last week?*
10. *What did the UK leader say there would be enough of ?*

✎ **2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).**

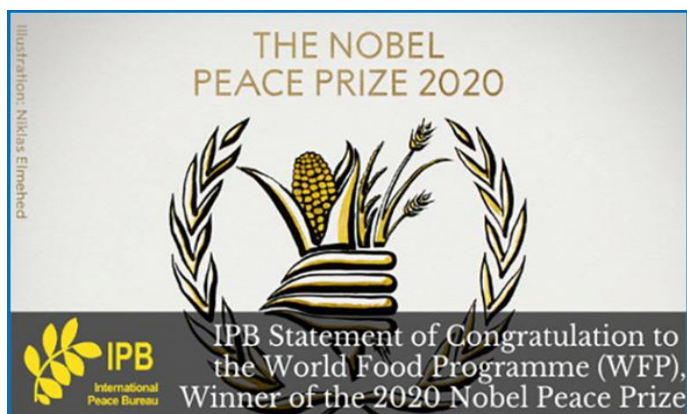
- a. *The article says over 40 countries have blocked travel to the UK. T / F*
- b. *A new type of COVID-19 is spreading around the United Kingdom. T / F*
- c. *Some countries have blocked travel to the UK for two weeks. T / F*
- d. *The biggest problem for the UK is a travel ban from Spain. T / F*
- e. *The mutant virus is 70% more infectious than before. T / F*
- f. *The UK government says it has the mutant virus under control. T / F*
- g. *People in the UK can only spend Xmas with people they live with. T / F*
- h. *The UK leader said there might not be enough food. T / F*

✎ **3. SYNONYM MATCH: (The words in **bold** are from the news article.)**

1. **blocked** a. worrying
2. **reason** b. first
3. **strain** c. created
4. **original** d. cause
5. **caused** e. catching
6. **infectious** f. sufficient

7. **issued** g. variety
8. **disturbing** h. multiplied by two
9. **doubled** i. released
10. **enough** j. barred

World Food Programme wins Nobel Peace Prize



The United Nations World Food Programme (WFP) is the winner of the 2020 Nobel Peace Prize. It was awarded the prize by the Nobel Committee in Norway on Friday. The Nobel judges spoke about why they gave the award to the WFP. They

said the WFP got the award, "for its efforts to combat hunger" and "for its contribution to bettering conditions for peace in conflict-affected areas". They said another reason was that the WFP acted, "as a driving force to prevent the use of hunger as a weapon of war and conflict".

The WFP tweeted: "We are deeply humbled to receive the Nobel Peace Prize.

This is an incredible recognition of the dedication of the WFP family, working to end hunger every day in 80-plus countries." The World Food Programme is the largest humanitarian organization in the world. Last year, it gave help to more than 97 million people in 88 countries. Its workers and volunteers often work in extremely dangerous conditions. These can be in remote, hard-to-access areas of the world. Over two-thirds of its work is in conflict-affected countries. People in war zones are three times more likely to be undernourished than those in countries without conflict. The COVID-19 pandemic has added to global food insecurity. The WFP said: "There will likely be 265 million starving people within a year." The UN Secretary-General, Antonio Guterres, called the WFP "the world's first responder on the frontlines of food insecurity".

1. COMPREHENSION QUESTIONS.

- 1. On what day of the week was the Nobel Prize winner announced?*
- 2. Where was the WFP bettering conditions for peace?*
- 3. What did the WFP stop hunger from being a weapon of?*
- 4. How did the WFP feel about winning the prize?*
- 5. What is the WFP working hard to do every day?*
- 6. How many people did the WFP help last year?*

7. How much of the WFP's work is in conflict areas?
8. What did the article say will add to global food insecurity?
9. How many people will be starving in the next year?
10. What did the UN Secretary-General call the WFP?

✎ **2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).**

- a. The Nobel Committee in Sweden awarded the 2020 Nobel Peace Prize. T / F
- b. The Nobel judges did not comment on why the WFP got the award. T / F
- c. The WFP got the award for encouraging peace in conflict areas. T / F
- d. The WFP tries to end hunger daily in over 80 countries. T / F
- e. The WFP helped 88 million people last year. T / F
- f. More than two-thirds of the WFP's work is in war zones. T / F
- g. People in war zones are twice as likely to be undernourished. T / F
- h. The WFP said 265 million people will be starving in the next year. T / F

✎ **3. SYNONYM MATCH: (The words in bold are from the news article.)**

- | | | |
|--|---|---|
| <p>1. prize a. hungry</p> <p>2. combat b. greatly</p> <p>3. prevent c. great</p> <p>4. deeply d. fight</p> | <p>5. incredible e. faraway</p> <p>6. organization f. inside</p> <p>7. remote g. award</p> | <p>8. undernourished h. probably</p> <p>9. likely i. stop</p> <p>10. within j. group</p> |
|--|---|---|

Tokyo Motor Show cancelled for first time ever

The Tokyo Motor Show has been cancelled for the first time in its history. The organizers called the show off because of an increase in the number of coronavirus cases in Japan. Akio Toyoda, chairperson of the Japan Automobile Manufacturers Association, said: "The Tokyo Motor Show is being cancelled, not delayed. It's difficult to hold the event in a way in which many people will be able to experience the appeal of cars in a safe and secure environment." Tokyo has just been put under a two-week state of emergency to try and reduce the surge in COVID-19. Japan's government is worried about the pandemic because it will host the Tokyo Olympics in July. Many Japanese people want to cancel the Olympics.



The Tokyo Motor Show was first held in 1954. It is one of the world's top five motor shows. It attracted over 1.3 million motoring professionals and enthusiasts in 2019. Mr Toyoda said his team considered holding the show online, but decided a physical, in-person event would be a better experience. The show differs from other auto events around the world because it focuses more on innovation. There are usually more concept cars than actual production cars in the show. This means we can get a look at what cars might look like in the future. Mr Toyoda said: "The Tokyo Motor show collaborates with a number of industries to envision a new future for mobility."

1. COMPREHENSION QUESTIONS.

1. How many times had the Tokyo Motor Show been cancelled before now?

2. What was there a rise in that caused the show to be cancelled?
3. What is Akio Toyoda's role in an automobile association?
4. How long is the state of emergency in Tokyo?
5. What do many Japanese people want to cancel?
6. When was the first Tokyo Motor Show held?
7. When did the show attract over 1.3 million people?
8. What does the Tokyo Motor Show focus on?
9. What kinds of cars are there usually more of at the Tokyo Motor Show?
10. Who does the Tokyo Motor Show collaborate with?

✎ **2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).**

- a. Climate change has cancelled the Tokyo Motor Show. T / F
- b. The show's chairperson said the show has been delayed, not cancelled. T / F
- c. The chairperson said it was difficult to provide a safe environment. T / F
- d. The article says Japan believes COVID will not affect the Olympics. T / F
- e. The Tokyo Motor Show started in 1954. T / F
- f. The article says more than 1.3 million people went to the show last year. T / F
- g. The show focuses on concept cars more than production cars. T / F
- h. We can get an idea about driving in the future at the show. T / F

Shell says it is past peak oil production

The energy giant Royal Dutch Shell has announced it has passed its peak production of oil. The days of increasing oil production are over and the decline in output has started. Shell said in a press release that, "oil production peaked in 2019". The "high point" of Shell's oil production reached around 1.7 million barrels per day. It now expects an annual drop of up to two per cent per year. The fall comes a year ahead of Shell's initial forecasts. In 2015, the company predicted the peak of global oil demand would be in 2020. The announcement included news that Shell would reduce the number of its oil refineries from 14 sites to six. This means the loss of around 9,000 jobs, or more than 10 per cent of its workforce.



Shell said it is shifting its focus onto

renewables and reducing its carbon footprint. It pledged to achieve net-zero carbon emissions by 2050. The company said it wants to diversify into becoming an energy provider rather than relying on fossil fuels. It has been actively exploring new, green technologies such as carbon capture. It has also been buying companies that provide electric vehicle charging stations. Shell CEO Ben van Beurden vowed to create half a million EV charging points by 2025. He said: "We must give our customers the products and services they want - products that have the lowest environmental impact. We will...grow in markets where demand for cleaner products and services is strongest."

1. COMPREHENSION QUESTIONS.

1. What is the full name of the Shell oil company?
2. When did Shell say it had passed peak production?
3. How many barrels a day did Shell produce at its peak?
4. In what year did Shell expect to hit peak demand?
5. How many oil refineries will Shell close?
6. What does Shell want to shift its focus to?
7. By when does Shell want to achieve net-zero carbon emissions?
8. What does Shell hope to do with carbon?
9. How many EV charging points does Shell want to create?
10. What does Shell want to have the lowest impact on?

✎ 2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).

- a. The article says the decline in oil production has started. T / F
- b. Shell said oil production peaked in 2019. T / F
- c. Shell forecast that oil production would drop by 2 per cent a year. T / F
- d. Shell will close 14 of its oil refineries. T / F
- e. Shell said it would change its focus to renewables. T / F
- f. Shell said it wants to have net-zero carbon emissions by 2040. T / F
- g. Shell wants to install over a million EV charging points by 2025. T / F
- h. Shell said it would focus on clearer, stronger products. T / F

✎ 3. SYNONYM MATCH: (The words in bold are from the news article.)

- | | |
|--------------|--------------|
| 1. peak | a. promised |
| 2. decline | b. yearly |
| 3. expects | c. changing |
| 4. annual | d. decrease |
| 5. workforce | e. supply |
| 6. shifting | f. height |
| 7. relying | g. effect |
| 8. provide | h. personnel |
| 9. vowed | i. supposes |
| 10. impact | j. depending |

Pringles unveils new recyclable paper packaging

The potato chip maker Pringles has improved its packaging. Pringles is well known for its large, round, stacked crisps as well as for its cylindrical container. However, the container has been criticised for being bad for the environment. A lot of the criticism was because the tube was almost impossible to recycle. The BBC news agency said the container was "a recycler's nightmare". It might have looked simple but it was made up of multiple materials. It had a plastic cap, a metal base, an aluminium tearoff cover and a foil-lined cardboard tube. This all made it nearly impossible for people to separate and recycle the container.



The Recycling Association called it one of the "villains" of the recycling world. Chiefs at Pringles went back to the drawing board to make the packaging easier to recycle. They spent 12 months designing a new tube. This move was part of the company's promise to switch to 100 per cent reusable, recyclable or compostable packaging by the year 2025. A company spokesman said: "We are eager to play our part and reduce our impact on the planet. And Pringles fans expect that of us too. So we've worked hard to come up with this new can, which is widely recyclable and keeps our chips fresh and tasty and protects them from breaking up – which helps to reduce food waste." However, the new design still has a plastic lid. The Recycling Association said this would just add to plastic pollution.

✎ 1. COMPREHENSION QUESTIONS.

1. What has Pringles improved?
2. What shape is the Pringles container?
3. What did the BBC say the container was?
4. What was the base of the Pringles container made from?
5. What did a recycling association say the container was?
6. Where did chefs at Pringles go back to?
7. How long did people spend designing a new tube?
8. By when does Pringles want to be using 100% recyclable containers?
9. What will the new container help to reduce?
10. What will the lid on the new container add to?

✎ 2. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).

- a. The maker of Pringles has improved the taste of its potato chips. T / F
- b. Pringles potato chips come in containers that are cylindrical in shape. T / F
- c. The BBC said many people have nightmares after eating Pringles. T / F
- d. A recycling association called the Pringles container a "villain". T / F
- e. Chefs at Pringles went to a drawing board to design a tubular chip. T / F
- f. Pringles wants to use 100% recyclable packaging by 2025. T / F
- g. The Pringles container helps to avoid food waste. T / F
- h. The new Pringles container has a recyclable paper lid. T / F

✎ 3. SYNONYM MATCH: (The words in **bold** are from the news article.)

- | | | | |
|------------|-----------|-----------|--------------|
| 1. maker | a. top | 6. Move | f. divide |
| 2. recycle | b. bottom | 7. Switch | g. delicious |
| 3. base | c. action | 8. Eager | h. |
- wrongdoers

- 4. separate
- 5. villains

- d. change
- e. manufacturer

- 9. Tasty
- 10. lid

- i. keen
- j. reuse

Airbus unveils plans for zero-emission planes



The airline manufacturer Airbus has unveiled ambitious plans for the world's first zero-emission aircraft. The aerospace giant predicts its hydrogen-powered commercial airplanes could be in service by 2035. The concept revealed by company engineers shows a shift away from battery power. Many in the industry believe batteries are the way forward for carbon-zero airplanes. However, Airbus says batteries could prove impractical for large airliners and have opted for hydrogen propulsion.

A company spokesperson said the transition to hydrogen would require "decisive action from the entire aviation ecosystem". This means redesigned airports and significantly different refuelling infrastructure. Airbus CEO Guillaume Faury said the company has three possible designs, one of which will be adopted as a business enterprise. He said the three "ZEROe" designs represented "a historic moment for the commercial aviation sector as a whole". Mr Faury said: "We intend to play a leading role in the most important transition this industry has ever seen." He added that the use of hydrogen as a fuel had "the potential to significantly reduce aviation's climate impact". Faury was upbeat about the future, saying: "With the support from government and industrial partners, we can rise up to this challenge to

scale up renewable energy and hydrogen for the sustainable future of the aviation industry."



✍ 1.

COMPREHENSION QUESTIONS.

1. What did the article say Airbus had unveiled?
2. By when does Airbus hope to have zero-emission planes in the air?
3. What do many in the industry believe airplanes should run on?
4. From whom would the transition require decisive action?
5. What kind of redesigned infrastructure might be needed?
6. How many designs does Airbus have for its new plane?
7. What did Airbus say the designs were a historic moment for?
8. What does Airbus want to play in the transition to zero emissions?
9. What will the zero-emission planes reduce?
10. What kind of future did the Airbus CEO talk about?

✍ 2. ***TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).***

- a. The airline maker Airbus has veiled plans for a zero-emission aircraft. T / F
- b. Airbus said it hopes all planes worldwide will be zero-emission by 2035. T / F
- c. Many in the aviation industry think airplanes should run on batteries. T / F
- d. Hydrogen-fuelled planes would require redesigned airports. T / F
- e. Airbus will choose one of four designs for its new aircraft. T / F

- f. Airbus said the designs signified a historic moment in aviation history. T / F
- g. The Airbus CEO was somewhat downbeat about the future. T / F
- h. The CEO said Airbus could meet the future sustainability challenge. T / F

✎ **3. SYNONYM MATCH:** (*The words in **bold** are from the news article.*)

- | | |
|-----------------|----------------|
| 1. manufacturer | a. settled on |
| 2. predicts | b. idea |
| 3. concept | c. expand |
| 4. impractical | d. firm |
| 5. decisive | e. field |
| 6. adopted | f. maker |
| 7. sector | g. change |
| 8. transition | h. optimistic |
| 9. upbeat | i. anticipates |
| 10. scale up | j. unfeasible |

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***ECONOMIC ISSUES
FOR ENGLISH LANGUAGE LEARNERS***

**Toshkent – «INNOVATSION RIVOJLANISH
NASHRIYOT-MATBAA UYI» – 2021**

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