

Osztroluczki Istvánné–Pálmai Orsolya

THE BASICS OF BUSINESS ENGLISH FOR ECONOMICS

AZ ANGOL GAZDASÁGI SZAKNYELV ALAPJAI

Factors of Production
Business Organizations
Business and Money
Competition – Management – Marketing
Communication Mix
International Organizations

T
Á
R
S
A
D
A
L
O
M
T
U
D
O
M
Á
N
Y
I

K
Ö
N
Y
V
E
K



Dunakavics
DUE PRESS

2.

Osztroluczki Istvánné–Pálmai Orsolya

THE BASICS OF BUSINESS

ENGLISH FOR ECONOMICS

© Osztroluczki Istvánné–Pálmai Orsolya 2015, 2016

Második kiadás, változatlan utánnnyomás.

DUNAÚJVÁROSI EGYETEM
www.uniduna.hu
D=U=E PRESS
Kiadóvezető Németh István

Felelős kiadó Dr. habil András István
Felelős szerkesztő Kiss Gabriella

Tördelés Duma Attila
Készült a HTSART nyomdában
Felelős vezető Halász Iván

ISBN 978 963 9915 57 2

Osztroluczki Istvánné–Pálmai Orsolya

THE BASICS OF BUSINESS ENGLISH FOR ECONOMICS

AZ ANGOL GAZDASÁGI SZAKNYELV ALAPJAI

Factors of Production
Business Organizations
Business and Money
Competition – Management – Marketing
Communication Mix
International Organizations



Dunakavics
UNIVERSITY PRESS
Dunajváros, 2016

2.

Preface

This book has been written to help learners who have had no prior exposure to this subject but are intending to work in a business environment on completion of their studies.

This book provides students with the relevant specialist language skills relating to business practice and theory

The book has twelve units built around a key functional area. It will be useful for learners wishing to extend their knowledge on business. The exercises give practice in using the new vocabulary and expressions. You can use this book for self-study or in class with a teacher. There is an answer key at the back of the book to help learners who work alone.

We would appreciate your comments or questions on this book.

We hope you enjoy using this book.

Osztrólcuzki Istvánné

Pálmai Orsolya

Unit 1

Economics I

Economics is the study of how people use limited resources to satisfy their wants which have no set limit. Economics helps people make the kinds of decisions that affect their own lives and the lives of their families. It also helps people in business and government make decisions that can have far-reaching effects on everyone's life. These decisions may determine your choices of food and drink, the styles of clothing you buy, and the designs of new automobiles, as well as the prices of all these things and the amount of money you can afford to pay for them.

The basic law of the economic world is:
All resources are limited. Therefore, in order to get something, you must give up something else.

Everyone faces this problem throughout life. People's wants are often more than they can afford. That means they are constantly forced to make choices. Sometimes the choices are difficult to make.

You make decisions everyday of your life. Every day you have to choose what you can do with available resources – money, time, space, people, and so on. These choices are economic decisions. This is called the *law of scarcity*.

In economics, scarcity has a special meaning. It is used to describe anything that is limited in supply. So in economics, such items as bread, pencils, and socks are all scarce, even though you can find plenty of them in your neighbourhood stores. The quantity is large, but not unlimited.

Every time you decide to do something with your money or other resources, you give up the opportunity to do something else. Such trade-offs are called *opportunity costs*.

Economic roles

Two important economic roles are those of producer and consumer. A producer creates things and a consumer uses them.

It's vague to talk about producers creating "things". What they produce can be divided into two main categories – goods and services. Goods mean actual objects that you can touch. A service is an action of some kind performed by one person (or group) for another person (or group). In the world of economics, people usually offer goods or services in exchange for something else, such as money.

Producers also need resources in order to provide goods and services. A few resources, e.g. sunlight, are so plentiful that economists call them free goods. Most resources, however, are not. They are called scarce goods.

Useful words and expressions:

affect	hat, befolyásol
afford	megengedhet magának, módjában van, megteheti
amount	mennyiség
available	rendelkezésre álló, elérhető
choice	választás
constantly	állandóan, folytonosan
consumer	fogyasztó
create	létrehoz, terem, alkot
describe	körbeír, leír
determine	meghatározni
divide into	oszt, feldarabol
economics	közgazdaság
effect	hatás, következmény, okozat
entrepreneur	(önálló, egyéni) vállalkozó
exchange	csere
face	szembenéz
force	kényszerít, erőszakol
free goods	szabad javak

give up	felad, lemond
goods	javak, áruk
in order to	azért hogy, azzal a céllal hogy
item	árucikk
law	törvény, szabály
limited	korlátozott, határolt
make a decision	döntést hozni
neighbourhood	szomszédság
object	tárgy
opportunity cost	használdozati költség
opportunity	lehetőség
plenty	sok
producer	termelő
quantity	mennyiség
resources	erőforrások, természeti kincsek
role	szerep
satisfy	kielégít (szükségleteket)
scarce goods	hiánycikkek
scarcity	hiány, szűkösség
services	szolgáltatások
study	tudományág, tanulmány
supply	kínálat
touch	érint
trade-off	kompromisszum

1.1 QUESTIONS FOR DISCUSSION

1. What is economics?
2. Give an example of free goods, and one example of a scarce good.
3. What is the law of scarcity?
4. What is the difference between goods and services?
5. What is the difference between a consumer and a producer?

1.2.D FILL IN THE MISSING WORDS

consumer, exchange, goods, producer, service

Two important economic roles are those of producer and consumer. A creates things and auses them. It's vague to talk about producers creating "things". What they produce can be divided into two main categories – goods and services. mean actual objects that you can touch. A is an action of some kind performed by one person (or group) for another person (or group). In the world of economics, people usually offer goods or services in for something else, such as money.

1.2.E ARE THE STATEMENTS TRUE OR FALSE?

People use unlimited resources to satisfy their wants.
In order to get something, you must give up something else.
People's wants are often less than they can afford.
Producers do not need resources in order to provide goods and services.
Most resources are not free.

Unit 2

Economics II

Every human society – whether it is an advanced industrial nation, a centrally planned economy, or an isolated tribal nation – must confront and resolve three fundamental economic problems. Every society must have a way of determining what commodities are produced, *how* these goods are made, and for *whom* they are produced.

Indeed, these three fundamental questions of economic organization – *what*, *how*, and *for whom* – are as crucial today as they were at the dawn of human civilization. Let's look more closely at them:

- *What* commodities are produced and in what quantities? A society must determine how much of each of the many possible goods and services it will make and when they will be produced. Will we produce pizzas or shirts today? A few high-quality shirts or many cheap shirts? Will we use scarce resources to produce many consumption goods (like pizzas)? Or will we produce fewer consumption goods and more investment goods (like pizza-making machines), which will boost production and consumption tomorrow.
- *How* are goods produced? A society must determine who will do the production, with what resources, and what production techniques they will use. Who farms and who teaches? Is electricity generated from oil, from coal, or from the sun? Will factories be run by people or robots?
- *For whom* are goods produced? Who gets to eat the fruit of economic activity? Is the distribution of income and wealth fair and equitable? How is the national product divided among different households? Are many people poor and a few rich? Do high incomes go to teachers or athletes; autoworkers or Internet entrepreneurs? Will society provide minimal consumption to the poor, or must people work if they are to eat?

Societies answer these questions in different ways because of their alternative economic system. We generally distinguish two fundamentally dif-

ferent ways of organizing an economy. At once extreme, government makes most economic decisions, with those on top of the hierarchy giving economic commands to those further down the ladder. At the other extreme, decisions are made in markets, where individuals or enterprises voluntarily agree to exchange goods and services, usually through payments of money. A market economy is one in which individuals and private firms make the major decisions about production and consumption. A system of prices, of markets, of profits and losses, of incentives and rewards determines what, how, and for whom.

By contrast, a command economy is one in which the government makes all important decisions about production and distribution.

Useful words and expressions:

advanced	haladó, fejlett
agree	egyetért
boost	fellendít, reklámoz
coal	szén
command	parancs, rendelkezés, utasítás
commodity	árucikk
confront	szembeszáll, szembenéz
consumption	fogyasztás
crucial	döntő, kritikus
dawn	hajnal
determine	meghatároz
distinguish	megkülönböztet
distribution	elosztás, kiosztás
enterprise	vállalkozás
equitable	jogos, igazságos
fundamental	alapvető, lényeges
generate	fejleszt, termel, létrehoz
household	háztartás
human society	emberi társadalom
incentive	ösztönző, serkentő, bátorító
income	jövedelem, kereslet

individual	egyén
industrial	ipari
investment	befektetés, beruházás
isolated	elszigetelt
ladder	létra
loss	veszteség
payment	fizetés
planned economy	tervezgazdálkodás
possible	lehetséges
produce	termel, gyárt
quality	minőség
quantity	mennyiség
resolve	megold, megfejt
tribal	törzsi
voluntarily	önként
wealth	gazdagság, jómód, vagyon

1.1 QUESTION FOR DISCUSSION

What are the three fundamental questions of economic organization?

1.2 EXERCISES

1.2.A THE VERBS IN THE FOLLOWING SENTENCES ARE EITHER IN THE PRESENT SIMPLE OR PRESENT CONTINUOUS TENSE. MARK THE SIMPLE ONES S AND THE CONTINUOUS ONES C:

- I'm getting used to it.
- How long does it take to deliver to Manchester?
- Which other languages do you speak, Sven?
- We provide catering and cleaning for big companies.
- I'm trying to get through to Rashid Aziz in Accounts.

- f) I go abroad at least once a month.
- g) What are you planning to do in the holidays, Tom?
- h) I'm still waiting for a call from head office.

1.2.B NOW USE THE SENTENCES TO COMPLETE THE GAPS:

- 1. So you travel quite often in your job, Maria:
Yes, that's right.
.....
- 2.?
Russian and Japanese. And I also know a bit of Spanish.
- 3. How are you finding the new database programme, Karen?
It was quite difficult at first, but now
.....
- 4. Are you coming for lunch, Roula?
I'll join you in about ten minutes
.....
What? They haven't rung you yet?
- 5. And what does your company produce?
Actually, we're a service company.
.....
- 6.?
I'm not sure yet. We might go to Italy or even France.
What about you?
- 7. Velex Supplies. Can I help you?
.....
I'm afraid he's having the day off. Can I take a message?
- 8.
Normally two or three days. But I can send it "express" if you like?
Yes. I think that would be a good idea.

1.3 USE THE FOLLOWING VERBS IN THE PRESENT SIMPLE OR PRESENT CONTINUOUS TO COMPLETE THE TEXT:

study enjoy work(x2) live manufacture employ

Hello, my name's Maria Lascaratou. I was born on Skopelos, a Greek island and now I ... in Athens. No, not Athens, Greece, but Athens, Georgia, in the United States. My company, Scantech, ... components for the electronics industry. The company ... 340 people at its two production plants and another fifty at the head office. I normally ... in the production department, but at the moment I ... in R+D, helping them to develop new products. I ... my job because it gives me a chance to travel. At the moment I ... French and German because I have to travel to Europe a lot.

1.4 USE THESE AUXILIARIES TO COMPLETE THIS CONVERSATION

'm are(x3) is do don't(x3) doesn't

- Hi, Karen. ... you busy?
- No, not particularly. I ... just working on last month's accounts.
- Oh, ... you have to do accounts every month?
- Well. It's not my job really. But Osman ... visiting the Manila branch this week and Paul and I ... filling in for him.
- I see. So you ... get much chance to travel?
- Unfortunately not. I'd like to get away a bit more though.
- Well, why ... you have a word with your boss?
- I did! She ... think I've got enough experience yet.
- That's a pity. Still, I suppose you ... getting lots of experience doing the accounts?
- Yes, but it's the kind of experience I ... want!

1.5 IMAGES OF BUSINESS

COMPLETE THE GAPS WITH ONE WORD. TO HELP YOU, THE FIRST LETTER OF EACH WORD IS IN BRACKETS.

1. I (u).....that you are (h).....some problems with ordering item No. 143. I (r).....to inform you that this line is momentarily out of stock. I (a).....our new catalogue, please (l)me know if you would like to change your order for another product.

2. Please find (e)..... our pro-forma invoice. We will have your order ready for shipment as soon as we (r).....payment. I (l)..... forward to hearing from you.

3. I am (w).....to ask you whether you'd like to come to the office party we are (h)..... next Friday – (f) free to bring a friend! By the way, I am (l).....forward to hearing all about the promotion!

1.6 TRANSLATE THE SENTENCES INTO ENGLISH

A társadalmak különbözőképpen adnak választ a gazdasági kérdésekre. Két alapvetően különböző gazdaságszervezési módot különböztetünk meg. A piacgazdaságban az egyének és a magáncégek hoznak döntést a termelésről.

A gazdaság szervezésének alapvető kérdései: mit, hogyan, kinek?

A fejlett ipari nemzet és az elszigetelt törzsi csoport is szembenéz a gazdaság problémáival.

.....
.....
.....
.....

.....
.....
.....
.....
.....

1.7 EXPLAIN THE FOLLOWING WORDS AND PHRASES

a market economy

.....

a command economy

.....

national product

.....

production

.....

Unit 3

Factors of Production

As a consumer, you have to make choices every day. Who will get your money in exchange for goods and services you want? How much can you get for your money? How can you get the best quality at the lowest prices? Scarcity of time, money, and resources make life challenging for you and for other consumers. Is life any easier for producers?

Let's suppose you are a producer who owns a small business. Like all producers, you have three types of economic resources to work with. Economists call these the factors of production. Each factor plays a unique role in the production of goods, and each factor is clearly distinguishable from the other two.

Land is defined as everything in the universe that is not created by human beings. It includes more than the mere surface of the earth. Air, sunlight, forests, earth, water and minerals are all classified as land, as are all manner of natural resources or opportunities that are not created by people. Labour uses capital on land to produce wealth. All tangible goods are made from raw materials that come from nature – and because all people (and other living things) have material needs for survival, everyone must have access to some land in order to live.

Land is the passive factor in production. As such, land simply exists. To make the gifts of nature satisfy our needs and desires, human beings must do something with the natural resources; they must exert themselves, and this human exertion in production is called labour. Everything that people do, to convert natural opportunities into human satisfactions – whether it involves the exertion of brawn, or brains, or both – is labour, to the economist.

When the stuff of nature is worked up by labour into tangible goods, which satisfy human desires and have exchange value, we call those goods Wealth. (When labour satisfies desires directly, without providing material goods, we call that “Services”; thus, economists say that labour provides the economy with “goods and services”.) When some of the wealth is used to produce more wealth, economists refer to it as Capital. A hammer, a screw-

driver, and a saw are used by a carpenter to make a table. The table has an exchange value. The truck which delivers the table to a retail store, the hammer and other tools – and even the cash register – are all forms of capital.

Capital increases labour's ability to produce wealth (and services too). Therefore, there is always a demand for capital goods, and some labour will be devoted to supplying those goods, rather than supplying the consumer goods that directly satisfies desires.

How do we figure out how much of society's labour to devote to capital goods vs. consumer goods? In a market economy, we don't. The returns, or payments, of capital and labour move naturally toward an equilibrium, or balance, in which neither factor has an advantage over the other. If a shortage of capital goods develops, people will be willing to pay higher prices for those goods, and more workers will work on making them. In time, this will create a shortage of consumer goods, and workers will be drawn back toward making them.

Likewise, when there's more demand for land, the land factories should gear up and crank out more land – well they can't do that, can they? That is why land must be defined as a distinct factor of production. Since land is needed for all production, any time overall production is increasing, land will be in greater demand. When capital goods are in greater demand, labour will eagerly produce more of them. But, the supply of land cannot be increased, because land is not produced by human labour.

Definition of the three distinct, interdependent factors of production is another important analytical tool that helps economists make sense of the processes of production and distribution in a complex society. Each is clearly different from the other. The mutually exclusive nature of these categories is what makes them so useful.

In other contexts, these terms are sometimes used differently, or oddly combined, such as “human capital”. It is important to remember that different schemes of definitions and terms can be used for different purposes. Land, for example, is often referred to as “capital”, in the sense that one can buy land and use it as a “capital investment”. The use of a term like “real estate” -which is a combination of land and capital as we have defined them here – can further cloud the issue. This shows us that when economic terms are used, it is very helpful to clearly understand how they are being defined.

Useful words and expressions:

a human being	emberi lény
access	hozzáférhetőség
brain	agy
brawn	izomzat
capital	tőke
carpenter	ács, asztalos
challenging	kihívó
convert	átalakít
crank out	ont, nagy mennyiségben bocsájt ki
create	alkot, létrehoz
define	meghatároz
deliver	szállít
demand	kereslet
desire	vágy
devote	áldoz vmire, szentel
distinct factor	megkülönböztethető termelési tényező
equilibrium	egyensúly(i helyzet)
exchange value	csereérték
exert	erőlködik, felhasznál, alkalmaz
exertion	erőkifejtés
exist	létezik
factors of production	termelési tényezők
gear up	felgyorsít
hammer	kalapács
increase	növel
interdependent	egymástól függő
involve	magában foglal
labor(US)/labour(GB)	munka
land	föld
manner	féle, fajta
material needs	anyagi javak, szükségletek
minerals	ásványok
natural resources	természeti források

oddly	különösen
opportunity	lehetőség
own	birtokol
process	folyamat
raw	nyers
real estate	ingatlan
refer to	vonatkozik vkire, vmire
retail store	kiskereskedelmi üzlet
saw	fűrész
screwdriver	csavarhúzó
shortage of	hiány vmiből
stuff	anyag
suppose	feltesz, feltételez
tangible	kézzelfogható
unique	egyedi, páratlan

1.1 QUESTIONS FOR DISCUSSION

1. Briefly define each factor of production.
2. Why are the factors interdependent? Explain.
3. What is wealth? Give an example.
4. Why is land considered a passive factor of production?
5. How do capital and labour differ from land?
6. Why is it important to understand how terms are used in different contexts?

1.2.C COMPLETE THE ARTICLE FROM A TRADE MAGAZINE USING THE SIMPLE PAST TENSE OF THE FOLLOWING VERBS

<i>visit</i>	<i>join</i>	<i>help</i>	<i>spend</i>	<i>begin</i>
<i>decide</i>	<i>study</i>	<i>become</i>	<i>leave</i>	<i>complete</i>

We are pleased to announce the appointment of Mrs Maria Teicher as head of quality control. Maria ... chemical engineering at the University of Utrecht and then ... an MBA at Claremont College. After graduating she ... to work with ChemTech Supplies in Belgium. She ... assistant production manager in 1989 and she ... to develop ChemTech's Multivit pharmaceutical range. Maria ... the company in 1991 and ... Volcker Foods of California as head of research and development. She ... two years in the United States. Last year she briefly ... our Milan plant and was so impressed that she ... to return to Europe.

1.3 CUSTOMERS

READ THE SENTENCES BELOW AND LOOK CAREFULLY AT EACH LINE. SOME OF THE SENTENCES ARE CORRECT AND SOME OF THEM HAVE A WORD WHICH SHOULD NOT BE THERE. FIND AND UNDERLINE 8 WORDS THAT SHOULD NOT BE THERE. GOOD LUCK.

1. Let us to know if you have problems and we'll see what we can do.
2. I have forwarded your request to our sales office.
3. I have given to them six weeks to complete the design.
4. Could you possibly let me know before tomorrow morning?
5. Here are the answers to some your queries.
6. We cannot process your order until you don't settle the balance on your account.
7. I will telephone to you to arrange a new meeting.
8. Sorry, but I have to cancel our meeting fixed for the next Friday.
9. We are now been obliged to take legal action to recover our debt.
10. As always you feel free to change it.

Unit 4

Business Organizations

By definition, the type of business organisation implies various legal forms of ownership. In countries with „mixed economies” some industries and services are owned and controlled by the government while others are owned and controlled by private enterprise. We call the first group public sector and the second one private sector.

There are several problems to face when starting a business. The problems to be taken into consideration include the amount of capital required, the size of the risk involved, the freedom of action desired, etc.

PROPRIETORSHIP (often called sole proprietorship or soletrader)

A proprietorship is a business that is owned, run and controlled by one person or family for profit. The sole proprietor is called an entrepreneur and he is self-employed.

The proprietorship has both advantages and disadvantages.

Advantages: the owner can be his own boss, the profit stays with him, even moderate capital is enough to start it, and the legal requirements to follow are few in number.

Disadvantages: the owner, personally and completely, is responsible for all the business losses. This is called unlimited liability. It means that if the business fails and the business assets are not enough to pay creditors' claims, personal assets can be taken as well. The owner may have difficulty borrowing money in critical times.

PARTNERSHIP

A partnership is a business organisation owned by two or more people. In Hungary the number of partners is restricted to 20. In a partnership form of business each partner may have knowledge, skills, or resources that give the business a better chance of success than a proprietorship. Like a proprietorship, a partnership is easy to establish. It is a form of business which helps small businesses to expand. If one partner is ill, the other can carry on the

business. Partners equally share the risks and the profit.

The disadvantage of general partnerships is the unlimited liability. If the business goes bankrupt, the partners' personal assets will be used to compensate for debts. Disagreement among partners may lead to dissolution.

A limited partnership means that the liability of some partners is limited to the extent of their investments, but there must be a minimum of one general partner whose liability is unlimited. The withdrawal of the general partner means the dissolution of the partnership.

CORPORATIONS

A corporation (sometimes referred to as a joint stock company or limited company) is a business organization owned by shareholders and offering its investors limited liability. When a company starts to operate as a corporation, the corporation takes on a life of its own. It becomes, in the eyes of the government, a „legal person”, i.e., a separate legal body. As a separate entity, the corporation is solely responsible for its debts. The members of shareholders (the persons buying corporate stocks) can be assured that their losses cannot exceed their investment.

Limited companies have two forms: *private and public limited companies*. There are a restricted number of members in a private limited company and there is also a restriction on the shares to be sold.

A *public limited company* (plc) can more easily raise money since it can offer its shares to the public to subscribe capital. The public receive shares so they become shareholders and they can sell their shares freely on the stock exchange.

The advantage of corporations is that with the death of a member the continuity is not broken. The company can continue its activity without any changes. There is also a separation of ownership and control. The shareholders are the owners of the company. Shareholders do not take part in day-to-day decisions of the corporation. That is done by the board of directors with the help of officers. When a corporation is formed, the shareholders elect a board of directors, who then elect officers.

The directors meet the officers from time to time to approve or disapprove of the most important decisions and plans.

Once a year the officers and directors meet the shareholders to report on how the corporation is doing. In practice, shareholders have little control over the corporation because officers and directors are often majority shareholders.

Disadvantages of a corporation: as a separate legal body it is subject to government control and high taxation. To organise or dissolve a corporation is neither easy nor cheap.

Useful words and expressions:

advantage	előny
approve	jóváhagyni, elfogad
assets	vagyon(tárgyak)
board of directors	igazgatótanács
borrow	kölcsönöz
carry on	folytat
chance	lehetőség, alkalom
claim	követelés
company officer	vállalati vezető tisztviselő
compensate	kiegyenlíteni, kárpótolni
continuity	folyamatosság
control	irányít
corporation	részvénytársaság
creditor	hitelező
cut costs	csökkenti a költségeket
debt	adósság
disadvantage	hátrány
disagree	nem érteni egyet
disapprove	nem hagyni jóvá
dissolution	elosztás, feloszlás
elect	választ
entity	jogi személy
entrepreneur	vállalkozó

establish	létrehoz
exceed	túllép
expand	terjedni, nyúlni
extent	mérték
fail	megbukik
go bankrupt	csődbe menni
imply	magában foglal
in accordance with	vmi szerint
in return	viszonzásképpen
industry	ipar
investment	befektetés
investor	befektető
joint stock company	részvénytársaság
knowledge	tudás
lead	vezet
legal form	jogi forma
legal person	jogi személy
liability	jogi felelősség
limited	korlátozott
loss	kár, veszteség
majority	többség
ownership	tulajdonosság
partnership	társulás
private Ltd.	korlátolt felelősségű magántársaság
private sector	magán szektor
proprietor	tulajdonos
public Ltd., plc.	nyilvános korlátolt felelősségű magántársaság
public sector	állami szektor
require	megkívánni, megkövetelni
requirement	követelmény
responsible for	felelős
restrict	korlátoz
reward	jutalom
risk	kockázat

self-employed	magnvllalkoz
shareholder	rszvnyes
skills	kpessgek
stock exchange	tzsde
stock	rszvnycsomag
subscribe	jegyezni (rszvnyt)
take part in	rszrt vesz vmiben
take st into consideration	figyelembe vesz
taxation	adzs
unlimited	korltlan
withdraw	kivon, kivesz

1.1 EXERCISES

FIND THE NOUN TO MATCH THESE DICTIONARY DEFINITIONS. TO HELP YOU, THE FIRST LETTER OF EACH WORD IS IN BRACKETS.

1. Achieving a desired aim (s).....
2. A success that required a lot of hard work (a).....
3. Stopping one’s regular work, especially because one has reached particular age (r).....
4. Using money to buy shares or property, to make your money grow (i).....
5. To work together with somebody, especially to create or produce something (c).....

1.2 MATCH THE FOLLOWING STATEMENTS WITH THE RESPONSES BELOW:

1. I think it’s a wonderful deal.
2. What we need to do is invest in the domestic market.
3. We need to borrow at least \$20 million.
4. This new model is a real breakthrough.
5. The marketing strategy is very fully developed.

6. I think we should sell our Central London office. The rent is far too high.
 7. It would be better to move to a greenfield site.
 8. We need to put money into our current products.
 9. We could consider a takeover.
 10. The simplest answer is probably a joint venture agreement.
-
- a) I agree with you up to a point but I think that's too much.
 - b) Sorry, I think we need something new.
 - c) No, I can't agree with you, I'm afraid, I think it'd be better to keep it.
 - d) Co-operation is the best solution, you're right there.
 - e) Excellent - our best deal for ages.
 - f) I'm afraid I think expanding exports would be better.
 - g) I'm in complete agreement. We need to relocate.
 - h) No, that's out of question, I'm afraid. The share price is far too high.
 - i) It's a very clear plan. I agree entirely.
 - j) Yes, I'm in total agreement with you there. It's a real innovation.

- | | |
|-----|---|
| 1. | a |
| 2. | b |
| 3. | c |
| 4. | d |
| 5. | e |
| 6. | f |
| 7. | g |
| 8. | h |
| 9. | i |
| 10. | j |

1.3 TRANSLATE THE SENTENCES INTO ENGLISH

A vegyes gazdaságú országokban néhány szolgáltatást és iparágat a kormány birtokol és irányít.

.....
.....
.....
.....

Amikor üzletbe vágunk, több problémát is figyelembe kell venni.

.....
.....
.....
.....

A társak egyenlően osztják meg a kockázatot és a hasznot.

.....
.....
.....
.....

Kevés a követendő jogi előírás.

.....
.....
.....
.....

A részvényesek a társaság tulajdonosai.

.....
.....
.....
.....

1.4 FILL IN THE MISSING WORDS

business, easy, equally, expand, partners, partnership

A partnership is a organisation owned by two or more people. In Hungary the number of is restricted to 20. In a form of business each partner may have knowledge, skills, or resources that give the business a better chance of success than a proprietorship. Like a proprietorship, a partnership is to establish. It is a form of business which helps small businesses to If one partner is ill, the other can carry on the business. Partners share the risks and the profit.

Unit 5

Business and Money

If you trade your own goods and services for the goods and services of other people you arrange a barter.

With barter you have to face the problem of double coincidence: you have to want something that your trading partner is willing and able to trade for something you are willing to give in return. Usually, those goods and services would have to be of about equal value. Of course it's very difficult to agree about it that's why money developed as an alternative to barter.

Money through the centuries has taken on many forms, including pepper, rice, seashells and cattle: in other words money can be anything that is generally accepted in payment for goods and services.

Metal money was already used about 4000 years ago. In ancient Greece metal coins were made of copper, iron or gold and silver. By the time of the Middle Ages in Europe, gold and silver were used as money.

The origins of paper money

In Europe, paper money began with the European goldsmiths in the Middle Ages. People used to take their money to trade fairs. The goldsmiths were at the fairs to buy and sell gold and they also provided people with the perfect measurement of the gold's weight. People needed a place to deposit their gold and valuables to keep them safe from thieves, fire, flood and other catastrophes. The goldsmith would keep the money in his safe and give the depositor a written receipt for the gold. Some began to realize that it is not necessary to exchange gold itself. The piece of paper with the goldsmith's signature was just as good. That's how the idea of paper currency was born. Why was gold replaced by paper money? One reason was that the cost of mining and processing gold is high. On the other hand paper money is more convenient to use. Gold is too heavy to carry and isn't durable enough as it is soft.

What is money in the modern world?

Almost all nations have their own currencies (paper money or coins). The exchange rate of those currencies depends largely upon supply and demand. Money is also deposited in current accounts at banks. From a current account you are able to withdraw money or deposit without giving notice. On request you can get a credit card or a cheque book if you are a current account owner.

Characteristics of money

Although anything can serve as money, as a practical matter the material should have the following characteristics:

- Acceptability – it means people accept it having value. It's public confidence that gives money its real value. Money usually has very little intrinsic value. However, money does have representative value. That is, money represents the value of what it can buy. Otherwise, money wouldn't be worth the paper it is printed on.
- Limited supply – this means that there must be only a limited amount of money available. If it were not limited, it would not have any value. If money is too plentiful, it loses its value. Then you need more and more money to buy things. That situation is called inflation. There is deflation when money is scarce and the prices of most goods and services are decreasing.
- Stability – the value of money should be more or less the same today as tomorrow. In societies where the value of money fluctuates, people will collect it in the hope that its value will increase, or spend it immediately thinking it will be worth less tomorrow. Either action could be harmful to the economy.
- Divisibility – it is easier if the money can be broken down into small denominations.
- Portability – modern money has to be small enough and light enough for people to carry.

- Durability – the material chosen has to have a reasonable life expectancy. For that reason most countries use very high quality paper for their money.
 - Uniformity – equal denominations of money should have the same value. It is easy to see that if some forint coins or bills were worth more than others, things could be pretty confusing.
 - Recognizability – money should be easily recognized for what it is and hard to copy. The quality of the paper and the engravings make paper money extremely difficult to counterfeit.
- What are the functions of money?

What does money do? With money it is easy to compare the value of things. One function of money is as a standard of value. People can use money to compare the value of different things, like apples and oranges – or apples and sneakers. Instead of figuring out how many apples are worth a pair of new trainers, people can measure the value of both these goods in terms of money.

In economic terms, money is a medium of exchange. Because people agree that money has value, they can use it to exchange goods and services. Money is a store of value. Although money can lose some of its value, especially with inflation, it usually holds that value longer than most goods. People can build up wealth by accumulating money.

So the three functions of money are:

- as a standard of value,
- as a medium of exchange, and
- as a store of value

Useful words and expressions:

acceptability	elfogadhatóság
accumulate	felhalmoz, gyűjt
arrange	elrendez, lebonyolít
available	elérhető

barter	cserekereskedelem, barter
cattle	szarvasmarha
characteristic	tulajdonság, jellemvonás
coin	érme
compare	összehasonlít
confusing	zavaró
convenient	kényelmes
copper	réz
counterfeit	hamisít
currency	pénzegység, fizetőeszköz, pénznem, valuta
current account	látra szóló bankbetét, folyószámla, amelyre csekket lehet utalványozni
decrease	csökken
denomination	névérték, címlet
depend on	függ valamitől
deposit	letét, letétbe helyezni, előleg
divisibility	feloszthatóság
double coincidence	kettős egybeesés
durability	tartósság
durable	tartós
exchange rate	átváltási árfolyam
fair	vásár
flood	árvíz
fluctuate	ingadozik, változik
goldsmith	aranyműves
harmful	káros
hoard	összegyűjteni, felhalmozni
intrinsic value	belső érték
life expectancy	várható élettartam
material	anyag
measure	mér
measurement	mérés
medium of exchange	fizetőeszköz
metal	fém

mine	bányászni, bánya
of equal value	azonos, egyenlő értékű
on request	kérésre
portability	hordozhatóság, szállíthatóság
process	feldolgozni, előállítani
provide	ellát
realize	rájön, felismer
reason	ok
receipt	elismervény, nyugta
recognizability	felismerhetőség
replace	helyettesít, pótol, kicserél
savings account	takarékbetét
signature	kézjegy, aláírás
stability	szilárdság, állandóság, stabilitás
thief	tolvaj
to be willing to do sth	hajlandó valamit csinálni
trade	kereskedni
uniformity	azonosság, egyformaság
valuable	érték, értéktárgy
withdraw	kivenni (pénzt bankból)

1.1 QUESTIONS FOR DISCUSSION

1. What is money? Name three things that people in different parts of the world have used for money in the past.
2. What is barter?
3. Name five characteristics that all money has in common.
4. Money has three basic functions. What are they?
5. How did paper money come into use in the Middle Ages?

1.2 EXERCISES

1.2.A CHOOSE THE CORRECT ALTERNATIVE IN EACH EXAMPLE:

1. I'm afraid I've had work in the past two weeks that I haven't had time to read your report.

- a. too much
- b. so much
- c. very much
- d. Much

2. Julia isn't very happy in her new job. She spends time away from home.

- a. too many
- b. too much
- c. many
- d. a lot

3. We introduced a "new ideas" scheme last year, but it wasn't very successful. Only employees were interested.

- a. a little
- b. a few
- c. little
- d. few

4. Judy spent four months in Japan but she didn't get opportunity to learn the language.

- a. much
- b. lots of
- c. many
- d. few

5. Can I get you coffee while you're waiting, Mr Westman?

- a. much more
- b. many more
- c. a little more
- d. a lot more

6. We need to pay attention to after sales service if we are going to expand our market share.

- a. much more
- b. many more
- c. lot more
- d. any more

1.3 THE GOOD CONSULTANT BY NICHOLAS SHEARD

Once upon a time there was a shepherd. He was standing by the side of the road, looking after his flock of sheep. Suddenly, a brand new Cherokee Jeep appeared and stopped near the shepherd.

A young man wearing a Hugo Boss shirt, Yves St. Laurent trousers and Nike trainers got out and said to the shepherd: “If I can guess how many sheep you have in your flock, will you give me one of them?” The shepherd looked at the man, looked at his sheep – who were eating grass peacefully – and said: “Yes, OK then.”

The young man parked his car and took out his laptop computer and a GSM phone. Then he logged on to a NASA website and scrutinised the local area with the help of a GPS (global positioning system). Next, he created a database and 60 Excel tables full of statistics. After that, using a hi-tech micro-printer, he printed a 150-page record. Finally, he turned to the shepherd and said: “You have 1,586 sheep in your flock.” The shepherd replied: “You’re absolutely right; I do have 1,586 sheep in my flock. Now you can take your sheep.”

The young man took a sheep and put it in the back of his Jeep. When he had done this, the shepherd said: “If I can guess your profession, will you give me my sheep back?” “Yes,” said the young man. “You are a business consultant,” said the shepherd. “How did you guess?” asked the young man. “Three things,” said the shepherd. “Firstly, you came here when nobody asked you to. Secondly, you charged me a sheep to tell me what I already knew. And thirdly, you have no idea what I do, because you took my dog, not a sheep!”

(In Company Intermediate Resource Materials, MacMillan Publishers Limited 2002)

MATCH THE PARTS OF THE SENTENCES BELOW.

- | | |
|-----------------------------------|---|
| a. Consultants are not involved | 1. fresh ideas to the company. |
| b. Consultants have experience of | 2. specialist knowledge. |
| c. Consultants bring | 3. in internal company politics. |
| d. Consultants can be used | 4. things realistically and objectivity. |
| e. Consultants have | 5. working with other companies. |
| f. Consultants see | 6. quickly and efficiently. |
| g. Consultants work | 7. by management to take the criticism for unpopular decisions. |

1.4 PRODUCTS

LOOK CAREFULLY AT THE TEXT BELOW. SOME OF THE LINES ARE CORRECT AND SOME OF THEM HAVE A WORD THAT SHOULD NOT BE THERE. FIND AND UNDERLINE THE 8 WORDS THAT SHOULD NOT BE THERE.

Find the area of the store you are interested in. As you find the items you want to buy, must click on the shopping cart. When you will have finished, your shopping cart will be displayed. Check that the contents of your cart are correct, and if it is necessary make any changes. You can then continue shopping or can select to the checkout. When you go to the checkout, your purchases are totalled, and then the tax and shipping costs are added on. You fill it out an online order form with the shipping information. You have to type in your credit card number and details. Your credit card information is encrypted and is been sent over the Internet to the credit card company for verification. A Secure Electronic Transaction digital certificate contains much information that can be used to authenticate you as a valid card holder.

Unit 6

Market

A market is a group of buyers and sellers of particular goods or services. The buyers as a group determine the demand for the product, and the sellers as a group determine the supply of the product. Before discussing how buyers and sellers behave, let’s first consider more fully what we mean by a “market” and the various types of markets we observe in the economy. Markets take many forms. Sometimes markets are highly organized, such as the markets for many agricultural commodities. In these markets, buyers and sellers meet at a specific time and place, where an auctioneer helps set prices and arrange sales.

More often, markets are less organized. For example, consider the market for ice cream in a particular town. Buyers of ice cream do not meet together at any one time. The sellers of ice cream are in different locations and offer somewhat different products. There is no auctioneer calling out the price of ice cream. Each seller posts a price for an ice-cream cone, and each buyer decides how much ice cream to buy at each store.

Even though it is not organized, the group of ice-cream buyers and ice-cream sellers forms a market. Each buyer knows that there are several sellers from which to choose, and each seller is aware that his product is similar to that offered by other sellers. The price of ice cream and the quantity of ice cream sold are not determined by any single buyer or seller. Rather, price and quantity are determined by all buyers and sellers as they interact in the marketplace.

The market for ice cream, like most markets in the economy, is highly competitive.

Useful words and expressions:

agricultural
auctioneer
be aware of
behave

mezgazdasgi
rversi kikilt, becss
tudatban van
viselkedni

commodity	áru
competitive	versenyen alapuló
demand	kereslet
determine	meghatároz
interact	egymásra hat
market	piac
observe	megvizsgál
offer	ajánl
particular	különleges, konkrét
similar	hasonló
supply	kínálat

1.1 QUESTION FOR DISCUSSION

What did you learn about market?

1.2 EXERCISES

1.2.A LOOK AT THESE ARTICLES FROM THE PRESS, THEN SAY IF THE GIVEN STATEMENTS ARE TRUE OR FALSE.

JOB LOSSES

LTC Industries, the Belgian food processing group, has announced plans to reduce its workforce. The company currently employs 1,200 people, 800 at its Antwerp production centre and the rest at its Bruges headquarters. It is thought that LTC plans to cut about 20% of the total workforce. The biggest cuts will be in production which employs 600 workers.

TOURISM UP 5%

The Spanish Ministry of Tourism has reported that almost 30,000,000 foreign tourists visited the country in the first six months of this year. This is an increase of about 5 % over the figure for the same period last year. Earnings from tourism were estimated at over \$8bn, a rise of 25% over last year's figures. July was the busiest month with a total of 9,000,000 visitors.

BETTER NEWS

The Stock market closed slightly higher last night after a busy day of trading. More than 2,000,000 shares were traded in the course of the day, the highest figure for three months. Most of the interest was in the banking sector where 250,000 shares changed hands. Shares in First National Bank last night stood at \$4.80, an increase of a third since the beginning of the year.

PRICES SLASHED

CompuTex, the leading manufacturer of personal computers, has announced plans to cut the prices of many of its products. Prices of its leading ManTex PC range will fall by around a fifth, the ManTex 400 PC now costing \$1,000. The company's printer range is unaffected by the decision.

NOW SAY IF THESE SENTENCES ARE TRUE OR FALSE:

- | | |
|--|-------|
| 1. One third of LTC's staff work at the company's headquarters | T / F |
| 2. More than 300 workers will lose their jobs | T / F |
| 3. About half the workforce is employed in production | T / F |
| 4. Last year 25 million tourists visited Spain. | T / F |
| 5. Income from tourism rose by \$2bn. | T / F |
| 6. More than a third of tourists came in July. | T / F |
| 7. One eighth of shares traded yesterday were in banking. | T / F |
| 8. Shares in First National Bank were worth \$4.20 at the beginning of the year. | T / F |
| 9. Many CompuTex products will be 20% cheaper. | T / F |
| 10. The prices of CompuTex printers will fall by 25%. | T / F |

1.2.B MARKET STUDY

THIS IS AN EXTRACT FROM A PRESENTATION GIVEN BY THE SALES DIRECTOR OF A UK COMPANY. COMPLETE THE TEXT USING THE GIVEN PAIRS OF WORDS OR PHRASES

a- to be frank / tell

b- remain / however

c- re-think / accordingly

d- to give just one example / break into

e- target / in particular

f- first of all / feel

g- similarly / seem

h- continue / poor

i- in addition / mention

j- incidentally / believe

An Overview of the Market

1. We intend to the European market and the German market.
2. We will therefore need to our market strategy...
3. ..., I should also the fact that sales in other European countries have been extremely sluggish recently.
4. Sales in the Mediterranean countries in particular to be
5. We hope that sales in France will fairly stable,
6., I also that some of the current problems have been caused by weakness in our management structure.
7., I that certain people have not been pulling their weight.
8. And,, I have to you that number of basic mistakes have been made.
9. ..., the opportunity to ... the developing markets in Eastern Europe was missed.
10., we to have failed to take advantage of the export opportunities provided by the weakness of the pound sterling.

1.3.A READ THE MARKET REPORT AND SUMMARISE THE MAIN POINTS

“New phones for old”

Nokia, the world’s largest mobile manufacturer, has announced price cuts and aims to introduce a range of new products. The annual Nokia Connection conference was held simultaneously in Helsinki and Singapore earlier this month, and the group admitted that its share of the market fell from 38% to 32% in the first quarter of 2004.

All of Nokia’s main rivals increased their market share of the market from 14.7% to 16.4% and, at the same time, South Korea’s Samsung Electronics saw its share grow to 12.5% from 10.8%. Samsung have used their expertise in lap-tops to produce mobiles with high-definition screens. Siemens’ share of the market rose from 7.6% to 8% and Sony Ericsson’s increased by 0.9% to 5.6%.

Total world sales for mobiles are expected to reach 153 million this year. There is strong growth in Brazil and Russia as these emerging markets take up mobile communications. In mature markets such as Europe, consumers are replacing older mobile phones with the latest models. In Japan the latest mobiles will soon have integrated hard disks. This will allow users to download music and other data from the Internet and store it on their mobiles.

Nokia’s target is 40% of world sales but, as competitors increase their market share, they will need to respond to the latest developments in technology to achieve this.

1.3.B MATCH THE FOLLOWING WORDS TO MAKE COMMON COLLOCATIONS.

price	sales
new	cuts
annual	products
market	markets
total	share
emerging	conference

Unit 7

Competition

Economists assume there are a number of different buyers and sellers in the marketplace. This means that we have competition in the market, allowing for changes in price with changes in demand and supply. Furthermore, for almost every product, there are substitutes, so if one product becomes too expensive, a buyer can choose a cheaper substitute instead. In a market with many buyers and sellers, both the consumer and supplier have an equal ability to influence the price.

In some industries, there are no substitutes and there is no competition. In a market that has only one or few suppliers of a product or service, the producer(s) can control the price, meaning that a consumer does not have choice, cannot maximize their total utility, and can have very little influence over price.

A monopoly is a market structure in which there is either only one producer/seller for a product. In other words, the single business is the industry. Entry into such a market is restricted due to high costs or other impediments, which may be economic, social, or political – for instance, a government can create a monopoly over an industry that it wants to control, such as electricity. Another barrier, against entry into a monopolistic, is an entity's exclusive rights over a natural resource. For example in Saudi Arabia, the government has sole control over the oil industry. A monopoly may also form when a company has a copyright or patent that prevents others from entering the market. Pfizer, for instance, had a patent over Viagra.

In a market structure of an oligopoly there are only a few firms that make up an industry. The few firms making up the industry have control over the price, and, like a monopoly, an oligopoly has high barriers to entry. The products are almost identical and thus the companies, competing for market share, are interdependent on market forces. If, for example, an economy needs only 100 widgets but Company X produces 50 and its competitor, Company Y, produces the other 50, the prices of the two brands will be interdependent upon one another and therefore similar. So, if Company

X starts selling the widgets for cheaper, it will get a greater market share and force Company Y also to sell for cheaper.

The two extreme forms of market structures are a monopoly and perfect competition. Perfect competition is characterized by many buyers and sellers, and many products that are similar in nature and hence many substitutes. Perfect competition means there are few if any barriers to entry for companies, and prices are determined by supply and demand. Thus, producers in a perfectly competitive market are subject to the prices determined by the market and do not have any leverage. For example, in a perfectly competitive market, should one single firm decide to increase its selling price of a product, the consumers can just turn to the nearest competitor for a better price, and the firm that increased its prices would be losing market share and profits.

Useful words and expressions:

(legal)entity	jogi személy
ability	képesség
allow	megenged
assume	feltételez
barrier	korlát
brand	márka
compete	versenyez
competition	verseny
competitor	versenytárs
consumer	fogyasztó
copyright	szertői jog
demand	kereslet
determine	meghatároz
due to	vminek köszönhetően, következtében
entry	belépés
exclusive	kizárólagos
firm	cég
hence	ennélfogva, ennek következtében
identical	azonos

impediment	akadály
influence	befolyás
instead	helyette
interdependent	kölcsönösen egymástól függő
leverage	előny, befolyás
oligopoly	oligopólium (kis számú eladó versenye)
patent	szabadalom
prevent	megvéd
restrict	korlátoz
right	jog
share	részesedés
similar	hasonló
sole	egyedüli
substitute	helyettesítő, pótló
supplier	szállító
supply	kínálat
utility	haszon
widget	bigyó

1.1 EXERCISES

*1.1.A COMPLETE THE TABLE WITH THE COMPARATIVE AND SUPERLATIVE
FORMS OF THE EXPRESSIONS*

	COMPARATIVE	SUPERLATIVE
a high salary		
a large company		
high profits		
a fast delivery		
an easy program		
a friendly welcome		
a busy day		
interesting ideas		
uncomfortable chairs		
a difficult problem		

*1.1.B NOW USE EXPRESSIONS FROM THE TABLE TO COMPLETE
THE SENTENCES BELOW*

1. The AdWord TX2 is one of to learn. A complete beginner can use it after a day or two.
2. Yesterday was I've had for a long time. The phone never stopped ringing.
3. These are I've ever sat on. Isn't it time we got some new ones?
4. With more than 2,500 employees, STC Products is a much than most of its competitors in the field.
5. we face at the moment is whether to increase investment or not.

*1.1.C USE THE COMPARATIVE OR SUPERLATIVE FORM OF THE ADJECTIVES
(IN BRACKETS) TO COMPLETE THE GAPS IN THIS LETTER FROM A BANK.*

Scotbank is one of Europe's leading banks. We can offer you a(wide) range of banking services than any of our competitors. Our many clients range from the(small) family businesses to the (large) multinational companies. We have just opened our (new) branch in North Street. You will find that we have installed the(late) technology to make your banking even (easy) and (convenient). Our staff is one of the (friendly), devoted to making business a pleasure. Don't take our word for it though. Come and see for yourself!

1.2 READ THE ARTICLE AND SUMMARISE HOW SUPPLY AND DEMAND TOGETHER SET THE PRICE OF A GOOD

4-DAY COLD SPELL SLAMS CALIFORNIA: CROPS DEVASTATED, PRICE OF CITRUS TO RISE

A brutal four-day freeze has destroyed more than a third of California’s annual citrus crop, inflicting upwards of a half-billion dollars in damage and raising the prospect of tripled orange prices in supermarkets by next week. Throughout the golden state, cold, dry air from the Gulf of Alaska sent temperatures below freezing beginning Monday, with readings in the high teens-low 20s in agriculturally rich Central Valley early today – the worst cold spell since a 10-day freeze in 1990. Farmers frantically ran wind and irrigation machines overnight to keep trees warm, but officials pronounced a near total loss in the valley, and said perhaps half of the state’s orange crop was lost as well...

California grows about 80 percent of the nation’s oranges eaten as fruit, and 90 percent of lemons, and wholesalers said the retail prices of oranges could triple in a few days. The price of lemons was certain to rise as well, but the price of orange juice should be less affected because most juice oranges are grown in Florida.

In some California markets, wholesalers reported that the price of navel oranges had increased to 90 cents a pound on Wednesday from 35 cents on Tuesday.

The New York Times, December 25, 1998, p. A1.

1.3 FILL IN THE MISSING WORDS

barriers, determined, increase, market, similar

The two extreme forms of market structures are a monopoly and perfect competition. Perfect competition is characterized by many buyers and sellers, and many products that are in nature.

Perfect competition means there are few if any to entry for companies, and prices are by supply and demand. Thus, producers in a perfectly competitive are subject to the prices determined by the market and do not have any leverage. For example, in a perfectly competitive market, should one single firm decide to its selling price of a product, the consumers can just turn to the nearest competitor for a better price, and the firm that increased its prices would be losing market share and profits.

1.4 TRANSLATE THE SENTENCES INTO ENGLISH

A monopólium olyan piacszerkezet, amiben egy terméknek csak egy előállítója/eladója van.

.....
.....
.....
.....
.....

A belépés az ilyen piacra korlátozott.

.....
.....
.....
.....
.....

Az állam monopóliumot teremthet egy olyan iparágra, amit ellenőrizni akar.

.....
.....
.....
.....
.....

Szauz-Arábiában a kormány az egyedüli irányítója az olajiparnak.

.....
.....
.....
.....
.....

A szerzői jog vagy a szabadalom meggátolja mások belépését a piacra.

.....
.....
.....
.....

Unit 8

Management The structure of companies

The activities of a company or any business venture may be organized in various ways depending on the type and profile of the company concerned. The organization structure of a company is normally shown in an organization chart. This chart shows the corporate hierarchy, i.e., the various levels of management and the scheme of their subordination and interrelations. Based on the organization chart, it is possible to follow the line of command right from the top down to first line supervisors. From such a chart, we are able to see the different business units, divisions, departments, and sections and their representative functions and/or activities.

These are shown in separate boxes, interconnected by lines or arrows. These lines or arrows indicate the relations among the different levels of corporate hierarchy and the lines of command mentioned above.

Detailed organization charts may include staffing information specifying the head of each area and the number of people working under their direction. Sometimes job descriptions are attached to the organization chart, listing the duties and responsibilities of each person working for the company.

The organization structure of small local companies may be quite simple. However, there are large national and multinational corporations, groups or holding companies whose organization structure can be extremely complex since they may consist of several companies in different locations, each having a separate headquarters and more than one factory, office, warehouse, depot or other facilities scattered over a large geographical area. A parent company can have an unlimited number of subsidiaries of any size. In such cases each subsidiary has a separate organization chart. These charts are normally consolidated into a simplified organization chart that shows the structure of the corporation or the group as a whole.

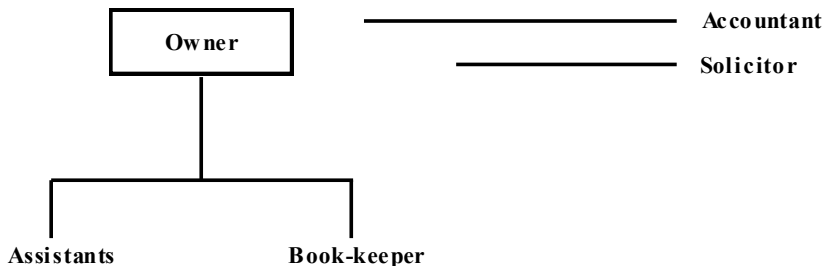
In many industries there is a tendency toward decentralization. Some functions remain at the headquarters of the company, but most functions

are moved to the individual factories or plants which are fully responsible for their activities and results. These are called profit centres because they are responsible for their costs and profit. One or more profit centres may constitute a strategic business unit or SBU, which is an autonomous division within a company, responsible for designing, manufacturing and marketing a particular range of products. Each profit centre may contain one or more cost centre, i.e., individuals, groups, shops or plants, the costs of which can be precisely determined and monitored for cost accounting purpose.

Companies normally consist of several central departments and some production units or divisions. Each division has its own departments and sections responsible for different functions of the division which may include one or more factories, workshops or other facilities.

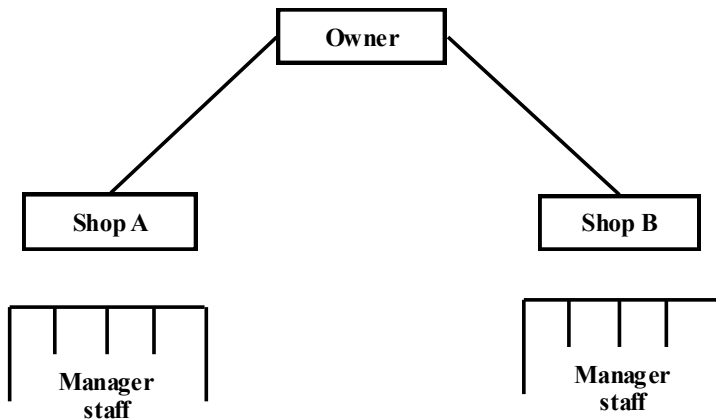
COMPANY STRUCTURE TYPES

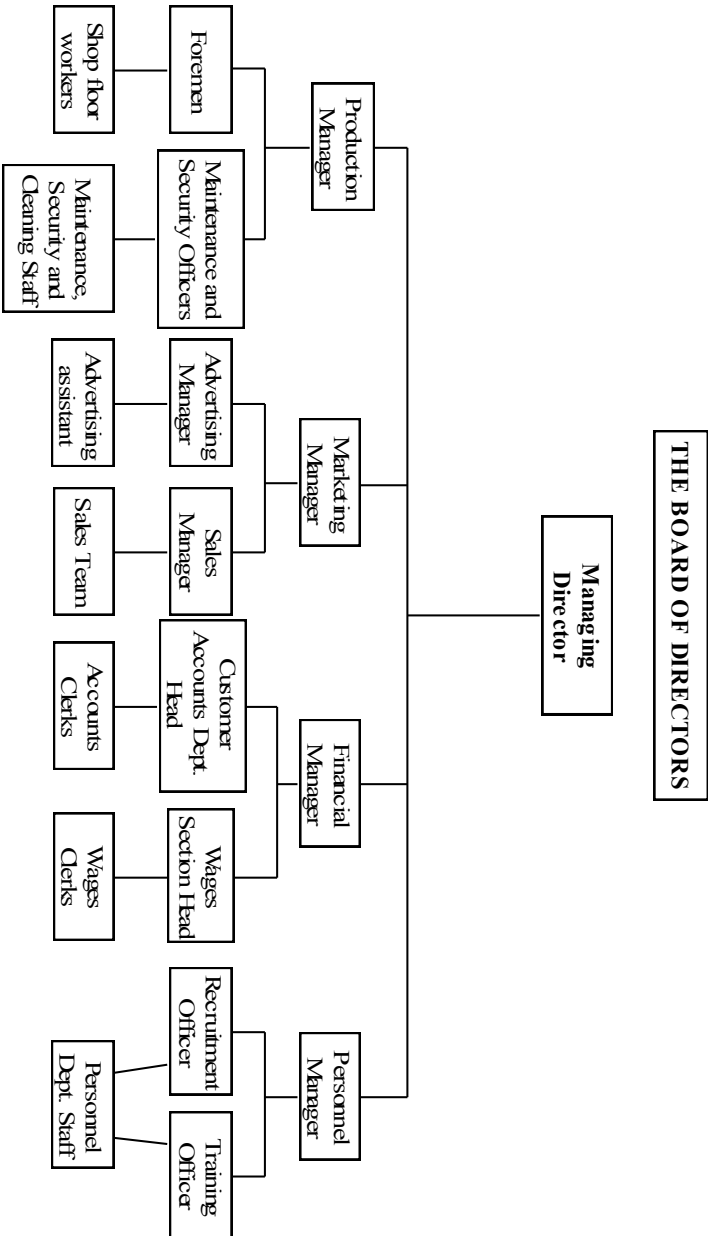
The organisation chart of a small independent firm may look like this:



No matter how many employees the owner takes on to do most of the routine operations, all decisions are taken by the „boss”, none of the staff has managerial responsibilities.

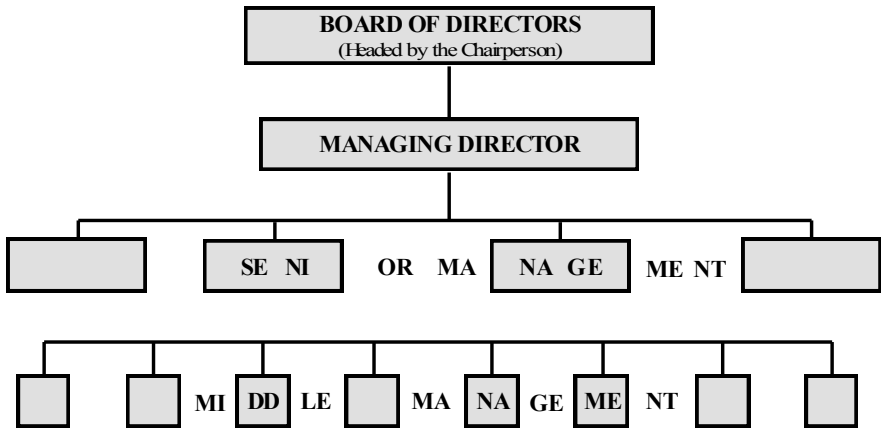
Delegation means assigning tasks to subordinates when you are unable to cope with them yourself. The moment an owner of a small business appoints a manager he has to delegate some authority and decision-making power as well. It becomes practically inevitable when the business is divided, e.g., a second branch is opened at a different location:





THE MANAGEMENT OF BUSINESS

Most companies are made up of three groups of people: the shareholders (who provide the capital), the management and the workforce. The management structure of a typical company is shown in the following organisation chart:



At the top of the company hierarchy is the Board of Directors, headed by the Chairperson (or President). The Board is responsible for making policy decisions and for determining the company's strategy. It will usually appoint a Managing Director (or Chief Executive Officer) who has overall responsibility for the running of the business. Senior managers head the various departments or functions within a company, which may include the following:

Marketing/ Public Relations/ Personnel (or Human Resources)
Finance/ Production/ Research and Development

Useful words and expressions:

accomplish	elintéz, lebonyolít, teljesít, sikerrel visz véghez
adjustment	kiigazítás
anticipate	előrelátni, számítani (vmire)
appoint	kijelölni
arrow	nyíl
assign	átadni, átengedni, átruházni
attach	hozzákapcsolni, csatolni
authority	felhatalmazás, meghatalmazás, jogkör, hatóság
bring sg into line with	összhangba hozni vmivel
budget	költségvetés
business unit	üzlet (egység)
business venture	üzleti vállalkozás
chart	folyamatábra, táblázat
conceive	megformálódni
consolidate	egyesíteni, összevonni, összeolvasztani
convert	átalakítani
cope with	megbirkózni vmivel
corporate	vállalati
cost centre	költségeközpont
decentralization	decentralizáció
delegate	átruházni (hatáskört, jogkört)
delegation	átruházás
department	osztály, önálló részlegek egyike
depot	raktár
division	részleg, divízió
duty	vám, kötelesség
enable	képessé tenni
engage in	vmivel foglalkozni
guideline	iránymutatás
handle	kezelni
headquarters	központ

holding company	holding társaság, ellenőrző társaság
indicate	jelezni
inevitable	vitathatatlan
interrelation	összefüggés, kölcsönös kapcsolat
legal department	jogi osztály
level	szint
line department	frontvonalbeli részleg
line management	az adott cég fő profilját jelentő termelés menetéért,
management	vezetőség (műszaki tanácsadás tevékenységéért felelős vezetőség)
objective	célkitűzés
parent company	anyavállalat
perform	teljesít
policy	irányvonal, irányelv, vezérelv, általános
eljárásmód	
SBU	stratégiai szintű üzleti egység
scattered over	elszórva mindenféle
schedule	menetrend, napirend
scheme	(ütem)terv, elrendezés
span	terjedni, kiterjedni
staff department	törzskari részleg
staff management	törzskari vezetés (raktározás, számvitel, titkárság,
strategy	stratégia, tervezet
subordinate	alárendelt, beosztott
subsidiary	leányvállalat
supervisor	felügyelő, szolgáltatásért, tevékenységéért felelős vezetőség
ultimately	végül
unit	egység
warehouse	raktár

1.1 EXERCISES

1.1A COMPANY DEPARTMENTS

MATCH THE DEPARTMENT ON THE LEFT WITH THE CORRECT DEFINITION ON THE RIGHT

- | | |
|--------------------|---|
| 1. sales | a. is responsible for manufacturing goods |
| 2. purchasing | b. deals with recruiting new staff |
| 3. planning | c. deals with invoices and payments |
| 4. R &D | d. handles advertising and new product launching |
| 5. quality control | e. buys in products and services |
| 6. production | f. tries to develop new products |
| 7. personnel | g. makes sure that standards are maintained |
| 8. finance | h. persuades people to buy the company's products |
| 9. distribution | i. sets out a strategy for the company's future |
| 10. marketing | j. transports goods to different places |

1.1B UNDERLINE THE VERBS WHICH FORM PARTNERSHIP WITH THESE NOUNS. TWO VERBS DO NOT MAKE PARTNERSHIP IN EACH EXAMPLE.

make, ask, design, buy, meet, market, sell	PRODUCT
visit, fax, keep, work, lose, market, meet, help	COSTUMER
give, meet, improve, offer, market, ask, sell	SERVICE
run, give, visit, manage, sell, operate, develop, make	FACTORY

1.2.A READ THIS DESCRIPTION OF A COMPANY AND COMPLETE THE INFORMATION BELOW:

Micropol AT is a highly profitable software company, with a workforce of over 1,000 and an annual turnover of \$300 million. Its main products are applications programs for industry as well as for educational institutions.

Its many customers include small and medium-sized companies, government departments as well as students.

The company was founded in Santa Monica, California, in 1978. The original founders, Karen Sawyer and Lee Heng, were still students when they went into business. Their idea was only to earn some extra money. Micropol began to grow rapidly and by 1980 turnover was over \$4m.

Initially the company worked in the area of Software Consulting. However, in 1982 Sawyer and Heng introduced the first version of the Adword wordprocessing program. It was an immediate success. Students liked it because it was easier to use than other programs on the market.

In 1985 Lee Heng left Micropol and set up his own company, Inter-track. Karen Sawyer is still Company President and thinks that Micropol has a bright future. The company has ambitious plans. Later this year it will launch a new version of its DataPol database program. There are also plans for a joint venture with Kaito, the leading Japanese computer firm.

Name of Company.....
Activities.....
Workforce.....Location.....Turnover.....
Profits.....Market.....
Plans.....

1.2.B USE WORD PARTNERSHIPS FROM THE TEXT ABOVE TO COMPLETE THIS DESCRIPTION:

KLT Industrial in Gröningen, Holland, in 1954. Originally the company manufactured household goods, but nowadays its are office furniture and equipment. The group's service division offers a wide range of business services from cleaning to waste disposal. The current, Robert Moers, is the son of the founder. He has for KLT. For example, the company is going to put a new range of ergonomically-designed furniture early next year. Dr. Moers is also negotiating a with German electronics giant DK Hoffman.

1.3 TRANSLATE THE SENTENCES INTO ENGLISH

Egy vállalat tevékenységét különféle módokon lehet megszervezni.

.....
.....
.....
.....

A szervezeti tábla az irányítás különböző szintjeit, alá- és mellérendeltségük sémáját mutatja.

.....
.....
.....

A szervezeti tábla alapján követni lehet az utasítás útját.

.....
.....
.....

Néha munkaköri leírást is mellékelnek a szervezeti táblához.

.....
.....
.....

A munkaköri leírás felsorolja a dolgozó feladatait és kötelezettségeit.

.....
.....
.....

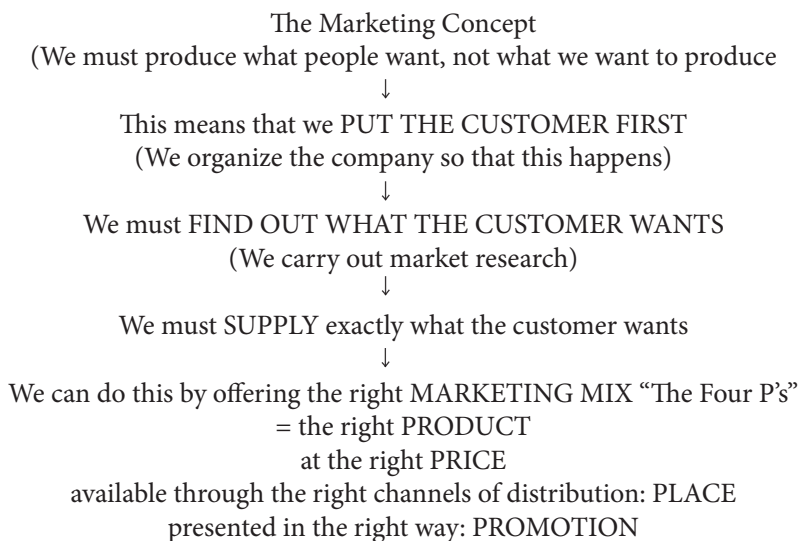
Unit 9

Marketing

Marketing is the process of planning, designing, pricing, promoting and distributing ideas, goods and services, in order to satisfy customer needs, so as to make a profit. To achieve these aims proper advertising and sales promotion have to be done.

Marketing is the term given to the different activities involved in distributing goods from the producers to the final customer. It means examining the products and markets so that the proper product reaches the proper market at the proper price.

Marketing strategy is the method through which these aims can be reached. It is based on the marketing concept explained in the following diagram:



Nowadays, all divisions of a company are urged to “Think Marketing”:
To think marketing we must have a clear idea of:



what the customers need
what the customers want
what causes them to buy

what the products is to the customer: functional, technological, economic+
aesthetic, emotional, psychological aspects



“FEATURES” (what the product is) + “BENEFITS” (which means that...)

A company that believes in marketing is forward-thinking and doesn't rest on its past achievements: it must be aware of its strengths and weaknesses as well as the opportunities and threats, (*SWOT*), it faces in the market.

Product: the goods or service, a company is marketing including its design, quality and reliability. A forward-thinking company is continually developing new products to replace the ones whose sales are declining.

Price: the marketing view of pricing takes into consideration the value of the product, its quality and the ability of the customer to pay, the prices charged by the competition, etc. Prices have to satisfy both the producer's and the customer's demand: they have to be reasonable (for the customer) and profitable (for the producer).

Place: means that a company has to distribute the products through different channels to the customer. These channels of distribution are variable: the producer sells directly to the user or via wholesalers, agents or retail traders.

Promotion: means presenting goods to the customers. Promotion involves considering the packaging and presentation of the product, its image, the product name, advertising and slogans, brochures, literature, price lists, after-sales service and training, trade exhibitions or fairs, public relations, publicity, and personal selling, where the seller develops a relationship with the customer.

Every product must possess a USP (Unique Selling Proposition) – features and benefits that make it unlike any other product in its market.

In promoting a product, the attention of potential customers is attracted and an interest in the product aroused, creating a desire for the product and encouraging customers to take prompt action.

Market research is the activity of collecting information about consumers and what consumers want and need. This information is used to help produce the goods and services which will ensure success for the company. Marketing and advertising specialists must carry out research to determine what customers want and to develop products which satisfy customer needs. A group of customers which shares a common interest, need or desire is called a market. Companies must determine which market would be most likely to buy a certain product and aim all their marketing activities at this target. Specialists use many different methods to divide markets into precise groups.

Useful words and expressions:

achieve	elérni
achievement	eredmény
aesthetic	esztétikai
after-sales service	eladás utáni szolgáltatás
aim	cél
aspect	szempont, szemszög
benefit	hasznot húz, haszon
carry out	kivitelezni, lebonyolítani
concept	elképzelés, koncepció
consultant	tanácsadó, konzulens
decline	hanyaglás, hanyatlani
desire	vágy
distribute	elosztani, felosztani, értékesíteni
division	részleg, osztály
ensure	biztosítani
face sg.	szembenézni vmivel

fair	vásár
features	jellemzők, jellegzetességek
final customer	végfelhasználó
forward thinking	előrelátó
involve	magába foglalni, beleértetni
literature	(szak)irodalom
market research	piackutatás
promotion	propaganda, reklámhadjárat
proper	megfelelő
proposition	javaslat
publicity	publicitás
reasonable price	méltányos ár
strength	erősség
take into consideration	figyelembe venni
target	cél, megcélozni vmit
threat	fenyegetés
unique	egyéni, egyedi
weakness	gyengeség

1.1 EXERCISES

1.1.A PUT THE APPROPRIATE PART OF DO OR MAKE IN THE FOLLOWING:

- a. We a lot of business with the Third World
- b. I think I ought to an appointment.
- c. I don't want to difficulties, but it is very short notice.
- d. I a number of useful contacts at the Fair.
- e. We progress but it's a long job.
- f. If we don't much of a profit, at least we won't a loss.
- g. We need someone to the cleaning.
- h. You can't business without taking a risk.
- i. I can never any work on the plane.
- j. I think they a special weekend price. It's worth asking.
- k. It looks as if someone has a silly mistake on this invoice.

1.2.A READ THIS ARTICLE ABOUT MARKETING. MATCH THE QUESTIONS WITH THE PARAGRAPHS

- 1 How do I meet my objectives?
2. What do I want to achieve?
3. What is marketing?
4. How do I communicate my message?
5. How do I find out this information?
6. What do I need to know?

A Marketing is finding out about your customers and competitors so that you can provide the right product at the right price.

B Think about the people you want to sell to: your target market.

Different products have different target markets, for example, Swatch and Rolex watches. Questions to ask are:

Who are my customers – age, sex, income?

What is the size of the market?

Is it possible for the market to get bigger?

What about product awareness – do people know about my company's product?

C You find out this information through market research. Market research uses interviews to find out about people's attitudes and questionnaires to find out about their shopping habits.

D When you know who your customers are and how big your market is, the next step is to set your objectives. Do you want to increase sales? To increase market share? Or to make your product different from the competition?

E Next, think about your strategy for meeting your objectives. If your objective is to increase market share, you could:

find new customers by making your product more attractive

take customers from your competitors

persuade your customers to use more of your product.

F How will you make your strategy work? What message do you want to send? There are many types of promotion and it is important to choose the right one, e.g.

advertising on TV
direct marketing by post (mailshots)
telesales – selling to customers on the phone
point-of-sale material in shops – free samples
or special offers.

Now you are ready to launch your product in the market. Good luck!

*1.2.B MATCH THE WORDS AND PHRASES IN THE TEXT
WITH THE DEFINITIONS*

1. ways of telling people about your product

.....

2. the part of the total market that buys your products

.....

3. knowledge of your company's product

.....

4. other companies that sell similar products

.....

5. finding out about the market

.....

6. the kind of people you are interested in selling to

.....

7. a plan you use in order to achieve something

.....

8. to introduce a new product to the market

.....

Unit 10

Communication Mix

In terms of the general perception of all of the marketing mix elements that a firm may employ, it is perhaps 'promotion' that is the most prominent 'P' in the '4 P's'. In fact to many people promotion is marketing. Promotion is a part of a firm's overall effort to communicate with consumers and others about its product or service 'offering'. Both the company and the consumer have needs which they aim to fulfil; the profit making company wishes to improve or maintain profits and market share, and gain a better reputation than its competitors, and the consumer aims to reach his or her personal goals.

Promotion describes the communications activities of advertising, personal selling, sales promotion and publicity/public relations.

Advertising is a non-personal form of mass communication, paid for by an identified sponsor. Personal selling involves a seller attempting to persuade a potential buyer to make a purchase. Sales promotion encompasses short-term activities such as giving coupons, free samples, etc. that encourage quick action by buyers. The company has control over these three variables, but has little control over the fourth variable, publicity/public relations. This is another non-personal communication method that reaches a large number of people, but it is not paid for by the company and is usually in the form of news or editorial comment regarding a company's product or service. Companies can gain some control over the publicity it receives by the release of news items.

Put together, these promotional activities make up the promotional or communications mix with varying emphasis on each element according to the type of product or service, characteristics of consumers and company resources. Company size, competitive strengths and weaknesses and style of management all influence the promotional mix.

Other communications elements with which promotion must be coordinated are the product itself, price and distribution channels used. Product communication, including brand name, design of packaging and trade-marks are all product cues which convey a message about the total product offering.

Price can communicate different things under varying circumstances, for instance conveying ‘prestige appeal’ for those buyers who perceive that a high price is equal to quality and prestige. The place in which the products are to be found also has notable communications value. Retail stores have ‘personalities’ that consumers associate with the products they sell. Products receive a ‘halo effect’ from the outlets in which they can be found and two stores selling similar products can project entirely different product images. For example, a perfume sold through an upmarket store will have a much higher quality image than one sold through supermarkets.

Useful words and expressions:

appeal	vonz, hat
attempt	próbálkozik, erőfeszítést tesz
convey	szállít, hordoz
distribution	elosztás, kiosztás
effort	fáradozás, törekvés
emphasis	hangsúly
encompass	felölel, tartalmaz
fulfil	teljesít, végrehajt
gain	megszerez
goal	célkitűzés
identify	azonosít, felismer
maintain	fenntart
market share	piaci részesedés
mass communication	tömegkommunikáció
perceive	felismer, felfog
perception	észlelés, érzékelés
persuade	meggyőz, rávesz
prestige	presztízs
promotion	reklám, hírverés
regard	vonatkozik
release	közzététel, publikálás, forgalombahozatal
reputation	hírnév
trademark	védjegy, márkajelzés

1.1 EXERCISES

1.1.A USE THESE TAGS IN THE FOLLOWING SITUATIONS

<i>did you</i>	<i>shouldn't we</i>	<i>would you</i>	<i>aren't they</i>
<i>can we</i>	<i>don't you</i>	<i>did they</i>	<i>won't you</i>

- CTL are in the information technology field, ?
- That's right. We bought some software from them last month.

- We can't really offer any more discount in the current financial climate, ?
- No, but maybe we could offer them better credit terms.

- So, you'll give me a ring tomorrow with those figures, ?
- Yes, some time before ten o'clock. I promise!

- You didn't get a chance to speak to Yvette about her trip to Poland, ?
- Yes, I spoke to her this morning. She's calling in some time later today.

- Nobody rang while I was out, ... ?
- Yes. There was a call actually. I've left a message on your desk.

- We should advertise more in the trade press, ?
- Of course, we should. It's probably the cheapest way to broaden our market.

- You two know each other, ?
- Yes, we worked together on the Bormann Schneider contract.

- Paula, you wouldn't like to do some overtime on Friday, ?
- Well, I really wanted to go away this weekend.

1.1.B NOW USE THE CORRECT TAGS TO COMPLETE THESE QUESTIONS

1. Oliver’s still working at the London office, ?
2. We’ve got at least 25 accounts in Scandinavia, ?
3. You’re going to ask Kate to take over the marketing job, ?
4. Some of her proposals weren’t very practical, ?
5. Nobody would mind if I went home early today, ?
6. This bill includes VAT, ?
7. We shouldn’t worry too much about the safety procedures, ?
8. Some of the head office staff have got the week off, ?

1.2 TRANSLATE THE SENTENCES INTO ENGLISH

A helynek, ahol a termk megtallható, szintn figyelemre mltó kommunikcis rtke van.

.....
.....
.....

Az r klnfle dolgokat jelenthet a vltoz krlmnyek kztt.

.....
.....
.....

A termknek sokkal nagyobb a minsg-imzsa, ha nem szupermarketben ruljk.

.....
.....
.....

Az ingyenes termkminta a vsrlkat gyors cselekvsre buzdthatja.

.....
.....
.....

Unit 11

Banking

How did the first bank start operating, how did money start developing?

Well, let us suppose everyone has valuables. These valuables should be stored in a safe place, so people give them to one person who owns the strongest vault in town, e.g., a goldsmith. This goldsmith stores the gold and valuables for a small fee, and this business is called a bank of deposit. The goldsmith gives his customers receipts for their deposits. Some time later the customers may want to use their valuables because they want to buy something. They can choose: go back to the goldsmith for the gold and use it or use the receipts as the medium of exchange. For the customers (and the goldsmith, too) it is easier to pay with the receipts. We can say that these receipts contain promises which state that the goldsmith has to pay a certain amount to that person who hands it over to him. The amount he should pay is on the receipt. In this way these receipts start circulating as money. Later these receipts become bank-notes.

The balance sheet of the goldsmith shows that cash reserves equal the demand deposits, which means the bank would just offset the amount of ordinary money (gold or other valuables) placed in vault. This is a primitive type of banking system.

What happens if our goldsmith starts thinking?

He realizes that only a small percent of his receipts might be changed into gold in a given period. That means he can issue more notes than he has gold because he can always meet the small daily demand for redemption out of gold in his vault. The deposits are not all withdrawn together. This is the main point of the banking system.

Once someone goes to the goldsmith asking for a loan, of course the goldsmith does not give gold to him but writes a receipt or (nowadays) gives money. What he gives is acceptable by everyone, as they believe that he will pay when the receipt is handed over. So, he creates money! He gets interest on the loan and this gives his profit.

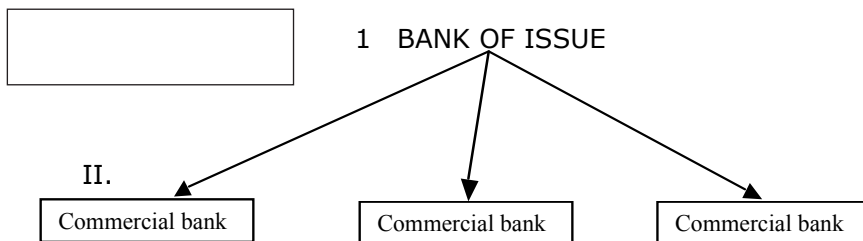
Nowadays banks operate in the same way. They make a profit by creating so-called fiduciary money. If many customers want to redeem their money at the same time, the bank may not be able to pay it all back. The bank could go into bankruptcy. That is why the bank has to keep enough money (gold or valuables) in reserve to avoid this situation. Who should decide the amount of reserve which has to be kept in the bank? In some cases the central bank or in other cases the bank on its own sets the limit to the amount it can create.

In some countries, including Hungary, different structures can be found in the banking systems.

In a *one-tier banking system* every independent commercial bank has the right to create money and set its own limit to this activity.

In a *two-tier banking system* the main point is that there is a central bank or bank of issue which is not a profit oriented institution. It is responsible for the country's monetary policy, and among banks it has the only right to create and issue money. A customer in a two-tier banking system cannot go to a commercial bank to do his business or, e.g., change his money into gold. The central bank or, as it is often called, the banks' bank does not deal with commercial activities. Each commercial bank is in direct contact with the bank of issue.

Two-tier banking system:



These days banks usually have two main fields to deal with:

Retail banking and corporate banking:

Within retail banking customers are separated from the point of view of the amount they deposited. The amount of money determines whether the customer is treated as a “simple” customer or a private banking customer.

Corporate banking:

The customers of corporate banking may be small or large enterprises, companies, and municipalities. They may open accounts in the bank in Hungarian Forint (HUF) or in foreign currency (FCY). They can give instructions to transfer funds or make time deposits. A lot of services are available to them, but the fee is higher than in the case of a retail customer.

Private banking:

Most of the banks (in retail banking) provide personalized financial services for those who deposit a bigger amount of money in the bank. Of course, the bank determines the limit above which the amount is considered to be ‘bigger’. The exclusive services include account services and time deposits with favourable interest rates, favourable exchange and cross rates, certain investment opportunities, even participation in special programs. The customers of private banking receive special attention and get high quality service.

Retail banking:

In Hungary the customers of retail banking may be residents or non-residents of the country. A resident is a person with a valid identity card issued in Hungary. A non-resident is someone who does not have such an identity card only a passport issued in another country. The customer may open accounts in several currencies. On the one hand, the bank pays interest on daily basis on the so-called sight accounts. On the other hand the customer has the possibility to open Time Deposit accounts with the minimum amount required to deposit and for periods determined by the bank. If the time deposit expires, it can be renewed or the customer may ask for automatic renewal.

The customers may get a bank card issued by the bank. Usually it can be used for cash withdrawal in Forints (in Hungary) and for purchase of

goods and services. For both actions the sum of money is limited daily. The customer gets a PIN-code with the card, and it has to be kept in full confidentiality. The bank card can be used abroad, but then it costs much more than inside the country.

The customer periodically, usually monthly, gets a statement about the movements on his accounts. In this way they can check the monthly activity. Nowadays call centres are getting more popular with the customers. This is a new service for account holders. The customers can make a number of transactions via the telephone 24 hours a day, 7 days a week. In this way the customer is not forced to go personally to the branch, after a security identification, they can make the following transactions:

- get information on the account balance
- transfer funds to other bank accounts
- open a new account
- pay utility bills
- change the data of the account holder
- reissue a bank statement
- open a time deposit
- cancel a lost or stolen bank card
- give standing order instruction
- settle complaints

In some call centres there is the possibility even to purchase treasury bonds or request loans.

More and more banks provide other services for their customers. These services require some kind of technical equipment:

Internet banking:

Via the Internet a number of questions may be asked such as an inquiry about the account balance, list of transactions on the account, an inquiry on exchange rates and interest rates. The customer has the possibility to transfer funds between his own accounts.

Home banking:

This service needs a certain modem as well. In the case of home banking you do not have to have access to the Internet, and you may give instructions to transfer funds or to make time deposits, too.

SMS banking:

You need to have a cellular phone and with the help of the short message system you are in daily contact with your bank. Every evening an SMS is sent to you with the current balance of your account, in this way you can check the movements every day.

Telebanking:

This means banking over the phone. You need to have a customer identification number and a PIN code to use this service. You call the bank and the Automatic Voice Response (AVR) asks for identification. In modern banks instead of AVR there is Interactive Voice Response (IVR) that is able even to take financial instructions such as an inquiry on an account balance, make funds or time deposits. But in most of the banks you should ask for a personal banker who takes your instructions personally.

Useful words and expressions:

account holder	számlatulajdonos
balance sheet	mérleg
bank deposit	bankbetét
branch	fiók
cancel a lost or stolen card	elvesztett vagy elloptott kártyát letiltani
cash reserve	készpénz-állomány
cellular phone	rádiótelefon, mobiltelefon
checking account	folyószámla
commodity that serves as money	árucikk, mely pénzként szolgál
corporate banking	vállalati banktevékenység
create fiduciary money	beválthatatlan pénzmennyiséget tartalékolni

currency (foreign)	pénznem (külföldi)
current account	folyószámla
enterprise/ small business	kisvállalkozás
favourable exchange rate	kedvező átváltási árfolyam
foreign currency account	devizaszámla
get a monthly statement	havi számlakivonatot kapni
give a standing order instruction	állandó átutalási megbízást adni
go into bankruptcy	csődbe menni
identity card	személyi igazolvány
issue a bankcard	bankkártyát kibocsátani
issue bank-note	bankjegyet kibocsátani
liquidity	fizetőképesség
long-term	hosszú távú
make a fund transfer	pénzt átutalni
make a time deposit	pénzt lekötni
meet the daily demand	kielégíteni a napi szükségletet
movement on the account	számlamozgás
municipality	önkormányzat
offset	kiegyenlít
on a daily basis	napi szinten
open a deposit account	letéti/ betét számlát nyitni
overdraft limit	folyószámla hitelkeret
pay interest	kamatot fizet
pay utility bills	közüzemi számlákat fizetni
personal loan	személyi kölcsön
provide a loan	kölcsönt nyújtani
purchase of goods	javak vásárlása
redemption	kiváltás, visszafizetés
renewal	megújítás
retail banking	lakossági banktevékenység
saving account	takarék számla
services	szolgáltatások
settle complaints/ complain	panaszt tenni
short-term	rövid távú
sight account	látra szóló számla

store the valuables	értéktárgyakat tárolni
terms and conditions	kikötések és feltételek
the time deposit expires	lejár a lekötés
to apply for a bank card	bankkártyát igényelni
to authorize sy	meghatalmazni vkit
to keep in confidentiality	bizalmasan kezelni
to provide financial services	pénzügyi szolgáltatást nyújtani
treasury bond	államkötvény,
vault	pince, páncélszekrény

1.1 EXERCISES

1.1.A MANY VERBS FORM PARTNERSHIP WITH MONEY WORDS. COMPLETE THE GAPS IN THESE SENTENCES WITH THESE VERBS. USE THE CORRECT FORM OF THE VERBS.

<i>invest</i>	<i>lend</i>	<i>lose</i>	<i>owe</i>	<i>make</i>
<i>keep up</i>	<i>save</i>	<i>earn</i>	<i>spend</i>	<i>take out</i>

1. If you take out a loan, make sure you can the repayments.
2. The bank manager refused to us the money we needed. She said that our accounting system was too disorganized.
3. Diana has really done well since she moved to the States. She more than \$ 80,000 and she has a company car.
4. We've decided to move to a new office to money. The place we rent at the moment is too expensive.
5. Since I got my credit card I've far too much money.
6. Scotbank decided to close its Tokyo operation because it was money.
7. I wish I hadn't that loan. I still ... the bank \$ 3,000. I don't know when I'll be able to pay it back.
8. The easiest way to money is to wisely in the Stock Market.

1.1.B USE THESE VERBS TO COMPLETE THESE WORD PARTNERSHIPS ABOUT BANKING.

use pay cash change open make

..... a current account bank charges
..... two hundred dollars a bank transfer
..... this cheque the cash dispenser

1.1.C USE THESE WORD PARTNERSHIPS TO COMPLETE THE FOLLOWING

- I'd like to ...
- Of course. If you go over to the foreign desk someone will help you.
- Excuse me! Can I ?
- Certainly. Could you sign it on the back and date it, please.
- I've just moved here. I'd like to
- Certainly. Would you mind filling this form in. There is a minimum deposit of \$20.
- So with this new Scotbank Plus account the customer gets free banking?
- Not exactly. You if your account is overdrawn.
- Don't the banks close at three o'clock around here?
- Yes, but you can still
- I'd like to
- How much would you like to send?

1.1.D USE THESE WORDS TO COMPLETE THIS LETTER FROM A BANK TO ITS
SMALL BUSINESS CUSTOMERS

financial
interest branch

services fortnightly
location currency

charges staff
range

Dear Customer,

We are delighted to announce the opening of a new city centre of Scotbank at 34 Market Street. In our new convenient we are ready to offer all the banking the small business needs:

- expert advice tailored to your company's needs
- a wide of credit facilities for the expanding business
- highly competitive rates
- highly professional ready to attend to your every banking need
- fast, efficient foreign transactions
- the lowest bank you'll find anywhere: ask about our new free banking facility
- regular account statements - weekly or

So don't hesitate. Come to Scotbank and speak to our manager, Sarah Wilson. You'll wonder why you ever banked anywhere else.

Yours sincerely

J C Forest
Marketing Director

1.1.E SUMMARIZE THE CONTENT OF THE LETTER

.....
.....

1.2 FILL IN THE MISSING WORDS

customers, *easier,* *fee,* *goldsmith,*
owns, *receipts,* *stores,* *valuables*

Well, let us suppose everyone has valuables. These should be stored in a safe place, so people give them to one person who the strongest vault in town, e.g., a goldsmith. This goldsmith the gold and valuables for a small, and this business is called a bank of deposit. The goldsmith gives his customers for their deposits. Some time later the may want to use their valuables because they want to buy something. They can choose: go back to the for the gold and use it or use the receipts as the medium of exchange. For the customers (and the goldsmith, too) it is to pay with the receipts.

Unit 12

International Organizations

The General Agreement on Trade and Tariffs (GATT) was an international treaty, which came into force in 1947. Hungary became a member of GATT in 1973 and the Geneva Protocol of GATT in 1979. As a result, the Hungarian tariff system was made in line with international regulations and customs.

One of the basic principles of GATT was to promote international trade by eliminating or reducing tariffs and non-tariff barriers such as import quotas and subsidies. Another principle prescribed the employment of the most-favoured-nation clause. According to this clause, if a country granted a tariff reduction to one country, it had to grant the same allowance to any other country. And last but not least, GATT was not only a set of rules, since it provided a forum where countries could discuss their trade problems, including trade disputes. GATT encouraged the settlement of such disputes by consultations and arbitration.

One of the major activities of GATT used to be promoting rounds, or sessions. These have resulted in multilateral agreements on reducing tariffs and non-tariffs barriers between member counties.

The WTO was founded in 1994. It is an organisation whose major function is to encourage international trade by dismantling the still existing barriers to trade. The WTO has its headquarters in Geneva, Switzerland.

Those who were members of GATT automatically became members of the WTO after accepting the Uruguay Round Agreements. Currently, the WTO has 146 members.

Unlike GATT, which was an international treaty, the WTO is an international organisation. Second, the WTO is more global both in its membership and activities than its predecessor. It covers almost the whole world trade and, for the first time, extends its activities to such areas as trade in services, the protection of intellectual property and investment. The Multilateral Trade Agreements of the Uruguay Round bind all members of the WTO. Some GATT agreements, however, for example anti-dumping meas-

ures and subsidies, were limited to a few countries. Also, the WTO has extended its scope to certain sensitive areas such the export of textile and clothing products as well as trade in agriculture, and removed certain barriers.

The WTO administers the 28 agreements of the Final Act of the Uruguay Round, together with other plurilateral trade agreements including government procurement and civil aircraft. It also facilitates the implementation of tariff reductions and the removal of non-tariff measures to international trade. The WTO provides a forum for further negotiations among its members concerning their multilateral trade relations, and a framework for the implementation of the results of such negotiations. It also provides a forum for the settlement of trade disputes among its members. The WTO co-operates with other international organisations such as the International Monetary Fund and the International Bank for Reconstruction and Development, and provides technical assistance and training for developing countries.

The World Bank, or the International Bank for Reconstruction and Development (IBRD), was set up in 1944 at a conference convened in the town of Bretton Woods, New Hampshire, at the end of the Second World War. The original intention of its establishment was to provide low interest loans to Europe and Japan to help rebuild their infrastructure after the devastation of the war. This plan was given up when these countries opted instead to take money from the US Marshall Plan, which provided grants, for the same purpose. Over the next few decades the IBRD rewrote its original mandate to provide cheap loans to developing countries instead.

The World Bank is owned by more than 125 member countries and has its headquarters in Washington, D.C.

Many of the IBRD loans are for major industrial development projects like dam building, irrigation networks, power plants, general infrastructure, electrification, and mining for non-renewable resources like gold and copper. In addition, the IBRD allocates loans for social matters such as education, nutrition-improvement programmes for children and public health but these loans are often linked to strict economic policies such as Structural Adjustment Programs that have often been aggravated by local problems. It obtains more from developed countries, who subscribe in proportion to

their economic weight. The bank then uses its capital to extend long-term loans to nations whose projects seem economically feasible. Loans are repaid within a period of 25 years.

IBRD has three major sister agencies – the International Development Association (IDA), the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA). These four and the much smaller International Centre for the Settlement of Investment Disputes (ICSID) make up the World Bank Group.

The International Monetary Fund (IMF) was also created at the Bretton Woods Conference in 1944. The mission of the International Monetary Fund (IMF) is to supply member states with money to help them overcome short-term balance-of-payments difficulties. In addition, the IMF aims to promote international trade by stabilising rates of exchange, eliminating foreign exchange restrictions and establishing a worldwide multilateral payment system.

When a country joins the IMF, it is required to contribute a particular sum of money called a quota subscription, as a kind of membership fee.

Quotas create reserves from which member countries can borrow if they get into financial difficulties. The amount of the loan a particular country can borrow from the IMF depends on its contribution. Obviously, the higher the quota, the greater the loan it is entitled to. The voting power of a member is also determined by the amount of its quota.

Useful words and expressions:

aggravate
allocate
anti-dumping
arbitration
barrier
bind
convene
dam
devastation
diminish

súlyosbít
juttat, kioszt
dömpingellenes
döntőbíróóság
akadály
összeköt
összehív
gát
pusztítás, rombolás
csökkent

discriminatory	megkülönböztető, előnyben részesítő
dismantle	megfoszt valamitől
dispute	vita, vitatkozik
electrification	villamosítás
eliminate	kirekeszt, kiküszöböl
extend	bővít, gyarapít, kiterjeszt
feasible	alkalmas
framework	keret
GATT	Általános Vámtarifa- és Kereskedelmi Egyezmény
Geneva Protocol	Genfi Egyezmény
grant	segély, engedélyez
headquarters	központ
IBRD	Nemzetközi Fejlesztési és Újjáépítési Társulás
ICSID	Befektetési Viták Rendezésének Nemzetközi Központja
IDA	Nemzetközi Fejlesztési Társulás
IFC	Nemzetközi Pénzügyi Társaság
IMF	Nemzetközi Valutaalap
implementing	végrehajtás, kivitelezés
in line with	párhuzamosan
intention	szándék
irrigation network	öntözőcsatorna-hálózat
loan	kölcsön
MIGA	Multilaterális Beruházásgarancia Ügynökség
most-favoured-nation clause	legnagyobb kedvezmény záradéka
multilateral	többoldalú
negotiations	tárgyalások
non-renewable resources	nem megújítható erőforrások
non-tariff barrier	nem vámjellegű korlátozás

obtain	kap, hozzájut
opt	választ, csatlakozik vmihez
plurilateral	többoldalú
predecessor	előd, jogelőd
procurement	közbeszerzés
quota	arányos rész, hányad
regulation	szabályozás
reserves	tartalék
scope	hatáskör, terület
sister agency	testvérügynökség
Structural Adjustment Program	Strukturális Rendezési Program
subsidy	szubvenció, segély
trade agreement	kereskedelmi egyezmény
treaty	(államközi) szerződés
WTO	Kereskedelmi Világszervezet

1.1 EXERCISES

1.1.A USE THESE VERBS TO COMPLETE THE SENTENCES

use study meet see go finish work be

Have you Mr Aziz? He's our Head of Sales.

How long have you for Truman Industrial?

So, you've to Milan before, Peter?

I can't find my diary. Has anyone it?

Have you this program before, Julia?

Elena, have you the sales report yet?

I think Henry's just out for a few minutes.

Have you ever Japanese?

1.1.B NOW MATCH UP THESE RESPONSES

- Yes, I was here last year for the Electronics Fair.
- No, I haven't. I hope it's not too difficult to learn.
- I think Christina borrowed it a couple of hours ago.
- Well, I started to study it but I found it very difficult.
- No, I don't think we've been introduced.
- That's OK. I don't mind waiting for him.
- Yes, I have. Just let me print out a copy for you.
- Just over ten years; since I left school.

1.1.C USE THESE PHRASES TO COMPLETE THE CONVERSATION

- | | |
|-------------------------------------|--|
| 1. <i>have you heard from Tom</i> | 4. <i>I've been so busy today</i> |
| 2. <i>I haven't finished it yet</i> | 5. <i>have you had a chance to read it yet</i> |
| 3. <i>he's left RTX Services</i> | 6. <i>you've received the Mexico file</i> |

- Can I speak to Martina, please?
- Speaking.
- Morning, Martina. This is Rashid from Sales. I'm phoning to check if ?
- Yes, it's here on my desk. It arrived this morning.
- Good.?
- I'm afraid not.
- Of course. You're still working on the market survey, aren't you?
- That's right, but It's taking much longer than expected.
- Talking about marketing, recently?
- Yes. He phoned me last week. you know.
He's working for Collinson Investment now.
- Really? Why did he change jobs?
- I think he just wanted a change

1.2 TRANSLATE THE SENTENCES INTO ENGLISH.

A Világbank létrehozásának eredeti szándéka az volt, hogy alacsony kamatozású kölcsönt biztosítsanak Európának és Japánnak a háború után.

.....
.....
.....
.....
.....

Ezek az országok ehelyett az USA Marshall Terv segélyét választották.

.....
.....
.....
.....
.....

Az IBRD napjainkban a fejlődő országoknak biztosít olcsó hitelt.

.....
.....
.....
.....
.....

A kölcsönöket főleg nagy ipari projektekre adják, mint például gátépítés, erőművek, villamosítás stb.

.....
.....
.....
.....
.....

1.3 FILL IN THE MISSING WORDS

contribute, created, difficulties, exchange, promote, supply

The International Monetary Fund (IMF) was also at the Bretton Woods Conference in 1944. The mission of the International Monetary Fund (IMF) is to member states with money to help them overcome short-term balance-of-payments In addition, the IMF aims to international trade by stabilising rates of, eliminating foreign exchange restrictions and establishing a worldwide multilateral payment system.

When a country joins the IMF, it is required to a particular sum of money called a quota subscription, as a kind of membership fee.

Megoldási kulcs/Key to exercises

UNIT 1 ECONOMICS I

1.2a an a the the a the the the
 a a the a a
 a the a an the a the

1.2b

1. instruction
2. advice
3. parking
4. cash
5. traffic
6. shopping
7. information
8. finance

1.2.c

Every day people make decisions that affect their lives.
Governments make decisions that may determine the prices.
People often want more than they can afford.
The company faces serious problems.
Sometimes the choices are difficult to make.

1.2.d

Two important economic roles are those of *producer* and *consumer*. A producer creates things and a consumer uses them.

It's vague to talk about producers creating "things". What they produce can be divided into two main categories – goods and services. Goods mean actual objects that you can touch. A service is an action of some kind performed by one person (or group) for another person (or group). In the world of economics, people usually offer goods or services in exchange for something else, such as money.

1.2.e

false, true, false, false, true

UNIT 2

ECONOMICS II

1.2a a. C b. S c. S d. S e. C f. S g. C h. C

1.2b

1. I go abroad at least once a month
2. Which other languages do you speak, Sven?
3. I'm getting used to it.
4. I'm still waiting for a call from head office.
5. We provide catering and cleaning for big companies.
6. What are you planning to do in the holidays, Tom?
7. I'm trying to get through to Rashid Aziz in Accounts.
8. How long does it take to deliver to Manchester.

1.3

live	manufacturers	employs work
am working	enjoy	am studying

1.4

are	'm	do	is	are	don't
don't	doesn't	are	don't		

1.5

1. understand	having regret	attach	let
2. enclosed	receive	look	
3. writing	having	feel	looking

1.6

Societies answer economic questions in different ways.

We distinguish two fundamentally different ways of organizing an economy.

In market economy individuals and private firms make decisions about production.

The fundamental questions of economic organization: what, how, for whom?

Either an advanced industrial or an isolated tribal nation confront economic problems.

1.7 Possible explanations

a market economy

Individuals and private firms make the major decisions about production and consumption.

a command economy

The government makes all important decisions about production and distribution.

national product

All the commodities that are produced by a society.

production

The way goods are produced.

UNIT 3

FACTORS OF PRODUCTION

1.2a did grew cut lost won fell thought
 led made ran

1.2b

1. Régen több üzletet kötöttünk a japánokkal, mint most.
2. A cég az első 12 évében nagyon gyorsan fejlődött.
3. Lecsökkentettük a reklámkiadásainkat a gazdasági pangás miatt.
4. Elveszítettük az üzletet (a szerződést) az alacsony árajánlat miatt.
5. Múlt hónapban megnyertünk egy fontos megrendelést a kormánytól.
6. Tavaly a nyereségünk csökkent, de a dolgok most jobban állnak.
7. A versenytársaink azt gondolták, hogy megemeljük az árainkat.
8. TransWare, a legnagyobb versenytársunk vezette a piacot a '80-s években.
9. Tavaly a japán leányvállalatunk először hozott valamennyi jövedelmet.
10. Paula otthonról irányította az üzletet.

1.2c studied completed began became helped
 left joined spent visited decided

1.3 1/Let us know... 3/...given them...5/...answers to your...6/...
you settle the balance 7/...telephone you 8/...fixed for next... 9/...now
obliged... 10/...always feel free...

UNIT 4

BUSINESS ORGANIZATIONS

1.1

1. success
2. achievement
3. retirement
4. investment
5. collaboration

1.2 1.e 2.f 3.a 4.j 5.i 6.c 7.g 8.b
 9.h 10.d

1.3

In countries with “mixed economies” some services and industries are owned and controlled by the government.

When starting a business, several problems should be taken into consideration.

Partners equally share the risks and the profit.

The legal requirements to follow are few in number.

The shareholders are the owners of the company.

1.4

A partnership is a business organisation owned by two or more people. In Hungary the number of partners is restricted to 20. In a partnership form of business each partner may have knowledge, skills, or resources that give the

business a better chance of success than a proprietorship. Like a proprietorship, a partnership is easy to establish. It is a form of business which helps small businesses to expand. If one partner is ill, the other can carry on the business. Partners equally share the risks and the profit.

1.5

You can compare the value of things with money.
Money usually holds its value longer than other goods.
People can build up wealth by accumulating money.
Money can lose some of its value with inflation..

UNIT 5

BUSINESS AND MONEY

1.2a. 1.b 2.b 3.b 4.a 5.c 6.a 7.b

1.2b

how many how much how far how long
how many how long how far how much

1.2c.

neither either both either
neither neither neither either

1.3 The good consultant
 a. 3 b. 5 c. 1 d. 7 e. 2 f. 4 g. 6

1.4

...buy, click on... ...you have finished... ...can select the checkout...
...fill out an online... ...type in your credit... ...and is sent over...
...contains information...

1.5

A market is a group of buyers and sellers of particular goods or services. The buyers as a group determine the demand for the product. What do we mean by a “market”?

UNIT 6

MARKET

1.2a

- | | |
|----------|-----------|
| 1. True | 6. False |
| 2. False | 7. True |
| 3. True | 8. False |
| 4. False | 9. True |
| 5. True | 10. False |

1.2b

1e 2c 3i 4h 5b 6j 7f 8a 9d
10g

1.3b

price cuts, new products, annual conference, market share, total sales, emerging markets

UNIT 7

COMPETITION

1.1a

higher, the highest larger, the largest higher, the highest
faster, the fastest easier, the easiest friendlier, the friendliest
busier, the busiest more interesting, the most interesting
more uncomfortable, the most uncomfortable
more difficult, the most difficult

- 1.1b.** 1. the easiest programs 2. the busiest day
3. the most uncomfortable chairs 4. larger company
5. the most difficult program

1.1c

wider/ smallest/ largest/ newest/ latest/ easier/ more convenient/ friendliest

1.3 Fill in the missing words

The two extreme forms of market structures are a monopoly and perfect competition. Perfect competition is characterized by many buyers and sellers, and many products that are similar in nature. Perfect competition means there are few if any barriers to entry for companies, and prices are determined by supply and demand. Thus, producers in a perfectly competitive market are subject to the prices determined by the market and do not have any leverage. For example, in a perfectly competitive market, should one single firm decide to increase its selling price of a product, the consumers can just turn to the nearest competitor for a better price, and the firm that increased its prices would be losing market share and profits.

1.4

A monopoly is a market structure in which there is either one producer/ seller for a product.

Entry into such market is restricted.

A government can create a monopoly over an industry that it wants to control.

In Saudi Arabia the government has sole control over the oil industry.

A copyright or patent prevents others from entering the market.

UNIT 8

MANAGEMENT

1.1a

- 1.h 2.e 3.i 4.f 5.g 6.a 7.b 8.c 9.j
10.d

1.1b.

meet, ask
meet, ask

work, market
give, make

1.2a

Name of Company: Micropol AT

Activities: producing software

Workforce: over 1,000 employees

Location: Santa Monica

Turnover: \$300 million

Profit: highly profitable

Market: industry and education

Plans: to launch a new program and form a joint venture

1.2b

was founded

ambitious plans

main products

on the market

Company President

joint venture

1.3

The activities of a company may be organized in various ways.

The organization chart shows the various levels of management, the scheme of their subordination and interrelations.

Based on the organization chart it is possible to follow the line of command.

Sometimes job descriptions are attached to the organization chart.

Job descriptions list the duties and responsibilities of the worker.

UNIT 9

MARKETING

1.1a

a. do / are doing

g. do

m. do

b. make

h. do

n. made

c. make	i. do	o. make
d. made	j. do	p. do make
e. are making	k. made	q. done ... made
f. make...make	l. did	r. made ... do

1.1b

make an appointment
do your best
do something about it
make a mess
do well
make yourself understood

1.2a

1.e 2.d 3.a 4.f 5.c 6.b

1.2b

1. promotion
2. market share
3. product awareness
4. competitors
5. market research
6. target market
7. strategy
8. launch

1.2c

Conference tourism is booming in Budapest. Last year saw a 40 percent increase in the number of big international conferences organised in the Hungarian capital. This increase placed Budapest at position No.9 on the list of top conference venues. The government now plans to build a new conference centre for events with up to 5,000 participants in Budapest, investment costs are expected to be around Ft 30 billion. This might give further push for the conference business.

UNIT 10

COMMUNICATION MIX

1.1a

aren't they?

shouldn't we?

can we? won't you?

don't you?

did you? did they?

would you?

1.1b

1. isn't he?

4. were they?

7. should we?

2. haven't we?

5. would they?

8. haven't they?

3. aren't you?

6. doesn't it?

1.2

The place in which the products are to be found also has notable communications value.

Price can communicate different things under varying circumstances.

A product will have a much higher quality image if it is not sold in super-markets.

Free samples may encourage buyers for quick actions.

UNIT 11

BANKING

1.1a

1. keep up

2. lend

3. earns

4. save

5. spent

6. losing

7. taken out / owe

8. make / invest

1.1b

open

change

cash

pay

make

use

- 1.1c.** change two hundred dollars
cash the cheque
open a current account
pay bank charges
use the cash dispenser
make a bank transfer

1.1d

- | | |
|-----------|-------------|
| branch | interest |
| location | staff |
| services | currency |
| financial | charges |
| range | fortnightly |

1.2

Well, let us suppose everyone has valuables. These valuables should be stored in a safe place, so people give them to one person who owns the strongest vault in town, e.g., a goldsmith. This goldsmith stores the gold and valuables for a small fee, and this business is called a bank of deposit. The goldsmith gives his customers receipts for their deposits. Some time later the customers may want to use their valuables because they want to buy something. They can choose: go back to the goldsmith for the gold and use it or use the receipts as the medium of exchange. For the customers (and the goldsmith, too) it is easier to pay with the receipts.

UNIT 12

INTERNATIONAL ORGANIZATIONS

1.1a

met worked been seen used finished gone studied

1.1b

1. e 2. h 3. a 4. c 5. b 6. g 7. f 8. d

1.1c

6 5 4 2 1 3

1.2

The original intention of establishing the World Bank was to provide low interest loans to Europe and Japan after the war.

These countries opted instead to take grants from the US Marshall Plan.

Nowadays IBRD provide cheap loans to developing countries.

The loans are mostly given for major industrial projects like dam building, power plants, electrification etc.

1.3

The International Monetary Fund (IMF) was also created at the Bretton Woods Conference in 1944. The mission of the International Monetary Fund (IMF) is to supply member states with money to help them overcome short-term balance-of-payments difficulties. In addition, the IMF aims to promote international trade by stabilising rates of exchange, eliminating foreign exchange restrictions and establishing a worldwide multilateral payment system.

When a country joins the IMF, it is required to contribute a particular sum of money called a quota subscription, as a kind of membership fee.

Sources

Unit 1

Botár Klára–Bolevác Ágnes–Lukács Júlia (2001): *Business in English*. Budapest: KIT. Pp. 289–290.

Milne John Morrison (1994): *Business Language Practice*. Thomson&Heinle. Pp. 58–59.

Samuelson, P. A.–Nordhaus, W. D. (1992): *Economics*. McGraw-Hill Inc.

Unit 2

www.mhh.com

Milne John Morrison (1994): *Business Language Practice*.

Thomson&Heinle. Pp. 60–61.

Unit 3

Botár Klára–Bolevác Ágnes–Lukács Júlia (2001): *Business in English*. Budapest: KIT. Pp. 290–291.

www.landandfreedom.org

Unit 4

Botár Klára–Bolevác Ágnes–Lukács Júlia (2001): *Business in English*. Budapest: KIT. Pp. 153–155.

Bowen–Tim (2000): *Build Your Business Grammar*. Thomson&Heinle. p. 83.

Unit 5

Botár Klára–Bolevác Ágnes–Lukács Júlia (2001): *Business in English*. Budapest: KIT. Pp. 312–314.

Milne John Morrison (1994): *Business Language Practice*. Thomson&Heinle. Pp. 76–77.

www.insideout.com

Unit 6

www.swlearning.com

Milne John Morrison (1994): *Business Language Practice*. Thomson&Heinle. p. 47.

Bowen–Tim (2000): *Build Your Business Grammar*. Thomson&Heinle. p. 61.

www.businessenlishonline.net

Unit 7

www.investopedia.com

Milne John Morrison (1994): *Business Language Practice*. Thomson&Heinle. Pp. 72–73.

www.swlearning.com

Unit 8

Botár Klára–Bolevác Ágnes–Lukács Júlia (2001): *Business in English*. Budapest: KIT. Pp. 170–182.

Milne John Morrison (1994): *Business Language Practice*. Thomson&Heinle. p. 34. p. 37.

Unit 9

Botár Klára–Bolevác Ágnes–Lukács Júlia (2001): *Business in English*. Budapest: KIT. Pp. 350–351.

Bowen–Tim (2000): *Build Your Business Grammar*. Thomson&Heinle. p. 22.

Wood, Neil, *Business and Commerce*, OUP, Oxford 2003 p. 24.

Unit 10

[WWW marketingmasters.co.uk](http://WWW.marketingmasters.co.uk)

Milne John Morrison (1994): *Business Language Practice*. Thomson&Heinle. p. 79.

Unit 11

Botár Klára–Bolevác Ágnes–Lukács Júlia (2001): *Business in English*. Budapest: KIT. Pp. 215–222.

Milne John Morrison (1994): *Business Language Practice*. Thomson&Heinle. Pp. 44–45.

Unit 12

Viczena Andrea–Szőke Andrea–Molnár Judit (2004): 1000 Questions 1000 Answers. *Business English*. Budapest: Lexika. Pp. 214–217.

Milne John Morrison (1994): *Business Language Practice*. Thomson&Heinle, p. 64.

