

БЕЛОРУССКИЙ ГОСУДАРСТВЕННЫЙ УНИВЕРСИТЕТ
Кафедра английского языка гуманитарных факультетов

**ENGLISH
FOR ECONOMISTS.
ACHIEVEMENTS
TESTS**

**ИТОГОВЫЕ ТЕСТЫ
ДЛЯ УМК**
(для студентов экономических
специальностей)

*Учебное пособие
для студентов экономических специальностей*

**Минск
2006**

УДК
ББК

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Настоящее пособие представляет собой часть учебно-методического комплекса по английскому языку для студентов экономических специальностей. Оно включает в себя итоговые тесты для аудиторной и самостоятельной работы студентов и направлено на выявление уровня знаний и умений по английскому языку у студентов в области экономики и бизнес администрирования.

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ПРЕДИСЛОВИЕ

Настоящее пособие представляет собой часть учебно-методического комплекса по английскому языку для студентов экономических специальностей. Оно включает в себя итоговые тесты для аудиторной и самостоятельной работы студентов и направлено на выявление уровня знаний и умений по английскому языку у студентов в области экономики и бизнес администрирования.

Наряду с базовым учебником профессионально ориентированного характера (*“English for Economists”*), *“Практикумом для самостоятельной работы студентов”*, терминологическим словарем и *“Методическими рекомендациями для преподавателей”*, *“Итоговые тесты”* входят в число обязательных элементов учебно-методического комплекса, способных интенсифицировать учебный процесс по иностранному языку и разнообразить формы его проведения.

Пособие состоит из двух видов тестов. Achievement tests представляют собой итоговые тесты по каждому разделу основного учебника. Assessments Tests построены по формату TOEFL и направлены на понимание прочитанного и корректирование грамматической структуры предложения. Весь материал базируется на экономической лексике, усвоенной в процессе изучения курса.

ACHIEVEMENT TESTS

I. PROFESSION OF AN ECONOMIST

Task 1. *Complete the sentences, use your active vocabulary.*

1. The combination of salary plus perks is ...
2. Money that some professions charge for a particular service they have done is ...
3. Money that you receive as payment from the organization you work for, paid monthly is ...
4. Extra payments such as a company car, free accommodation etc. is ...
5. Money you earn that is paid according to the number of hours, days, or weeks that you work is ...
6. ... is a person who is successful in business and so has become rich and powerful.

Task 2. *Match the words in column A with their definitions in column B.*

<i>A</i>	<i>B</i>
1) economic	a) to reduce the amount of money, time, goods etc that you use
2) economical	b) someone who studies the way in which money and goods are produced and used and the system of business and trade
3) economist	c) the careful use of money, time, goods etc so that nothing is wasted
4) economics	d) using money, time, goods etc carefully and without wasting any
5) economy	e) the study of the way in which money and goods are produced and used
6) economize	f) connected with trade, industry, and the management of money

Task 3. *Insert the prepositions:*

1. Economists are employed ... a number ... different job settings.
2. Most students studying ... the university ... the first time take a Bachelor's degree.
3. Business economists work ... bank.
4. Entrepreneurs make a profit ... risk-taking or initiative.
5. Students at Leicester Business School follow more specialist routes ... courses such as accounting and finance or public policy.
6. Students at the BSU are prepared ... careers as professional economists ... business and government.

Task 4. *Choose the right option.*

1. Entrepreneur is a(n) ... word.
 - b) Latin;
 - c) English;
 - d) French;
 - e) Greek.
2. Economists ... prices, compute total output and perform other useful tasks.
 - a) control;
 - b) check;
 - c) monitor.
3. About half of economists are ...
 - a) government economists;
 - b) academic economists;
 - c) business economists;
 - d) entrepreneurs.
4. A bachelor's degree requires ... of college.
 - a) one year;
 - b) four years;
 - c) three years;
 - d) five years.

Task 5. *Match outstanding economists and their works.*

- | | |
|------------------------|---|
| 1) Adam Smith | a) Principles of Political Economy and Taxation |
| 2) David Ricardo | b) General Theory of Employment, Interest and Money |
| 3) John Maynard Keynes | c) An Inquiry into the Nature and Causes of the Wealth of Nations |

Task 6. *Translate into English.*

Магнат, частный предприниматель, рабочее место, дополнительные льготы, заработная плата, жалованье/оклад, предсказание/прогноз, академический/теоретический, распределение, экономический, экономный, налоговое поступление, приобретать профессию экономиста, проявлять способности к чему-либо, управлять работой, степень бакалавра, степень магистра, управлять своим собственным бизнесом, издержки/затраты.

II. ECONOMICS AS A SCIENCE

2.1. Economics and Economic Methods

Task 1. *Rearrange the following words to make up the sentence:*

- a) condition/ greater/ in/ which/ human/resources/than/ the/ scarcity/ is/ wants/ the/ are/ available.
- b) cost/ the/ next/ particular/ best/ want/ is/ opportunity/ resources/ given/ is/ use/ up/ in/ when/ way/ alternative/ to/ that/ you/ a.
- c) use/ their/ sold/ personal/ consumer/ are/ for/ finished/ to/ products/ own/ goods/ consumers.
- d) much/ in/ economical/ more/ bulk/ is/ buy/ it/ to.

Task 2. *Complete the sentences using the words given below: **economic goods, consequences, economic analysis, scarcity, value, result, logic.***

1.are things of....that you can see, and show to the others.
2. Because of....., it is impossible to satisfy every desire.
3. Principles and theories - the end.....of.....
4. We use....., graphs, or mathematics to determine the....of the assumptions.

Task 3. *Translate into English:*

- | | |
|-----------------------------------|--|
| 1) перспективный взгляд; | 6) богатый; |
| 2) улучшать качество; | 7) материальный; |
| 3) неудовлетворенные потребности; | 8) предположение; |
| 4) экономный; | 9) размещение; |
| 5) денежно-налоговая политика; | 10) товары производственного назначения. |

Task 4. *True or false:*

1. Something that is economical requires a lot of money to operate.
2. Microeconomics is a branch of economics that studies such variables as unemployment, growth of economy, national incomes, money supply, monetary policy.
3. Opportunity cost is your limited income.
4. Entrepreneurship is a function of combining and organizing natural resources, capital goods, labour, assuming the risks of business failure, and providing the creativity and managerial skills necessary for production to take place.

5. Facts are how individuals and institutions behave in producing, exchanging, consuming goods and services change with time.

Task 5. *Tell the definition of words:*

- a) economics;
- b) factors of production;
- c) an economic model.

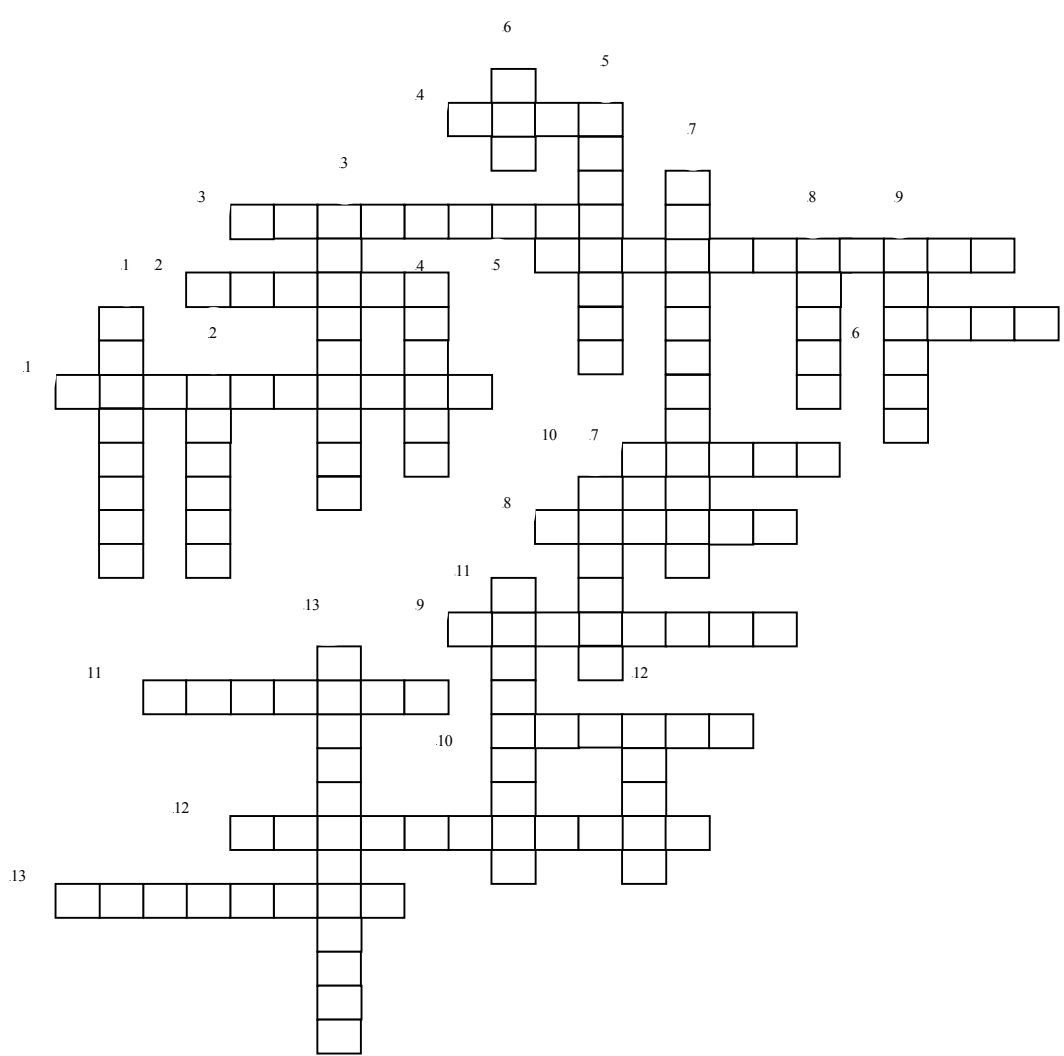
Task 6. *Choose the right variant:*

1. Macroeconomics is a branch of economics that studies such variable as:
 - a) inflation;
 - b) society;
 - c) supply and demand.
2. Choose the natural resources:
 - a) tools, trucks, railroads;
 - b) water, forests, air;
 - c) food, clothing, newspapers.
3. How do opportunity costs affect both individuals and nations?
 - a) a state must spend less money on education;
 - b) an individual has to give up something that gives him pleasure;
 - c) an individual or a nation has to sacrifice something for the choice made.

Task 7. *Complete the crossword, finding English equivalents:*

Glues Across: 1) производство; 2) прибыль; 3) капитал; 4) зарплата; 5) потребление; 6) издержки, цена; 7) акция; 8) труд; 9) дефицит; 10) выпуск продукции (производительность); 11) доход; 12) расход; 13) услуги.

Glues Down: 1) покупка; 2) спрос; 3) инфляция; 4) богатый предприниматель; 5) рабочий; 6) налог; 7) распределение; 8) цена товара; 9) доход; 10) ежемесячная зарплата; 11) экономика (предмет); 12) дополнительные преимущества (выгоды); 13) предприниматель.



2.2. Economic Systems

Task 1. *Insert the articles if necessary.*

1. In a democracy, voting procedures determine ___ society's will.
2. It is necessary to decide what kinds of ___ consumer and capital goods will be produced.
3. Food can be produced by ___ large or ___ small number of workers.
4. This question is the most difficult of all because it involves ___ issue of fairness.
5. The basic economic questions are answered directly by ___ people involved.
6. A market economy is ___ opposite of a command economy.
7. In such economies, buyers and sellers have ___ great deal of economic freedom.
8. All major economies are mixed economies in ___ sense that some decisions are made by ___ individuals and some are made by ___ governments.
9. Collapse of ___ 2nd World led to classification problems.
10. This term no longer made ___ sense.

Task 2. *Choose the best word to complete the sentences:*

1. An economic system works via the ... of three invisible forces. (intersection, interference, interaction)
2. An economic system is closely tied to a ... system. (political, social, financial)
3. No nation can produce enough goods and services to satisfy everybody's (needs, wants, desires, wishes)
4. In ... economy each unit produces most of its own goods and consumes what it produces. (command, mixed, traditional)
5. In ... economies individuals have little control or influence over the way the basic economic questions are answered. (traditional, command, market)
6. In ... economies buyers and sellers send signals to one another as they interact through the system. (traditional, command, market, mixed)
7. ... economies face the task of moving from a centrally planned system towards a more market-oriented approach. (mixed, transition, traditional)

Task 3. *Define the following:*

- | | |
|--|-----------------------------|
| 1. An economic system is... | 5. Market economy is... |
| 2. Three basic economic questions are... | 6. Mixed economy is... |
| 3. Traditional economy is... | 7. Transition economy is... |
| 4. Command economy is... | |

Task 4. *Translate into English.*

A. *Words and expressions:*

Дефицит, альтернативная стоимость, невидимые силы, принятие экономических решений, процедура голосования, ограниченные ресурсы, равная доля, средства производства, удовлетворить потребности, экономика переходного периода.

B. *Sentences:*

1. Необходимо решить, какие товары и услуги производств, используя ограниченные ресурсы.
2. Этот вопрос самый трудный, т.к. он включает проблему справедливости.
3. Существуют три основных способа принятия экономических решений.
4. В командной экономике правительство владеет природными ресурсами и средствами производства.
5. Американская экономика является преимущественно рыночной.
6. Смешанная экономика представляет собой смесь рынка, правительственного влияния и традиции.

III. THE MACROECONOMY

3.1. Gross Domestic Product

Task 1. *Insert articles if necessary*

1. GDP is ... market value of all ... final goods and services produced within ... country in ... given period of time.
2. ... nominal GDP reflects both ... prices of ... goods and services and ... quantities of ... goods and services ... economy is producing.
3. Items are included in ... nation's GDP if they are produced domestically, regardless of ... nationality of ... producer.
4. Nominal GDP is ... value of all ... final goods based on ... prices existing during ... time period of production.
5. By holding ... process constant at ... base-year levels ... real GDP reflects only ... quantities produced.
6. GDP adds together many different kinds of products into ... single measure of ... value of ... economic activity.
7. ... domestic firm's sale to ... buyer in ... another country such as ... Boeing sale to ... British Airways increases ... net exports.
8. NNP is ... total income of ... nation's residents minus losses from ... depreciation.

Task 2. *Open the brackets, use the proper tense form.*

1. (To understand) how the economy (to use) its scarce resources, economists often (to interest) (to study) the composition of GDP among various types of spending.
2. Because GDP (to intend) (to measure) income from the production, transfer payments (to count/not) as part of government purchases.
3. Other measures differ from GDP (to exclude) or (to include) certain categories of income.
4. Disposable personal income is the income that households (to leave) after (to satisfy) all their obligations to the government.
5. Market prices (to measure) the amount people (to pay) for the different goods and (to reflect) the value of those goods.
6. The expenditure approach (to sum) the four major spending components of GDP (to consist) of: consumption, investment, government purchases, net exports.

Task 3. *Identify the one underlined word or phrase marked A),B),C) or D) that must be changed and correct the mistake.*

1. A) If we could measure; B) these totals we could examine whether the; C) resources available to the residents of a country; D) change through time.
2. The A) unadjusted; B) datum show; C) clearly that the economy produces more goods and services during some time of a year; D) than during others.
3. A) By these two statistics we; B) can compute; C) a third called; D) the GDP deflator.
4. A) There are some products that; B) GDP excludes because; C) to measure them; D) is so difficult.
5. NNP is A) the total income of; B) a nation's residents; C) minus losses; D) from depreciation.
6. A) Although various measures of income; B) differ in detail they almost always; C) tell the same story; D) about economic conditions.
7. A) To a macroeconomic; B) standpoint transfer; C) payments are like; D) a tax rebate.

Task 4. *Translate into English:*

A. Рыночная стоимость конечных товаров и услуг; государственные закупки; всеобъемлющий; располагаемый доход; чистый национальный продукт; на внутреннем рынке; производить и продавать незаконно; сезонная корректировка; дефлятор ВВП; добавочная стоимость; по договоренности; амортизация; промежуточные товары.

B. Трансферные платежи не выплачиваются в обмен на производимые в данный период времени товары и услуги.

Для наблюдения за колебаниями в макроэкономике не имеет значения, какой именно измеритель дохода используется.

Чистый экспорт равен покупкам отечественных товаров иностранцами (экспорт) минус покупки в стране иностранных товаров (импорт).

Чтобы понять, как экономика использует свои ограниченные ресурсы, экономисты часто рассматривают ВВП как совокупность различных расходов.

ВВП включает стоимость произведенных товаров и услуг за определенный промежуток времени.

3.2. Inflation

Task 1. Find the opposites from *A* and *B*.

<i>A</i>	<i>B</i>
1) inflation	a) demand-pull inflation
2) income	b) spending
3) creditors	c) debtors
4) cost-push inflation	d) surplus
5) recipient	e) lender
6) shortage	f) deflation

Task 2. Match the words in *A* with their definitions in *B*:

<i>A</i>	<i>B</i>
1) base year	a) a person making a loan
2) boundary	b) the wear and tear on the economy's stock of equipment and structures
3) depreciation	c) the income that households and non-corporate businesses receive
4) personal income	d) the total income of a nation's residents (GDP) minus losses from depreciation
5) disinflation	e) a decrease in the general level of prices
6) lender	f) a year chosen as a reference point
7) net national product	g) a limit or a border

Task 3. Insert prepositions if necessary.

1. Inflation hurts people who have loaned ... money ... a rate ... interest that didn't include an allowance ... an increase ... the average price level.
2. The average level... prices is called the price level and is measured ... a price index.
3. Demand-pull inflation is usually associated ... conditions ...full employment.
4. Changes ... the CPI are based ... a typical market basket... products purchased that doesn't match the actual market basket purchased ... many consumers.

Task 4. Complete the sentences:

1. The boundary between inflation and ... is price stability.
2. The is the percentage change in the price level.
3. Inflation hurts people living on ... money incomes.
4. is often expressed as "too much money chasing too few goods".

5. One source of is supply shocks.
6. Demand-pull inflation occurs when the ... power in the economy increases faster than the economy's productive ...
7. If inflation is correctly anticipated, contracts can be negotiated to include

Task 5. *Choose the correct variant.*

1. There are two kinds of inflation. They are ...
 - a) Demand- Push and Cost- Pull Inflation.
 - b) Demand-Pull and Cost-Push Inflation.
 - c) Demand-Push and Cost-Push Inflation.
2. The consumer price index (CPI) ...
 - a) measures the cost of purchasing a market basket of goods and services by a typical household during a base year period relative to the cost of the same bundle during a lime period.
 - b) is a measure that compares changes in the prices of all final goods during a given year to the prices of those goods in a base year.
 - c) measures the cost of purchasing a market basket of goods and services by a typical household during a lime period relative to the cost of the same bundle during a base year.
3. Deflation is ...
 - a) a reduction in the inflation rate.
 - b) a decrease in the general level of prices.
 - c) a situation in which a decline in the purchasing power of money results in a rise of the general price level.

Task 6. *Say whether these statements are true or false.*

1. Cost-push inflation is an increase in the general price level resulting from an increase in the cost of production.
2. Cost- push inflation is caused by too much money chasing for few goods.
3. Demand-pull inflation occurs when aggregate demand in the economy increases faster than the economy's productive capacity.
4. Hyperinflation is an extremely rapid rise in the general price level.
5. The consume price index (CPI) is the most widely known price-level. It measures the cost of purchasing a market basket of goods and services by a typical household during a time period relative to the cost of the same bundle during a base year.
6. Demand-pull inflation is an increase in the general price level resulting from an increase in the cost of production.

Task 7. Give the English equivalents for the following:

- a) реальная покупательская способность;
- b) кредитор последней инстанции;
- c) совокупные расходы;
- d) производственная мощность;
- e) инфляция спроса;
- f) стимулировать расходы;
- g) инфляционная надбавка;
- h) замедление темпов инфляции;
- i) избыточный спрос;
- j) инфляционные ожидания;
- k) шоки предложения;
- l) индекс потребительских цен;
- m) понижение покупательской способности.

3.3. The Business Cycle

Task 1. *Mark if the statements are TRUE or FALSE.*

1. Other things remaining constant, the higher the unemployment rate, the lower is the inflation rate
2. During a boom, the demand for goods and services declines and the economy begins to work at below its potential
3. During a recession the economy expands to the point where it is working at full capacity, so that production, employment, prices, profits, investment and interest rates all tend to rise
4. The highest point on the business cycle is called a peak, which is followed by a downturn or downswing or a period of contraction.
5. The lowest point on the business cycle is called a trough, which is followed by a recovery or an upturn or upswing or a period of expansion.
6. Investment is closely linked to consumption, and only takes place when demand and output are growing.
7. Structural unemployment is unemployment caused by a mismatch of the skills of workers out of work and the skills required for existing job opportunities.
8. Full employment means zero percent unemployment.

Task 2. *Expand the sentences:*

1. The unemployment rate is
2. Employment is
3. The labour force is
4. Negative growth is ...

Task 3. *Describe two of the following concepts.*

1. Types of unemployment.
2. Categories of people termed “between jobs”.
3. Advantages of frictional and structural unemployment.
4. Impact of technology changes on unemployment.

Task 4. *Identify the one underlined word or phrase marked A),B),C) or D) that must be changed and correct the mistake.*

1. A) The highest point on the business cycle B) is called a peak, which C) followed by a downturn or downswing or D) a period of contraction.
2. When economic A) times are good or when people feel B) good C) about the future, they spend, and D) run off debts.
3. A) As soon as demand B) stop growing C) at the same rate, even at a

- very D) high level, investment will drop.
4. A) To be classified as unemployed, a person B) must be able and willing to work, be actively C) seeking work, and be D) without a job.
 5. A) How big this cost is B) depend on the C) natural rate of D) unemployment.
 6. A) A raise B) in the unemployment rate also C) causes an increase D) in the amount of crime.

Task 5. Translate into English:

A. Сальдо; обесцениваться; ухудшаться; нисшая точка цикла; спад; экономический подъем; сезонная безработица; снижение налогов; ипотека; увольнение; полная занятость; дефляционный разрыв; выпуск продукции;

B.

1. Фрикционная безработица связана с краткосрочным периодом, необходимым для поисков новой работы, в связи с получением образования, выходом из декретного отпуска, переездом.
2. С ростом благосостояния фрикционная безработица может возрастать, а сокращение ее возможно по мере улучшения методов сбора информации о рабочих местах, что, тем не менее, требует увеличения издержек.
3. Структурная безработица связана с периодом поиска работы теми работниками, чья специальность или квалификация не позволяют им найти необходимую работу.
4. Структурная безработица связана, таким образом, с несоответствием спроса и предложения на рабочую силу.
5. Циклическая безработица – это разница между уровнем безработицы в данный момент промышленного цикла и естественным уровнем безработицы.
6. В условиях рецессии, циклическая безработица добавляется к фрикционной и структурной, а в условиях экспансии ее негативное значение сокращает уровень безработицы, вычитая циклическую безработицу из фрикционной и структурной.

3.4. Banking

Task 1. Match the words below to make word partnerships:

- | | |
|------------------|----------------|
| 1) extension of; | a) account; |
| 2) savings; | b) price; |
| 3) to charge; | c) management; |
| 4) portfolio; | d) credit; |
| 5) futures; | e) interest. |

Task 2. Match the words from *A* with their synonyms from *B*:

- | | |
|-----------------------|------------------------|
| 1) to be in credit; | a) discount rate; |
| 2) base rate; | b) to stop a cheque; |
| 3) to clear a cheque; | c) creditor; |
| 4) lender; | d) to be in the black; |
| 5) a cashier; | e) a bank teller. |

Task 3. Insert prepositions:

1. The Federal Reserve does not rely ... Congress for funding.
2. ... a result ...the Great Depression in the 1930, Congress gave the Fed the authority to vary reserve requirements.
3. During World War 2, Federal reserve operations were subordinated ... helping the Treasury borrow money ... low interest.
4. The governors are independent ... political pressure ... either Congress or the president.
5. ... the late 1950, the Fed's emphasis was ... price stability and restriction ... monetary growth.
7. In 1979 the Federal Reserve adopted a policy aimed ... more directly controlling the money supply.
8. Commercial banks make profit ... charging interest payments ... over-drawn accounts.
9. The advantage ...overdrafts is that interest rate is repayable only ... the amount owed ... a particular time.
10. In their pursuit ... high profit, the banks sometimes get involved ... risky operations fraught ... bankruptcy.
11. Most financial institutions operate ... the principle ... attracting deposits and then lending them ... the other customers.

Task 4. *Choose the correct answer:*

1. At the center of the U.S. banking system is...
 - a) the Federal Reserve System.
 - b) the National Bank.
 - c) the Central Bank of USA.
 - d) the Credit Union.
2. A country's minimum interest rate is usually fixed by...
 - a) the commercial banks.
 - b) the credit unions.
 - c) the central bank.
 - d) the investment banks.
3. The reserve requirements is...
 - a) the interest rate a central bank charges on loans of reserves to banks.
 - b) the sum of money equal to a certain percentage of deposits that a bank must keep on hand.
 - c) one nation's currency that equals one unit of another nation's currency.
 - d) the currency supplied by the Central Bank both to the commercial banks and to private circulation.
4. The yield is...
 - a) buying and selling stocks and shares for clients.
 - b) available cash, and how easily other assets can be turned into cash.
 - c) the date when a loan becomes repayable.
 - d) how much money a loan pays, expressed as a percentage.
5. To combat inflation the government will often...
 - a) decrease the interest rate.
 - b) raise the interest rate.
 - c) raise the reserve requirement.
 - d) decrease the exchange rate.

Task 5. *Complete the following sentences:*

1. A central bank of the Republic of Belarus is the _____.
2. The Fed regulates the money supply by four basic tools: the _____, the _____, buying and selling government bonds on the open market and credit controls.
3. Commercial banks will lend money in two ways: by a _____ and by an _____.
4. In some European countries there have always been _____ combining deposit and loan banking with share and bond dealing and investment services.

5. Commercial banks accept _____ and use these funds to make _____.

Task 6. *Are the following sentences true or false?*

1. Creditors prefer low interest rates.
2. The Fed's main task is to set and implement monetary policy.
3. The commercial banks of the Republic of Belarus may be both state-owned and non-state banks set up by founders on a share or contribution basis.
4. The overdraft is charge at a fixed rate of interest repayable over a fixed period of time.
5. The commercial banks cater to big companies only.
6. The central bank in Britain can use control of interest rates, open market operations and required reserves to influences the monetary base and over-all interests rates in the economy.
7. The first level of the banking system is represented by commercial banks through which the monetary policy of Belarus is implemented.

Task 7. *Give the English equivalents:*

- | | |
|-----------------------------|--------------------------------|
| 1) текущий счёт; | 6) операции на открытом рынке; |
| 2) заём, кредит; | 7) денежное обращение; |
| 3) цена на наличный товар; | 8) валютная биржа; |
| 4) учётная ставка; | 9) поглощение; |
| 5) положить деньги на счёт; | 10) срок платежа. |

Task 8. *Translate into English:*

1. Вы обязаны предоставить информацию, подтверждающую вашу платежеспособность.
2. Я бы хотел перевести свой вклад в другой банк.
3. Согласно постановлению банк обязан вернуть вкладчику 2 000 \$ в случае банкротства.
4. Открывая текущий счет в банке, вы должны осознавать, что сможете снимать деньги, но не получите никаких процентов.
5. Я превысил свой счет в банке и мой чек не был оплачен.
6. Государство понижает процентную ставку, чтобы простимулировать застойную экономику.
7. Международный валютный фонд способствовал стабилизации курсов иностранных валют.

3.5. Money and Monetary Policy

Task 1. Complete each sentences with a suitable preposition.

1. Society enforces the use of fiat money ... making it legal tender.
2. Money serves ... a unit of account, ... a store of value, and ... a standard of defended payment.
3. The unit ...account is the unit ... which prices are quoted and accounts are kept.
4. ... enough cash, the public must suffer forgone interest.
5. The cash ... circulation and the reserves ... private banks together are called the monetary base.
6. Increased supply of ... money may cause problems ... people whose incomes do not increase ... a rate consistent ... inflation.
7. According ... the monetarists, financing the deficit drive ... the interest rate and crowd ... a substantial amount ... investment spending.
8. Discount rate is the rate ... which the central bank is ready to lend ... commercial banks.
9. All values ... economic systems are measured ... terms ... money.
10. The Federal Reserve does not rely ... Congress ... funding.

Task 2. Complete the sentences using the verbs in the brackets.

1. Is a company's financial health ... good and its assets sufficient, it ... capital. (be, raise)
2. If the market ... to buy the issue at a minimum price, the banker ... them and ... the loss. (refuse, take, absorb)
3. If profits ..., the owners of preferred stock ... dividends before those with common stock. (be/limit, pay)
4. If money ... scarce, interest rates ... to rise because those seeking loans will be competing for fund. (be, tend)
5. If plenty of money ... available for loans, the rate ... to move download. (be, tend)
6. If the debt-equity mix ... too out of balance, the firm ... bankrupt. (be, go)
7. If he ... employees or creditors on time, he ... into bankruptcy. (can/not/pay, be/force)
8. A man's credit ... good if his assets ... to be considerable. (be, know)
9. If his assets ... in doubt, it ... difficult for him to obtain large sums of credit. (be, be)
10. If too much money ... available, its value (be, decrease)
11. If the Bank of England ... that the interest rates will have to rise then the commercial banks ... also their interests rates. (recommend, raise)

12. If borrowing ... more expensive, businessmen ... more reluctant to borrow and develop their business. (become, become)

Task 3. *Choose the correct answer.*

1. The discount interest rate is known as:
 - a) exchange rate.
 - b) tax rate.
 - c) base rate.
 - d) money rate.
2. Flat money is supplemented by:
 - a) token money.
 - b) betting money.
 - c) IOU money.
 - d) mattress money.
3. The narrowest commonly used measure of money M1 consists of:
 - a) bills.
 - b) checking accounts.
 - c) coins.
 - d) all of the above are included.
4. The unit in which prices are quoted and accounts are kept is called:
 - a) the medium of exchanged.
 - b) the store of value.
 - c) the standard of deferred payment.
 - d) the unit of account.
5. The speculative demand for money is also called:
 - a) “betting money”.
 - b) “fiat money”.
 - c) “token money”.
 - d) “mattress money”.
6. The dominant school of economic thought before the Great Depression was:
 - a) Classical.
 - b) Keynesian.
 - c) Monetarist.
 - d) Recardian.
7. What is the primary instrument used to regulate monetary policy in the USA:
 - a) open market operations.
 - b) changes in reserve requirements.
 - c) changes in discount rate.
 - d) credit controls.

Task 4. *Based on the topic, conclude whether the following statements are TRUE or FALSE:*

1. Commodity money is mainly paper currency issued by governments and deposits in checking accounts that are accepted as a means of payments for goods and services.
2. The narrowest commonly used measure of money M1 consists of currency and current accounts.
3. The transactions demand for money is the stock of money people hold to pay unpredictable expenses.
4. Mainly paper currency issued by governments and deposits in checking accounts that are accepted as a means of payments for goods and services is token money.
5. People can exchange all goods and services for money.
6. A key assumption of Keynesian theory is that, given time to adjust, prices and wages will decrease to ensure the economy operates at full employment.
7. Monetarists believe that the fiscal policy has a big effect on the economy because of the crowding-out effect.

Task 5. *Give the English equivalents:*

- 1) счетная единица;
- 2) единица отсроченного платежа;
- 3) взаимовыгодный обмен;
- 4) законное средство платежа;
- 5) спрос на деньги для совершения сделок;
- 6) спрос на деньги для непредвиденных расходов;
- 7) взаимные фонды денежного рынка;
- 8) финансовые активы, приносящие доход;
- 9) эффект вытеснения.

Task 5. *Translate the sentences:*

1. Товары и услуги продаются за деньги, а деньги в свою очередь обмениваются на другие товары и услуги.
2. Драгоценные металлы всегда служили запасом ценностей.
3. Банкноты выпускаются правительством и некоторыми банками и считаются законным платёжным средством.
4. Если человек обладает значительными активами, он может получить хороший кредит.
5. Покупательная способность денег зависит от спроса и предложения.

3.6. Fiscal Policy

Task 1. *Think of the words that are similar in meaning for the following:*

Increase, fall, gain, double, plummet, cut, deficit, influence, restrict, surplus.

Task 2. *Insert prepositions where necessary:*

1. Fiscal policy aims ____ changing the level of government spending and taxes.
2. If the demand ____ goals increases, prices continue to rise.
3. According ____ Keynes a tax increase could reduce the demand and relieve the pressure ____ prices.
4. The depression was a result of a drop ____ effective demand.
5. Surpluses are the exact opposite ____ the deficits.
6. Fiscal policy should move ____ a surplus in the government budget.
7. Workers who are laid ____ automatically fall into a lower tax bracket.
8. The higher taxes take money ____ their pockets.
9. The US has gone vary far ____ the past 50 years ____ expanding the role of government in the economy.
10. Economic freedom is freedom to use the recourses in accordance ____ our own values.

Task 3. *Translate from Russian to English.*

- 1) расширить совокупный спрос;
- 2) повысить выпуск продукции;
- 3) увеличение правительственных расходов;
- 4) стимул для экономического роста;
- 5) увеличенная потребность в товарах и услугах;
- 6) падение платежеспособного спроса;
- 7) дефицит федерального бюджета;
- 8) доходы от налогов;
- 9) сдерживающая фискальная политика;
- 10) стимулирующая фискальная политика.

Task 4. *Insert articles where necessary:*

1. In order to end ____ recession of 1980-81 the government tried to expand aggregate demand.
2. After ____ nation's economy reaches full capacity production cannot expand.
3. Depressions occur as ____ result of a drop in effective demand.
4. We have ____ balanced budget when government expenditures are equal

to tax revenue.

5. If people save the money ___ consumption remains low.
6. Health care is ___ public responsibility.
7. All recreational facilities are more needed by ___ underprivileged than by ___ affluent.
8. Another essential part of economic freedom is freedom to use ___ resources we possess in accordance with our values.
9. You are not free to set up ___ bank without ___ permission from a government official.
10. The urgent need today is to eliminate ___ restrictions, not add to them.

Task 5. *Explain why...*

1. Production cannot expand after a nation's economy reaches full capacity.
2. In periods of depressions the government should increase its spending and cut taxes.
3. There occur a federal budget deficit.
4. The role of the government in the economy should expand (be reduced).

Task 4. *Give the definitions of:*

- fiscal policy;
- the budget deficit;
- the budget surplus;
- the expansionary and contractionary fiscal policy.

IV. THE MICROECONOMY

4.1. Supply and Demand

Task 1. *Insert articles if necessary.*

1. ... surplus or ... shortage exists at any price where ... quantity demanded and ... quantity supplied are not equal.
2. ... change in ... quantity demanded is ... movement along ... stationary demand curve caused by ... change in ... price.
3. As ... price rise or fall ... market moves towards ... equilibrium.
4. ... Supply, ... quantity of ... product that ... suppliers will provide, is ... seller's side of ... market transaction.
5. ... Demand is ... amount of ... goods that ... buyers are willing and able to purchase.
6. ... bad publicity has had ... adverse effect on our reputation.

Task 2. *Open the brackets and put the verbs in the necessary tense forms.*

1. If you ... (to want) to know how any event or policy ... (to affect) the economy, you must think first about how it ... (to affect) supply and demand.
2. If you ... (to expect) the price of goods ... (to rise) in the future, you ... (to put) some of your current production into storage.
3. Manufacturing output ... (to increase) has increased by 8% in two years.
4. At the equilibrium price everyone in the market ... (to be satisfied): buyers ... (to buy) all they ... (to want) to buy and seller ... (to sell) all they ... (to want) to sell.
5. Once the market ... (to reach) its equilibrium all buyers and sellers ... (to be satisfied) and there ... (to be) no upward or downward pressure on the price.
6. If the price of salt ... (to go) up 10% you ... (to pay) extra amount rather than ... (to go) without salt.
7. What ... (to happen) to our sales if we ... (to increase) our advertising costs by 5%?

Task 3. *Identify the one underlined word or phrase marked A),B),C) or D) that must be changed and correct the mistake.*

1. Price A) continue; B) to fall; C) unless the market; D) reaches its equilibrium.
2. The bad publicity; B) has had; C) an adverse; D) affect on our reputation.

3. Elasticity allows; B) to analyze supply and demand; C) with; D) greatest precision.
4. When any of the A) nonprice; B) determinants of supply; C) changes, the supply curve responds; D) in shifting.
5. Quantity A) supplied is; B) an amount of; C) a good that sellers; D) are willing and able to sell.
6. The law of supply A) states that there is a; B) direct; C) relation between the price and the quantity; D) supplied.
7. Elasticity is; B) a measure of; C) how many buyers and sellers; D) respond to changes in market conditions.

Task 4. *Translate into English.*

A. При прочих равных; обратно пропорциональны; равновесие; потребительский рынок; ежедневный выпуск продукции; доход; облагаемый налогом; низший товар; цена очищения рынка; процентное изменение цены; перекрестная эластичность спроса.

B.

1. Вы думаете, рост процентной ставки повлияет на уровень потребительских расходов?
2. Комплементы – это пары товаров, которые часто используются вместе.
3. Действия покупателей и продавцов естественным образом подталкивают рынок к равновесию спроса и предложения.
4. Поставщики снижают цены в ответ на избыток товара.
5. Одним из важнейших факторов, определяющих величину спроса, является цена товара или услуги.

4.2. Market Structure

Task 1. True or False:

1. Pure competition is characterized by that in the market the big number of the firms which are releasing similar, but not identical products operates.
2. Easy entry and *exit* of firms from the market are a necessary condition of the pure competition.
3. In conditions of the pure competition demand for production of branch represents a horizontal line.
4. Monopolist receives economic profit only in the long-term period.
5. Demand curve from which the monopolist collides, is less elastic, than a demand curve of competitive firm.
6. Increase of the prices for the goods at a monopolistic competition is the reason of that manufacturers start, as against conditions of the pure competition, to receive economic profit.

Task 2. Answer the following questions.

1. The situation which is coming nearer to a pure competition, most likely, will be characteristic for:
 - a. The market of grain.
 - b. The market of cars.
 - c. The market of teachers services.
 - d. The market of pencils.
2. An example of monopsony, limited oligopoly, is:
 - a. The market of drugs.
 - b. Business in which Tchitchikov in « Dead souls » was engaged.
 - c. slave trade (работоторговля).
 - d. Business "MMM".
3. The monopolistic competition arises in the markets of those goods, where elasticity of demand:
 - a. It is low.
 - b. It is approximately equal 1.
 - c. It is high.
 - d. Can be any.
4. If monopoly in branch is replaced by a monopolistic competition, from it:
 - a. Sellers win.
 - b. Buyers win.
 - c. Win both sellers, and buyers.
 - d. Nobody wins.
5. What market, most likely, will be monopoly.
 - a. A gaz station in a countryside.
 - b. The market of roses.
 - c. The market of grain.
 - d. The seller of "Snickers".

6. The market of red carnations will be...
- Monopoly.
 - The pure competition.
 - A monopolistic competition.
 - Cartel.
7. The markets of the pure competition and a monopolistic competition are similar that...
- The homogeneous goods are released.
 - The price exceeds marginal costs.
 - There are no barriers to the entry of competitors in branch.
 - Elasticity of demand is lower, than in the market of pure monopoly.

Task 3. Chainwords "Two worms of Macroeconomics".

First Chainword

1										15	17									28
								11	12	14			19							
					8													24		
				6								18								27
2															21			25	26	
			5													22				
					9	10			13		16						23			
	3			7											20					

The last letter of one word is the first letter of the second word. Some answers consist of two words. A space between them is a coloured square.

- The amount of the good that buyers are willing and able to buy.
- Oligopoly and monopolistic competition have _____ products.
- There are four _____ of supply: prices, input prices, technology and expectations.
- _____ good is a good for which, other things equal, an increase in income leads to an increase in demand.
- Monopolistic competition is often used in _____.
- Commodity, merchandise.
- A short and easily memorized phrase used in advertising.
- A small market segment.
- A situation in which various forces are in balance.
- A mechanism which brings together buyers and sellers.
- Bargain, deal.
- Superior good is also called a _____ good.
- The firm with the largest market share.

- 14) A period during which an economy is working below its potential.
- 15) Oligopoly and monopolistic competition are characterized by substantial _____ competition.
- 16) Pure competition markets have easy entry and _____.
- 17) One of the most important determinants of demand.
- 18) The _____ of price elasticity of demand is defined as the percentage change in quantity demanded, divided by the percentage change in price.
- 19) The quantity demanded is _____ to the price.
- 20) Customer, buyer.
- 21) Pure competition markets haven't got artificial _____.
- 22) The division of a market into submarkets according to the needs or buying habits of different groups of potential customers.
- 23) Some monopolies may be _____, because they have the lowest possible costs in this market.
- 24) The _____ of demand and supply says that the price of any good adjusts to bring the supply and demand for that good into balance.
- 25) The opposite to "retailing".
- 26) The synonym of "to ensure".
- 27) _____ good is a good, that very responsive to price changes.
- 28) Monopolistic competition markets have nonprice _____, such as advertising, convenient location, ample parking space, courteous service, large selection of merchandise.

Second Chainword:

1										14								21		
												16	17	18						
				7		10														
					8														23	
	3	4																		
			6																	
						11			15					19					22	
2					9		12	13												
		5																20		

- 1) Фирмы-последователи; 2) особенный; 3) фирмы-претенденты; 4) рыночная доля продаж; 5) издержки, расходы; 6) поставщик; 7) взаимоотношение; 8) цена; 9) превышать (спрос); 10) «данные» в единственном числе; 11) монополистический; 12) товары-комплементы; 13) высший товар; 14) снижение; 15) определяющий (фактор); 16) гигантская фирма; 17) товары; 18) цена равновесия; 19) излишний спрос; 20) ежедневный выпуск продукции; 21) доход, облагаемый налогом; 22) большой (спрос); 23) товары-заменители.

V. THE GLOBAL ECONOMY

5.1. International Trade

Task 1. *Insert articles if necessary.*

1.principle of comparative advantage is.....central concept in.... international trade
2. Nowadays WTO has more than 130 members.
3. In 1933.... North American Free Trade agreement reduced trade restrictions amongUnited StatesCanada and ...Mexico.
4.Embargo isstrongest limit on trade.
5. Fair trade is practice of buying goods directly from ...producers in developing countries.
6. Each exporting country has incentive to subsidize exports even whenimporting country levies.....import tariff.

Task 2. *Insert prepositions.*

1. Embargoes are the strongest limit trade.
2. There are various arguments ...restricting trade Modern tariff are imposeda different reason: to shut ...or add ...the price of certain imports.
3. Economic theory distinguishes absolute advantage and comparative advantage.
4. The effects ...free trade can be determined ...comparing the domestic price the world price.
5. Economists and the general public often disagree free trade.
6. It took nearly 50 years to arrive... the final GATT agreement.
7. Then a country allows trade and becomes an importer ... a good, consumers are better ..., and producers are worse... .

Task 3. *Open the brackets, use the proper tense forms.*

1. Britain's balance of payments deficit (to improve) slightly recently.
2. America's trade deficit (grow) sharply in February.
3. The continuing strong performance by Scotland's exporters, despite the relatively high exchange rate, (to be) very good news.
4. At present, farmers (to give) a set quota of sheep to produce in return for a subsidy under the common agricultural policy.
5. The WTO (to govern) trade in many products and raw materials, but the world of finance (to be) largely outside of its scope.
6. Customs duty on cotton (to remove) now to ensure cheaper availability of raw material.

Task 4. Identify the one underlined word or phrase marked A), B), C) or D) that must be changed and correct the mistake.

1. Goods that A) bought and sold B) on the open market are advertised and sold C) to anyone D) who wants to buy them.
2. A) According B) to the September estimates, exports C) raised D) by 18%.
3. In A) the UK visible imports B) have traditionally been C) great D) than visible exports.
4. A) The two presidents want to replace B) the suspicions of the past C) with new commercial relationship based D) on free trade.
5. The aim of A) the current round of talks B) is to promoting free trade and C) to avert the threat D) of increasing protectionism.

Task 5. Define the following statements as true or false.

1. The principle of comparative advantage is a central concept in international trade.
2. Absolute advantage is the ability of a country to produce a good using fewer resources than another country.
3. Most economists almost in all countries are against free trade.
4. There is no difference between visible and invisible imports and exports.
5. Quotas are the strongest limit of trade.
6. Belarus is a member of WTO which was set up in 1947.

Task 6. Translate into English.

A. Вводить/налагать ограничения, таможенный сбор, сравнительное преимущество, видимый (невидимый экспорт), импорт, свободная торговля, абсолютное преимущество, превзойти квоту, внешний рынок, экономия от масштаба, передовые технологии, юридический запрет торговой деятельности, ограничения.

B.

1. Следует четко понимать разницу между видимым и невидимым экспортом/импортом.
2. Государство использует эмбарго/ тарифы, квоты и другие ограничения для защиты отечественного производителя от иностранной конкуренции.
3. Большинство экономистов считают, что международная торговля должна основываться на принципе сравнительного преимущества и свободной торговли.

5.2. Global Market and Developing Nations

Task 1. *Insert necessary prepositions.*

1. Industrial nations account ... about 70% of world output.
2. Belarus economy may be considered as an economy ... transition
3. India is weighed international debts.
4. The economy of Four Tigers is concentrated ... light manufacturing
5. Developing nations range ... the poorest in the world ..those that built an industrial base.
6. WB and IMF have held ... the Tigers as models... other developing nations.

Task 2. *Mark if the following is TRUE or FALSE.*

1. Industrialized nations also large growing urban population and serious difficulties with poverty in the cities.
2. South Korea may best be described as an economy in transition.
3. EU includes only countries of Europe.
4. The term sustainable growth refers to political growth based on renewable resources and average environmental degradation.
5. Newly industrialized nations (NICs) have a slowly growing base of productive capital and rising incomes. Most of these nations have poor governments and primitive banking and financial systems
6. Brazil is weighed down with international debt and must work hard to control inflation.
7. Developing nations have a rapidly growing base of productive capital and rising incomes.

Task 3. *Complete the following sentences, use the prompts below:*

1. Economists classify the world's economies as..., ...and ... nations.
2. The term ... refers to economic growth based on renewable resources and minimal environmental degradation.
3. An ... has a large base of productive capital, sophisticated banking systems and financial markets, a variety of industries producing a broad range of products, and vigorous and varied international trade.
4. Newly industrialized nations (NICs) have a rapidly growing base of productive capital and
5. A number of developing nations have large, growing urban populations and serious difficulties with ... ,... and
6. These measures would ...economic crisis in this country.

Task 4. *Give definitions to the following terms.*

1. Global Market.
2. Sustainable growth
3. Devaluation
4. Special Drawing Rights

Task 5. *What do the following abbreviations mean? Give their Russian Equivalents.*

LDC, G-8, IN, NIC, IMF, SDC, WB, WTO, ICC, APEC, MNC, NGO, OECD.

Task 6. *Translate from Russian into English.*

Крупнейшие мировые рейтинговые агентства Standard & Poor's и Fitch Ratings опубликовали обзор ситуации на развивающихся рынках. По мнению аналитиков агентств, в скором времени развивающимся странам грозит существенное снижение темпов роста экономики, если текущие глобальные энергетические проблемы повлияют на настроения инвесторов. Усиление рисков связано с таким фактором, как стремительный рост цен на нефть.

В Сиднее – крупные беспорядки. Там открылась международная конференция по предпринимательству и инвестициям под патронажем американского миллиардера Стива Форбса. Несколько сотен активистов антивоенных движений, защитников окружающей среды и антиглобалистов устроили митинг перед зданием Сиднейской оперы.

Глобальный экспорт в 2004 году достиг отметки \$9068,6 млрд., что на 21,2% больше, чем в 2003 году. Об этом говорится в "Белой книге" по торговле и инвестициям, обнародованной сегодня Японской организацией развития внешней торговли (JETRO). Этот показатель растет третий год подряд, каждый раз становясь беспрецедентным. По подсчетам JETRO, столь быстрых темпов не наблюдалось на протяжении последней четверти века. В числе главных причин организация называет в первую очередь продолжающийся рост товарооборота США и Китая. У последнего темпы роста как экспорта, так и импорта в минувшем году превысили 35%.

VI. BUSINESS ADMINISTRATION

6.1. Company Structure

Task 1. Give the English equivalents.

Предприниматель, субъект хозяйствования, активы, пассивы, единоличное предпринимательство, совет директоров.

Task 2. Match the words with their definitions.

limited company	gaining control of a company by buying its shares
partnership	joining together of two separate companies
a sole proprietor	company whose owners are not legally responsible with their own personal holdings
liabilities	relationship in which people work together as partners
merger	person who owns his business and has no partners
takeover	sums of money which company owes

Task 3. Choose synonyms from the two columns and arrange them in pairs.

ownership	entity
bankruptcy	stock
goods	chairperson
business	property
shares	commodities
chairman	collapse

Task 4. Choose antonyms from the two columns and arrange them in pairs.

advantage	profit
lender	success
employer	gain
costs	disadvantage
failure	employee
loss	borrower

Task 5. Choose the correct answer.

Every company must watch its ... carefully if it is to avoid bankruptcy

- | | |
|---------------------|--------------------|
| a) director | e) production line |
| b) sales manager | f) output |
| c) chief accountant | g) competitors |
| d) cash flow | h) all the above |

Task 6. *Cross the odd word out.*

- a) business, partnership, company, enterprise, corporation, entrepreneurship, start-up, sole proprietorship, firm, holding, entity;
- b) work unit, task force, department, affiliation, company branch, shareholders' general assembly, division, special group;
- c) revenue, earnings, expenditures, income, proceeds, profit;
- d) worker, officer, employee, chief, operative, subordinate, executive.

Task 7. *Choose the right variant.*

- a) work at a company;
- b) work for a company;
- c) work in a company;
- d) work with a company;
- e) all the above.

Task 8. *Complete the sentences using the words given below.*

- a) A sole proprietorship offers the owner ... and ... in making decisions.
- b) A sole proprietorship does not operate under a
- c) The ... of a company are appointed by the shareholders.
- d) ... in business is like strategy in war.
- e) Corporations can ... larger amounts of
- f) In limited companies, ownership is represented by ... of stock.

Words for reference: freedom and flexibility, raise, direction, shares, directors, rigid charter.

Task 9. *Say whether these sentences are true or false.*

- a) A sole proprietorship cannot be dissolved as easily as it can be started.
- b) The chairman of the board is accountable to the shareholders' general assembly.
- c) The directors of a company are appointed by the shareholders.
- d) Instructions must be passed downward and information upward.
- e) Strategic decisions are concerned with the disposition of resources.
- f) Limited companies are taxed twice.

6.2. Management

Task 1. *Give the English equivalents.*

Власть, полномочие; ответственность, обязанность; должностные обязанности; делегировать полномочия; обработка информации; направлять поток информации; принятие решений; видеть ситуацию в целом; держать ситуацию под контролем; предпринимать корректирующие воздействия.

Task 2. *Match the words with their definitions.*

- | | |
|--------------------------------|--|
| 1) management | a) planning, organizing, leading, controlling |
| 2) level of management | b) economic, technological, political/legal, social/cultural, and ecological factors |
| 3) managerial functions | c) customers, creditors, suppliers, competitors, employees, shareholders |
| 4) managerial skills | d) technical, decision-making, conceptual, analytical, communicative, computer |
| 5) external remote environment | e) set of activities designed to meet an organization's objectives |
| 6) external task environment | f) upper, middle, lower |

Task 3. *Choose synonyms from the two columns and arrange them in pairs.*

- | | |
|----------------------|------------------|
| 1) start-up | a) boss |
| 2) operate a company | b) produce |
| 3) operative | c) set up |
| 4) chief | d) subordinate |
| 5) manufacture | e) run a company |
| 6) customer | f) client |

Task 4. *Choose antonyms from the two columns and arrange them in pairs.*

- | | |
|--------------------------|----------------------------|
| 1) to start-up a company | a) managers |
| 2) to use | b) non-profit organization |
| 3) operatives | c) inefficiently |
| 4) outputs | d) to misuse |
| 5) profit organization | e) to dissolve a company |
| 6) effectively | f) inputs |

Task 5. *Choose the correct answer.*

Top managers spend most of their time in:
a) controlling; b) leading; c) planning; d) organizing.

Task 6. *Cross the odd word out.*

- a) purpose, aim, end, means, goal, objective, target.
- b) liabilities, debts, indebtedness, assets, responsibilities, obligations, due to, promissory note.
- d) goods, merchandise, services, products, commodities, items.

Task 7. *Choose the right variant.*

Hire people more for their:

- a) expertise;
- b) intelligence;
- c) skills;
- d) attitudes.

Task 8. *Complete the sentences using the words given below.*

- a) The ... justifies the means.
 - b) Operatives are people who work directly on a ... or
 - c) A ... is a set of independent ... that processes ... into outputs.
 - d) An organization is a managed ... designed and operated to achieve a specific ... of objectives.
 - e) Managers are individuals who ... and ... new projects and ... decisions.
-

Words for reference: system, inputs, set, initiate, aim, task, oversee, parts, make, job.

Task 9. *Say whether these sentences are true or false.*

- a) Almost everything a manager does involves decision.
- b) Efficiently means accomplishing the objectives with a minimum of resources.
- c) Managers spend most of their time in planning and controlling.
- d) To be a good manager, you have to like people.
- e) Let people know, whom to please.
- f) There is nothing rigid or absolute in management affairs, it is all a question of proportion.

6.3. Accounting

Task 1. *Find a synonym:*

A.

- | | |
|----------------|-----------------|
| 1) responsible | a) buy |
| 2) public | b) influence |
| 3) earnings | c) costs |
| 4) purchase | d) information |
| 5) impact | e) provide with |
| 6) acquire | f) employ |
| 7) expenses | g) in charge of |
| 8) supply | h) obtain |
| 9) hire | i) state-owned |
| 10) evidence | j) income |

B.

- | | |
|------------------------|---|
| 1) property | a) assets equal liabilities plus owner's equity |
| 2) equal | b) provide information item by item |
| 3) condition | c) indicate by words or symbols |
| 4) detail | d) have the same value as |
| 5) accounting equation | e) a series of transactions, changes, or functions that bring about a particular result |
| 6) monetary | f) the existing circumstance |
| 7) process | g) anything owned by a person |
| 8) express | h) pertaining to money. |

Task 2. *Join the halves.*

1. Before making a loan, potential lenders ...
2. Both profit and non-profit organizations
3. Public accountants are those who
4. Several accounting organizations have formulated
5. To do an audit, there must be information in a
6. It is important to obtain a sufficient....
7. The final stage in the audit process is
8. Very often the general public
9. The function of accounting is to provide certain types of... .
10. Auditing is the process of recording, classifying and summarizing economic

- a) serve the general public and collect professional fees for their work.
- b) quality and volume of evidence to satisfy the audit objectives.
- c) the audit report.
- d) quantitative information that management can use to make decisions.
- e) verifiable form and some standards by which the auditor can evaluate the information.
- f) determine the borrower's ability to meet scheduled payment.
- g) confuses auditing with accounting.
- h) codes of ethics that govern the of their members behaviour.
- i) events in logical manner for the purpose of providing financial information for decision-making.
- j) deal with budgets, payrolls, rent payments, and the like.

Task 3. Translate:

1) амортизация; 2) рассчитывать; 3) оценивать (3 слова); 4) счета; 5) финансовый отчет; 6) активы; 7) пассивы; 8) счет прибылей и убытков; 9) балансовый отчет; 10) бухгалтер; 11) главный бухгалтер; 12) финансовое положение; 13) безнадежный долг; 14) условия кредита; 15) неплатежеспособность; 15) аккредитив; 17) документы против акцепта; 18) акционерный капитал; 19) доля собственности; 20) финансовый год; 21) дивиденды; 22) налоговые льготы; 23) осязаемые (неосязаемые) активы; 24) счет-фактура; 25) предварительный счет-фактура; 26) оплатить счета; 27) главная книга; 28) снимать деньги со счета; 29) финансовые сделки.

Task 4. Match the words with their definitions.

- 1) the spending of money on advertising for example;
- 2) articles such as display cabinets which would be difficult to remove;
- 3) a payment to shareholders when a company has made a profit;
- 4) a person whose affairs are in the hands of an Official Receiver;
- 5) another name for ordinary shares;
- 6) the person who takes on the responsibility for checking the company's accounts;
- 7) possessions which can be converted into cash;
- 8) a deduction made from the price of good when payment is made promptly;
- 9) debts which will have to be paid either now or in the future;
- 10) a list of goods which will have to be sent to a customer indicating the amount charged to their account;
- 11) the situation when the two sides of the accounts are equal;

- 12) the books of accounts showing how much we owe and are owed;
- 13) goods which are not wanted after all usually because they are faulty;
- 14) the proprietor's withdrawals of funds from the business;
- 15) the proprietor's stake in the business;
- 16) people who owe us money;
- 17) the fall in the value of an asset as a result of waste or usage;
- 18) a person to whom we owe money;
- 19) smth. which is valuable yet intangible;
- 20) the situation facing persons who cannot pay their creditors;
- 21) money received from sales;
- 22) the device which aims to control; expenditure;
- 23) the costs attached to maintaining fixed assets such as plant and machinery;
- 24) an asset such as a share certificate which can be offered as a safeguard when a loan is received from a bank;
- 25) smth./ who buys smth. in the expectation that it will rise in value.

Words for reference: 1) bankruptcy, 2) assets, 3) investor, 4) creditor, 5) equities, 6) dividend, 7) budget, 8) invoice, 9) overheads, 10) returns, 11) capital, 12) depreciation, 13) bankrupt, 14) revenue, 15) debtors, 16) balance, 17) drawings, 18) expenditure, 19) auditor, 20) ledgers, 21) liabilities, 22) fixtures, 23) goodwill, 24) security, 25) discount.

Task 5. *Choose the best alternative:*

1. It is up to an accountant to ... the various financial statements.
a) interpret; b) intercept; c) invent; d) translate.
2. The bookkeeper keeps a record of every financial
a) action; b) transaction; c) entry; d) transcription.
3. It's essential to ... the invoice number in any correspondence
a) estimate; b) quote; c) say; d) tell.
4. The ... of the invoice goes to the customer, another copy goes to Sales, and we keep the other one here in Accounts.
a) photocopy; b) issue; c) top copy; d) account.
5. We are ... with our supplier over this invoice so don't pay it until you hear from me.
a) argument; b) dispute; c) agreement; d) distress.
6. We send a ... to customers who haven't settled their accounts.
a) reminder; b) remainder; c) remembrance; d) memory.
7. If these figures could be ... into parts and labour it would be make them easier to understand.
a) set up; b) broken down; c) rounded up; d) laid down.

8. This company has a weekly ... about 100,000.
a) pay; b) payroll; c) salary; d) wages.
9. Buying that new machinery has seriously ... our reserves.
a) depreciated; b) depleted; c) depressed; d) deprived.
10. By examining the balance ... and other documents we are able to find out that the company was not doing as well as they claimed.
a) slip; b) ledger; c) account; d) sheet.
11. Surely we can set some off these expenses ... tax.
a) against; b) for; c) on; d) from.
12. The rent for the office is already 3 months ...!
a) overtime; b) in the red; c) in demand; d) overdue.
13. Due to economic climate we have had to ... more bad debts this year than ever before.
a) tell off; b) write off; c) find out; d) note down.
14. Do they have enough working ... to keep trading?
a) capital; b) expenses; c) accounts; d) currency.
15. Such items as buildings and machinery are known as ... assets.
a) current; b) hidden; c) fixed; d) liquid.

6.4. Marketing

Task 1. *Give the English equivalents.*

Целевой маркетинг, изучение возможностей рынка, сегментирование рынка, целевой рынок, маркетинговая программа, осуществлять.

Task 2. *Match the words with their definitions.*

marketing	estimates the demand for specific products or services, describes the characteristics of probable customers, and measures potential sales
marketing program	a means by which a marketing goal is to be achieved
market research	a set of market activities starting with a new-product development and ending with product distribution
marketing strategy	a plan that integrates the marketing mix to provide a good or service to prospective customers
brand	information technology
IT	a trade mark (painted or printed on boxes, tins, packets, etc.)

Task 3. *Choose synonyms from the two columns and arrange them in pairs.*

- | | |
|---------------|----------------|
| 1) appraise | a) evaluate |
| 2) calculate | b) investigate |
| 3) appreciate | c) trade mark |
| 4) research | d) estimate |
| 5) supply | e) delivery |
| 6) brand | f) compute |

Task 4. *Choose antonyms from the two columns and arrange them in pairs.*

- | | |
|-----------------|---------------|
| 1) estimate | a) customer |
| 2) a means | b) decrease |
| 3) manufacturer | c) measure |
| 4) increase | d) wholesaler |
| 5) retailer | e) instrument |

Task 5. *Choose the correct answer.*

One of the advantages of is the possibility of becoming the leader in a specific market segment.

- a) mass marketing;
- b) target marketing;
- c) consumer-goods marketing;

d) test marketing.

Task 6. *Cross the odd word out.*

- a) research, study, inquiry, exercise, investigation;
- b) appraise, estimate, measure, evaluate, appreciate;
- c) implement, put an end, put into life, carry out, carry into effect.

Task 7. *Choose the right variant:*

I really ... your efforts.

- a) evaluate;
- b) estimate;
- c) appreciate;
- d) appraise.

Task 8. *Complete the sentences using the words given below.*

- a) Modern marketing is defined as directing the ... of goods from producers to
- b) Market ... involves aggregating prospective ... into groups that have
1) common ... and 2) will ... similarly to a marketing action.
- c) A growing business needs information on the ... of their ... tools.
- d) Managers need more ... information to take ... decisions.
- e) Over 65% of the U.S. workforce is now employed in ... or ... information.

Words for reference: buyers, processing, up-to-date, marketing, producing, respond, segmentation, timely, needs, effectiveness, customers, flow.

Task 9. *Say whether these sentences are true or false.*

- a) Marketing is not expensive.
- b) Marketing research studies almost every aspect of the seller-buyer relationship.
- c) The core promise could be a unique feature of the product.
- d) To manage a business well is to manage its future; and to manage the future is to manage information.
- e) Running out of information is not a problem, but drowning in it is.

6.5. Advertising

Task 1. *Mark if the following statements are True or False.*

1. It is illegal to make untrue statements about goods.
2. A statement of the objectives of the advertising campaign is known as a brief.
3. Advertising creates an extra supply.
4. An agreed budget is an overall advertising strategy concerning the message to be communicated to the target customers.
5. When a popular personality is used in the advertisement it is an endorsement.
6. The mass media used in advertising include radio, mail and television.
7. A sponsor may be anyone who has money.
8. Advertising is generally accepted as a short-run investment.
9. Advertising should be legal, honest and true being to protect the consumer from being deceived and misled by ads. .
10. The British Code of Advertising Practice exists to protect the buyers from being deceived by ads.

Task 2. *Complete the following sentences.*

1. The main media types are...
2. Sponsor may be ...
3. The client company generally gives the advertising agency ...
4. The advertising agency planners have to decide ...
5. Advertising people talk about frequency or OTS (...) and threshold effect – the point...

Task 3. *Insert necessary prepositions.*

1. No providers of goods or services rely only ... word-of-mouth advertising.
2. Descriptive advertising is used by small traders selling ... the local paper.
3. It is illegal ...advertisers to make untrue statements ... their goods.
4. The British Code of Advertising Practice exists to protect the consumer ... being deceived and misinformed ..advertisements.
5. Advertising which invisibly registers information ... the viewer's subconscious is called subliminal advertising.
6. Everyone is influences ...the adverts ...a certain extent.

Task 4. *Give definitions to the following concepts.*

Word-of-mouth advertising, descriptive advertising, classified advertising, prestige advertising, brief, target market, threshold effect, and comparative-parity method.

Task 5. *Translate the sentences paying attention to the verbals in different functions.*

1. Advertising is the business of drawing public attention to goods and services, performed through a variety of media.
2. Pioneering the concept of the music video, MTV ushered in a new type of advertising: the consumer tunes in *for* the advertisement, rather than it being a byproduct or afterthought.
3. Entire corporations operated solely on advertising revenue, offering everything from coupons to free Internet access.
4. Advertising, in its non-commercial guise, is a powerful educational tool capable of reaching and motivating large audiences.

Task 6. *To reinforce your vocabulary translate the following:*

A. Незаменимая функция, двигатель процветания, согласованный бюджет, реклама на стендах, рекламирование достоинств организации; реклама, действующая на подсознание; реклама, вводящая в заблуждение.

B. Содействуя реализации товара, управляя спросом, реклама распространяется по разным каналам: в прессе, на телевидении, на радио, в кино на транспорте (на бортах автобусах, троллейбусов, трамваев), на местах продаж товара (витрины магазинов, вывески в торговых залах, упаковка). Существует наружная реклама (щиты на улицах, плакатах в метро, «бегущая строка») и сувенирная (календари, блокноты, значки, сумки, авторучки и т.д.). Наконец, фирма может снабдить потенциальных покупателей собственными печатными рекламными изданиями, такими, как проспект, буклет, каталог, плакат, листовка. Нельзя не сказать и о таком канале распространения обращений, как прямая почтовая рассылка: создав какую-либо новину, фирма сообщает о ней в информационных письмах, которые рассылает, скажем, в двести адресов – потенциальным оптовым покупателям (дилерам). Если двадцать из них (10%) откликнутся на предложение купить товар, то это можно считать успехом. Доставка подобных писем и потенциальным розничным покупателям в их почтовые ящики - это тоже «директ-мейл». У каждого канала распространения рекламы есть свои достоинства.

ASSESSMENT TESTS

PROFESSION OF AN ECONOMIST

A: Questions 1-14 are incomplete sentences. Beneath each sentence you will see four words or phrases, marked (A), (B), (C), and (D). Choose the one word or phrase that best complete the sentence.

1. One of the most difficult decisions is choosing what to do for a
 - (A) salary;
 - (B) living;
 - (C) employee;
 - (D) work.
2. She has always wanted to follow a definite ...
 - (A) company;
 - (B) training;
 - (C) business;
 - (D) career.
3. She likes the company because it trains its
 - (A) employers;
 - (B) crew;
 - (C) staff;
 - (D) persons.
4. Working for IBM as a manager he gained useful
 - (A) experiences;
 - (B) experienced;
 - (C) experience;
 - (D) experiencing.
5. She is so ... on getting to the top of her profession and she never lets anything get in her way.
 - (A) willing;
 - (B) desperate;
 - (C) eager;
 - (D) intent.
6. He proved to be distinctly ... to working in a position of responsibility
 - (A) incompatible;
 - (B) inapt;
 - (C) unfit;
 - (D) unsuited.

7. They started the business in ... of making a lot of money quickly, but things didn't work out that day.
(A) expectation;
(B) belief;
(C) certainty;
(D) likelihood.
8. I'd like to start my own business, but I'm not sure how to ... about it.
(A) come;
(B) bring;
(C) go;
(D) see.
9. He has been with the company for 30 years , but the management has now decided to ... with his services.
(A) discard;
(B) dispense;
(C) disuse;
(D) dismiss.
10. Eventually he ... up the courage to ask for a pay rise.
(A) plucked;
(B) grabbed;
(C) grasped;
(D) snatched.
11. She took the course with ... to improving her employment prospects.
(A) regard;
(B) view;
(C) consideration;
(D) relation.
12. Despite having a low income, she manages to
(A) get by;
(B) keep up;
(C) live on;
(D) stand for.
13. She was on her ... throughout the interview because she didn't want to say anything stupid.
(A) defense;
(B) lookout;
(C) caution;
(D) guard.

14. What was it that ... you to change career so suddenly?
- (A) moved;
 - (B) originated;
 - (C) resulted;
 - (D) drew.

B. Read the following passage. It is followed by several questions about it. For questions 15-21 you are to choose the one best answer, (A), (B), (C), or (D), to each question.

Until recently, most American entrepreneurs were men. Discrimination against women in business, the demands of caring for families, and lack of business training had kept the number of women entrepreneurs small. Now, however, businesses owned by women account for more than \$40 billion in annual revenues, and this figure is likely to continue rising throughout the 1980s. As Carolyn Doppelt Grey, an official of the Small Business Administration, has noted, "The 1970s was the decade of women entering management, and the 1980s has turned out to be the decade of the women entrepreneur".

What are some of the factors behind that trend? For one thing, as more women earn advanced degrees in business and enter the corporate world, they are finding obstacles. Women are still excluded from most executive suites. Charlotte Taylor, a management consultant, had noted, "In the 1970s women believed if they got an MBA and worked hard, they could become chairman of the board. Now they've found out that isn't going to happen, so they go out on their own."

In the past, most women entrepreneurs worked in "women's" fields – cosmetics and clothing, for example. But this is changing. Consider ASK Computer Systems, a \$22-million-a-year computer software business. It was founded in 1973 by Sandra Kurtzig, who was then a housewife with degrees in math and engineering. When Kurtzig founded the business, her first product was software, and her office was a bedroom at home, with a shoebox under the bed to hold the company's cash. After she succeeded with the newspaper software system, she hired several bright computer science graduates to develop additional programs. When these were marketed and sold, ASK began to grow. It now has 200 employees, and Sandra Kurtzig owns \$66.9 million of stock.

Of course, many women who start their own businesses fail, just as men often do. They still face *hurdles* in the business world, especially problems in raising money; the banking and finance world is still dominated by men, and old attitudes die hard. Most businesses owned by women are still quite small.

But the situation is changing; there are likely to be many more Sandra Kurtzigs in the years ahead.

15. What is the main idea of this passage?
- (A) Women today are better educated than in the past, making them more attractive to the Business world.
 - (B) The computer is especially lucrative for women today.
 - (C) Women are better at small businesses than men are.
 - (D) Women today are opening more businesses of their own.
16. All of the following was mentioned in the passage as determines to women in the business world EXCEPT...
- (A) women were required to stay at home with their families.
 - (B) women lacked ability to work in business.
 - (C) women faced discrimination in business.
 - (D) women were not trained in business.
17. According to the passage, Charlotte Taylor believes that women in the 1970s...
- (A) were unrealistic about their opportunities in business management.
 - (B) were still more interested in education than business opportunities.
 - (C) had fewer obstacles in business than they do today.
 - (D) were unable to work hard enough to succeed in business.
18. The author mentions the “shoebox under the bed” in the third paragraph in order to ...
- (A) show the frugality of women in business.
 - (B) show the resourcefulness of Sandra Kurtzig.
 - (C) point out that initially the financial resources of Sandra Kurtzig’s business were limited.
 - (D) suggest that the company needed to expand.
19. The word *hurdles* in the last but one paragraph can be best replaced by...
- (A) fences;
 - (B) obstacles;
 - (C) questions;
 - (D) small groups.
20. It can be inferred from the passage that the author believes that business operated by women are small because ...
- (A) women prefer small, intimate setting.
 - (B) women can’t deal with money.
 - (C) women are not able to borrow money easily.
 - (D) many women fail at large businesses.
21. The author’s attitude about the future of women in business is...
- (A) skeptical;
 - (B) optimistic;

- (C) frustrated;
- (D) negative.

Questions 22-25 refer to the following advertisement:

Outstanding opportunities with local real estate corporation. Requires strong background in real estate, financing, closing. Some legal training helpful. Prefer candidate with M.A. and two or more years of successful real estate experience. Broker's license required. Salary range \$16,000-23,000 commensurate with education and experience. Begin immediately. Interviews will be conducted Tuesdays and Thursdays, June 10 and 12. Call for an appointment 243-1153, or send a letter of application and resume to:

Personnel Department
Executive Real Estate Corporation
500 Capital Avenue
Lawrence, Kansas 67884

- 22. Which of the following is NOT a requirement for the job advertised?
 - (A) At least two years' experience.
 - (B) An M.A.
 - (C) A broker's license.
 - (D) Extensive legal training.
- 23. The salary range indicates that...
 - (A) everyone earns a beginning salary of \$16,000.
 - (B) the salary depends upon the amount of education and work experience that the applicant has.
 - (C) some applicants would earn less than \$16,000.
 - (D) candidates with an M.A. would earn \$23,000.
- 24. What should an interested candidate submit with his or her application?
 - (A) A current address and telephone number.
 - (B) A signed contract.
 - (C) A summary of work experience.
 - (D) A request for employment.
- 25. This passage would most probably be found in...
 - (A) the classified section of a newspaper.
 - (B) a college catalog.
 - (C) a textbook.
 - (D) a dictionary.

ECONOMICS

- A. Directions: In questions 1-17 each sentence has four underlined words or phrases. The four underlined parts of the sentence are marked (A), (B), (C) and (D). Identify the one underlined word or phrase that must be changed in order for the sentence to be correct.
1. (A) Economics is (B) as old like the human race: it is probably (C) the first art which (D) man acquired.
 2. The first major book (A) about economics “An Inquiry (B) into the Nature and Causes of the Wealth of Nations” (C) was published with great success (D) in 1776.
 3. (A) After the great American economist Paul, (B) every economic society (C) has to answer three (D) fundamental questions, What, How, and For whom.
 4. (A) We could define economics (B) as the human science which studies the relationship (C) among scarce resources and the various uses (D) which compete for these resources.
 5. (A) Small droppings in (B) business activity (C) are called recessions, (D) while substantial declines are called depressions.
 6. (A) In general, the faster (B) a country’s economic growth, the faster (C) rising in (D) living standards.
 7. (A) A business becomes profitable when (B) it makes more money (C) than the sum (D) of their expenses.
 8. The government (A) is making (B) every effort (C) to avert (D) an economic crises.
 9. (A) The focus of (B) economics (C) is (D) the production and distributing of goods and services.
 10. Economics Today (A) is (B) interesting, informative, and (C) it is easy (D) to read.
 11. (A) Despite of growing industrial activity, the majority (B) of the American people continued to (C) make their living from farming (D) until the beginning of the twentieth century.
 12. Scarcity results from (A) disbalance (B) between (C) unlimited wants and (D) relatively limited resources.
 13. Economists (A) have tried to discourage the use of the phrase “underdeveloped nation” and (B) encouraging the more accurate phrase “developing nation” (C) in order to suggest (D) an ongoing process.
 14. (A) An unexpected raise in the cost of living (B) as well as a decline in employment opportunities (C) has resulted in the rapid creation (D) by

- Congress of new government program for the unemployed.
15. Although we are (A) concerned with the problem of energy sources, we (B) must not fail (C) recognizing the need (D) for environmental protection.
 16. (A) But for the crisis he (B) hadn't lost his job and (C) would be well off (D) at present.
 17. In 1848, at the first women's rights convention, delegates (A) drew up a declaration demanding equality with males (B) in education (C) and economic opportunities (D) and in vote.

B. *Read the following passage. It is followed by several questions about it. For questions 18–23 you are to choose the one best answer (A), (B), (C), or (D), to each question.*

The relationship of economics to history is rather different from that of the other social sciences. Curious as it may sound, this relationship in many respects comes close to that between history and literature. Economics, after all, is the science (in the broad meaning of the term) of something which men actually do. Even if the science did not exist, men would still make economic decisions, economic predictions, and participate in the various forms of economic organization which, in part, it is the economist's function to describe. Similarly, the disciplined study of literature is concerned with something which men would also do anyway even if the discipline study did not exist: compose poems, act out dramas, write novels, and read them. Political science, or the discipline of politics, has, it is true, many similarities to economics, particularly when it is concerned with generalization about political structures.

18. What does the passage mainly discuss?
 - (A) The similarity between economics and politics.
 - (B) History's and literature curious relationship.
 - (C) A definition of economics.
 - (D) Economics relationship with other sciences.
19. History is related to economics...
 - (A) in many different kinds of ways.
 - (B) in a different way from its relationship to literature.
 - (C) in the same way as it is related to literature.
 - (D) just as political science is related to economics.
20. The social science mentioned in the passage is:
 - (A) economics.
 - (B) history.
 - (C) literature.

- (D) politics.
- 21. Economics looks at:
 - (A) all kinds of decision making.
 - (B) people's real life behavior.
 - (C) broad aspects of organization over time.
 - (D) the description of historical events.
- 22. Studying literature involves:
 - (A) much hard work.
 - (B) putting poems and plays to music.
 - (C) looking at some normal activities of man.
 - (D) reading and writing novels.
- 23. The word "that" in line 1 refers to:
 - (A) history.
 - (B) economics.
 - (C) the relationship.
 - (D) the other social sciences.

Although the Wealth of Nations by Adam Smith appeared in 1776, it includes many of the ideas that economists still consider the foundation of private enterprise. The ideas put forth by Smith compose the basis of the philosophies of the school of thought called classical economics.

According to Smith's ideas, free competition and free trade are vital in fostering the growth of an economy. The role of government in the economy is to ensure the ability of companies to compete freely.

Smith, who was himself a Scot, lived during the period of the Revolutions in America and in France. During this epoch, the predominant political thought was a strong belief in freedom and independence in government. Smith's economic ideas of free trade and competition are right in line with these political ideas.

- 24. A "school" in line 3 is:
 - (A) a common belief.
 - (B) a college.
 - (C) a university.
 - (D) an educational institution.
- 25. Which of the following is closest in meaning to the word "free" in line 4?
 - (A) Cheap.
 - (B) No cost.
 - (C) Uncontrolled.
 - (D) Democratic.

26. The word “line” in line 9 could best be replaced by...

- (A) straightness.
- (B) directness.
- (C) file.
- (D) agreement.

ECONOMIC SYSTEMS

A. In questions 1-14 each sentence has an underlined word or phrase. Below each sentence are four other words or phrases, marked (A), (B), (C), and (D). You are to choose the one word or phrase that best keeps the meaning of the original sentence if it is substituted for the underlined word or phrase.

1. Quite a few transactions take place on the basis of tradition.
(A) Several.
(B) Many.
(C) Little.
(D) Much.
2. The cost of living in the US has risen at a rate of 6 percent per year during last ten year period.
(A) Tenth.
(B) Century.
(C) Decade.
(D) Quarter.
3. J.P. Morgan had a reputation for being a prudent businessman.
(A) Clever.
(B) Wealthy.
(C) Careful.
(D) Dishonest.
4. Marxist theory holds that most aspects of an institution are shaped by economic factors.
(A) Elevated.
(B) Defined.
(C) Reformed.
(D) Detailed.
5. At the culmination of the Depression in 1933, millions of Americans were unemployed.
(A) Resolution.
(B) Peak.
(C) Compulsion.
(D) Commencement.
6. Collective bargaining is a process by which management and unions work out their differences.
(A) Raise.
(B) Contradict.
(C) Resolve.

- (D) Ignore.
7. Economist John Calbraith argued for more public goods in his book “The Affluent Society”.
- (A) Wealthy.
 - (B) Greedy.
 - (C) Outspoken.
 - (D) Impoverished.
8. Some economists are proposing that the US institute a consumption tax rather than an income tax.
- (A) In addition to.
 - (B) In place of.
 - (C) At the expense of.
 - (D) Alongside.
9. A cut in the budget puts 10 percent of the state employees’ jobs in jeopardy.
- (A) Range.
 - (B) Review.
 - (C) Perspective.
 - (D) Danger.
10. Soon after the financial success of the Model T, Henry Ford announced that from then on his company would share its profits with its employees.
- (A) Divide.
 - (B) Save.
 - (C) Invest.
 - (D) Spend.
11. Few countries today enjoy prosperous economies.
- (A) Static.
 - (B) Stable.
 - (C) Poor.
 - (D) Flourishing.
12. Keynes argued that to avoid an economic depression the government _____ spending and lower interest rate.
- (A) is;
 - (B) higher;
 - (C) increase;
 - (D) should increase.
13. Out of John Kenneth Galbraith’s *The Affluent Society* _____ for an increase in public goods, potentially at the expense of private goods.

- (A) came the argument;
 - (B) his argument;
 - (C) argued;
 - (D) the economist is arguing.
14. Some economist now suggest that home equity loans are merely a new trap to push consumers beyond _____ .
- (A) they can afford;
 - (B) they can afford it;
 - (C) what is affordable;
 - (D) able to afford.

B. *Read the following passage. It is followed by several questions about it. For questions 15-20 you are to choose the one best answer, (A), (B), (C), or (D), to each question.*

The United States had just finished with the turmoil of World War 1 when the 1920's were upon it. This decade, one of the most colorful in U.S. history, was commonly referred to as the Roaring Twenties. At various times it was nicknamed the Jazz Age and the Dollar Decade. Whatever the label, this era brought economic growth, rising wealth, and lasting social and political changes.

During the 1920's, an expanding economy resulted in exploding business profits and an increased standard of living for most Americans. In less than ten years, the national income jumped by over 40%. Much of this increase can be attributed to the use of labor-saving machinery that allowed workers to produce goods more quickly and less expensively.

Americans were encouraged their new-found wealth on consumer purchases. Even low-income families could afford to buy an automobile, and the use of credit allowed millions of American families to acquire luxury items such as refrigerators and washing machines. Promises of great wealth convinced many Americans to invest in the stock market, also on borrowed money.

Ironically, it was obsession with profits and consumption that eventually brought an end to the prosperity of Dollar Decade. Also, politicians and the American public viewed business as the foundation of society leading to the philosophy that the economy could regulate itself best without government controls. By 1929 the U.S. economy was heading for trouble, and the illusion of prosperity was broken by the catastrophic stock market crash on October 29 of that year.

15. What is the main topic of this passage?
- (A) A colorful era in U.S. history.
 - (B) The turmoil of World War 1.

- (C) The nicknames of various decades.
 - (D) Lasting social and political changes.
16. According to the passage, the U.S. national income rose dramatically in the 1920's primarily due to...
- (A) a stable economy;
 - (B) a declined standard of living;
 - (C) the use of labor-and cost-saving equipment;
 - (D) a redistribution of wealth.
17. According to the passage, how did many Americans pay for their luxury purchases?
- (A) With disposable income.
 - (B) With stock market profits.
 - (C) With money from their savings accounts.
 - (D) With money borrowed on credit.
18. It can be inferred that the 1920's were nicknamed the Dollar Decade because of ...
- (A) a falling standard of living.
 - (B) preoccupation with making money and consuming.
 - (C) the introduction of washing machines and refrigerators.
 - (D) restricted access to credit.
19. In the last paragraph, the author uses the expression "the illusion of prosperity" to suggest that...
- (A) the economy was in worse shape than anyone thought.
 - (B) investment in the stock market was a smart move.
 - (C) the economy was capable of regulating itself.
 - (D) business was the basis of American society.
20. It can be inferred that the stock market crash of 1929 was caused largely by ...
- (A) an overly efficient business philosophy.
 - (B) the failure of Americans to invest in the market.
 - (C) lack of government control over credit.
 - (D) disaffection for the great and overindulgence of the decade.

SUPPLY AND DEMAND

A: Questions 1-10 are incomplete sentences. Beneath each sentence you will see four words or phrases, marked (A), (B), (C), and (D). Choose the one word or phrase that best completes the sentence.

1. The greater the demand, ... the price.
 - (A) higher;
 - (B) high;
 - (C) the higher;
 - (D) the high.
2. ... in the world export diamonds.
 - (A) only little nations;
 - (B) only few nation;
 - (C) only a little nations;
 - (D) only a few nations.
3. ... the law of demand consumers will ordinarily buy larger quantities of units of a product at a low price than they will at a higher price.
 - (A) in accordance of;
 - (B) in accordance to;
 - (C) according with;
 - (D) according to.
4. The price ... which goods are sold is determined by the interaction of both demand and supply.
 - (A) at;
 - (B) with;
 - (C) for;
 - (D) in.
5. A demand curve shows how many products will be ... at different prices.
 - (A) demand;
 - (B) demanding;
 - (C) demanded;
 - (D) being demanded.
6. The law of demand and supply was first worked ... by D. Lardner, an Irish professor of philosophy.
 - (A) through;
 - (B) out;
 - (C) back;
 - (D) off.

7. Whole-grain food products ... in most large supermarkets across the U.S. and Canada.
 - (A) now can purchase;
 - (B) can now be purchased;
 - (C) now to purchase;
 - (D) the purchase of which.
8. Prices for bikes can run ... \$250.
 - (A) as high as;
 - (B) as high to;
 - (C) so high to;
 - (D) so high as.
9. To generate income, magazine publishers must decide whether to increase the subscription price or
 - (A) to sell advertising;
 - (B) if they should sell advertising;
 - (C) selling advertising;
 - (D) sold advertising.
10. The level of aggregate demand is ... in the economic system.
 - (A) the most important determined factor;
 - (B) the most important determining factor;
 - (C) the more important determined factor;
 - (D) the more important determining factor.

B. *Read the following passages. They are followed by several questions about them. For questions 11-13 you are to choose the one best answer, (A), (B), (C), or (D), to each question.*

Recent technological advances in manned and unmanned undersea vehicles have overcome some of the limitations of divers and diving equipment. Without a vehicle, divers often became sluggish and their mental concentration became limited. Because of undersea pressure which affected their speech organs, communication among divers was difficult or impossible. But today, most oceanographers make observations by means of instruments which are lowered into the ocean or from samples taken from the water. Direct observations of the ocean floor are made not only by divers but also by deep-diving submarines. Some of these submarines can dive to depth of more than seven miles and cruise at depth of fifteen thousand feet. Radio-equipment buoys can be operated by remote control in order to transmit information back to land-based laboratories, including data about water temperature, currents and weather.

11. Divers have had problems in communicating underwater because ...
 - (A) the pressure affected their speech organs.
 - (B) the vehicles they used have not been perfected.
 - (C) they did not pronounce clearly.
 - (D) the water destroyed their speech organs.
12. This passage suggests that the successful exploration of the ocean depends upon ...
 - (A) vehicles as well as divers.
 - (B) radios that divers use to communicate.
 - (C) controlling currents and the weather.
 - (D) the limitations of diving equipment.
13. Undersea vehicles ...
 - (A) are too small for a man to fit inside.
 - (B) are very slow to respond.
 - (C) have the same limitations that divers have.
 - (D) make direct observations of the ocean floor.

WORK AND UNEMPLOYMENT

- A. Directions: In questions 1-17 each sentence has four underlined words or phrases. The four Underlined parts of the sentence are marked (A), (B), (C), and (D). Identify the one underlined word or phrase that must be changed in order for the sentence to be correct.
1. An American college (A) typically offers (B) a blend of (C) naturally and social sciences and (D) humanistic studies.
 2. (A) The family-sized farm is no longer (B) economically (C) competitive (D) like it was in the 19th century.
 3. A) Despite of (B) growing industrial activity, the majority of the American people (C) continued to make their living (D) from farming until the beginning of the 20th century.
 4. Public Opinion Magazine reported that 57 percent of Americans (A) strongly (B) believe that mothers with young children (C) should not work outside of the home unless (D) their families badly needed the extra income.
 5. A large percentage of the federal employees at the Denver government center (A) are participating in an experimental (B) four-day (C) work week aimed at curbing gasoline consumption and pollution two of (D) the most urgent problems facing cities today.
 6. The insurance program (A) used to include not only employees (B) but (C) their (D) families.
 7. Since (A) there was not any clarity the (B) farm workers refused (C) to sign the new contract and voted to go on strike (D) instead.
 8. (A) Bored of his job, (B) he made an appointment (C) to see an advisor (D) at the counseling center.
 9. The Wagner act (A) guarantees (B) workers in the U.S. (C) the right (D) to organizing labour unions.
 10. Marry Harris Jones, (A) known as “Mother Jones”, was a (B) prominence figure in the (C) labor movement at (D) the turn of the century.
 11. The work performed (A) by these officers (B) are not (C) worth our paying (D) them any longer.
 12. He (A) has been hoped for a raise for (B) the last four months, but his boss is reluctant (C) to give him (D) one.
 13. His job is quite (A) important to the total function of the firm (B) because he is responsible (C) for maintain the records of sales and costs for (D) all the departments.
 14. (A) Fewest than half the staff (B) joined the new (C) optional dental (D) insurance program.

15. The department chairman asked his staff to help with the registration (called on/ counted on) .
16. Kevin quit his career of an engineer because he found it too difficult (checked out of/ dropped out of) .
17. (A) Before she moved here, Arlene had (B) been (C) at the head of the organization (D) since four years.
18. Angil's bilingual ability and previous experience (A) were the qualities (B) what (C) helped her get the job over all (D) the other candidates.

B. *Questions 19-28 are incomplete sentences. Beneath each sentence you will see four words or phrases, marked (A), (B), (C), and (D). Choose the one word or phrase that best completes the sentence.*

19. Manufactures often sacrifice quality ...
 - (A) for a larger profit margin;
 - (B) in place of to earn more money;
 - (C) to gain more quantities of money;
 - (D) and instead earn a bigger amount of money.
20. Nancy hasn't begun working on her Ph. D. ... working on her master's.
 - (A) still because she is yet;
 - (B) yet as a result she is still;
 - (C) yet because she is still;
 - (D) still while she is already.
21. Last year Matt earned ... his brother, who has a better position.
 - (A) twice as much as;
 - (B) twice as many than;
 - (C) twice as many as;
 - (D) twice an more as.
22. Of the two new teachers, one is experienced and ...
 - (A) the others are not;
 - (B) another is inexperienced;
 - (C) the other is not;
 - (D) other lacks experience.
23. The doctor told his receptionist that he would return ...
 - (A) as early as it would be possible;
 - (B) at the earliest that it could be possible;
 - (C) as soon as possible;
 - (D) at the nearest early possibility.
24. Jane changed her major from French to business, ...
 - (A) with hopes to be able easier to locate employment;

- (B) hoping she can easier get a job;
 - (C) with the hope for being able to find better a job;
 - (D) hoping to find a job more easily.
25. The doctor insisted that his patient ...
- (A) that he not work too hard for three months
 - (B) take it easy for three months
 - (C) taking it easy inside of three months
 - (D) to take some vacations for three months
26. The more she worked, ...
- (A) the less she achieved;
 - (B) she achieved not enough;
 - (C) she did not achieve enough;
 - (D) she was achieving less.
27. When Henry arrived home after a hard day at work, ...
- (A) his wife was sleeping;
 - (B) his wife slept;
 - (C) his wife has slept;
 - (D) his wife has been sleeping.
28. He ... looked forward to the new venture.
- (A) eagerly;
 - (B) with great eagerness;
 - (C) eagernessly;
 - (D) in a state of increasing eagerness.

C. Read the following passage. They are followed by several questions about them. For questions 29-36 you are to choose the one best answer, (A), (B), (C), or (D), to each question.

The Works Progress Administration (WPA) was formed in 1935 during the height of the Great Depression as part of President Franklin Delano Roosevelt's New Deal package to bring the economy around and provide relief for the millions of unemployed throughout the country: the goal of the program was to maintain people's skills and respect by providing work to as many as possible during this period of massive unemployment. For the eight years that the WPA was in existence from 1935 to 1943, the WPA was responsible for providing jobs to approximately eight million people at a cost of more than eleven billion dollars.

One of the more controversial programs of the WPA was the Federal Arts Project, a program to employ artists full-time at such tasks as painting murals in libraries, theaters, train stations, and airports; teaching various techniques of

art; and preparing a comprehensive study of American crafts. Criticism of the program centered on what was perceived as the frivolity of supporting the arts at a time when millions were starving, industry was sagging, farms were barren, and all that could flourish were bankruptcy courts and soup kitchens.

29. This passage mainly discusses ...
 - (A) the Great Depression;
 - (B) the benefits of Franklin Delano Roosevelt's New Deal;
 - (C) the New Deal and one of its controversies;
 - (D) bankruptcy courts and soup kitchens.
30. The word 'package' in line 2 could best be replaced by ...
 - (A) carton;
 - (B) secret gift;
 - (C) box;
 - (D) bundle of related items.
31. According to the passage, the stated purpose of the WPA was to...
 - (A) create new American masterpieces;
 - (B) raise the standard of American art;
 - (C) introduce new art techniques to the American public;
 - (D) improve the economy.
32. The word 'massive' in line 5 is closest in meaning to ...
 - (A) tremendous;
 - (B) rocky;
 - (C) clustered;
 - (D) dangerous.
33. The word 'controversial' in line 8 is closest in meaning to ...
 - (A) disputed;
 - (B) successful;
 - (C) creative;
 - (D) comprehensive.
34. All the following probably helped to make the Federal Arts Project controversial except that...
 - (A) the Federal Arts Project employed many who would otherwise have been out of work;
 - (B) train stations and airports were decorated with murals;
 - (C) the Federal Arts Project commissioned art works;
 - (D) a tremendous study of American crafts was produced.
35. The expression 'centered on' in line 11 could best be replaced by...
 - (A) encircled;

- (B) located on;
 - (C) focused on;
 - (D) surrounded.
36. When the author states that ‘... all that could flourish were bankruptcy courts and soup kitchens’, he probably means that...
- (A) banks and restaurants did well during the depression;
 - (B) the poor could not afford to use banks or eat soup;
 - (C) the only organizations to thrive were those that dealt with the poor;
 - (D) many restaurants declared bankruptcy during the Depression.

BANKING

A. Directions: In questions 1-15 each sentence has four underlined words or phrases. The four Underlined parts of the sentence are marked (A), (B), (C) and (D). Identify the one underlined word or phrase that must be changed in order for the sentence to be correct.

1. Alexander Hemilton's financial program (A) included a (B) central bank to serve the Treasury, provide a depository for public money, and (C) regulation of the (D) currency.
2. Since banks usually give gifts to customers (A) who (B) deposited large amounts to savings accounts; it is a good idea (C) to ask the bank officials whether you (D) are entitled to receive one.
3. Neither my traveler's check nor the money that my father (A) cabled me (B) are sufficient (C) to pay (B) for the tickets.
4. (A) The high the rate of inflation, (B) the higher (C) the price of (D) commodities.
5. (A) As every (B) other nation, the (C) United States used to define (D) its unit of currency, the dollar, in terms of the gold standard.
6. Bank deposits are (A) a medium of exchange (B) because (C) it is generally accepted (D) as payment.
7. You can write a cheque to yourself or (A) a third party and the bank (B) is obliging (C) to pay whenever the cheque (D) is presented.
8. Reserves are the amount of gold (A) this is immediately (B) available in the vault (C) to meet (D) depositor's demands.
9. (A) A financial intermediary is an institutional that (B) specialized in (C) having brought lenders and borrowers (D) together.
10. (A) A commercial bank borrows money from (B) public, crediting (C) them with (D) a deposit.
11. The crucial feature of banks (A) are that some of their liabilities are used (B) as a means of payment, and (C) therefore part of (D) the money stock.
12. Liquidity (A) refers on the sped and the certainly (B) with which an asset (C) can be converted back into money, (D) whenever the assetholders desire.
13. Although these assets (A) are traded daily on the stock exchange, so in principle these securities (B) can be cashed in any time the bank (C) is wishing, their price fluctuates from (D) day to day.
14. (A) In the 1980s the government removed controls on the amount of deposits the banking sector (B) could attract, and (C) increased the range of deposit accounts which could (D) pay interests.
15. (A) The latter meant that deposits could (B) be increasingly used (C) as a

store of wealth, rather than (D) hold just for transactions purposes.

B. Read the following passages. They are followed by several questions about them. For questions 16-31 you are to choose the one best answer, (A), (B), (C), or (D), to each question.

A massive banking crisis occurred in the United States in 1933. In the two preceding years, a large number of banks had failed, and fear of lost savings had prompted many depositors to remove their funds from banks. Problems became so serious in the state of Michigan that Governor William A. Comstock was forced to declare a moratorium on all banking activities in the state on February 14, 1933. The panic in Michigan quickly spread to other states, and on March 6, President Franklin D. Roosevelt declared a banking moratorium throughout the United States that left the entire country without banking services.

Congress immediately met in a special session to solve the banking crises and on March 9 passed the Emergency Banking Act of 1933 to assist financially healthy banks to reopen. By March 15, banks controlling 90 percent of the country's financial reserves were again open for business.

16. The passage states that all the following occurred prior to 1933 EXCEPT that...
 - (A) many banks went under.
 - (B) many bank patrons were afraid of losing their deposits.
 - (C) a lot of money was withdrawn from accounts.
 - (D) Governor Comstock canceled all banking activities in Michigan.
17. The word "moratorium" in line 4 is closest in meaning to which of the following?
 - (A) Death.
 - (B) Temporary cessation.
 - (C) Murder.
 - (D) Slow decline.
18. The passage indicates that the moratorium declared by Roosevelt affected...
 - (A) the banks in Michigan.
 - (B) the banks in most of the U.S.
 - (C) only the financially unhealthy banks
 - (D) all the banks in the U.S.
19. Which of the following can be inferred from the passage?
 - (A) Congress did not give any special priority to the banking situation.

- (B) The Emergency Banking Act helped all banks to reopen.
 - (C) Ten percent of the country's money was in financially unhealthy banks.
 - (D) Ninety percent of the banks reopened by the middle of March.
20. Which of the following best describes the organization of the passage?
- (A) A theme followed by an example.
 - (B) A problem and a solution.
 - (C) Opposing viewpoints of an issue.
 - (D) A problem and its causes.

The organization that today is known as the Bank of America did start out in America, but under quite a different name. Italian American A.P. Giannini established this bank on October 17, 1904, in a renovated saloon in San Francisco's Italian community of North Beach under the name Bank of Italy, with immigrants and first-time bank customers comprising the majority of his first customers. During its development, Giannini's bank survived major crises in the form of a natural disaster and a major economic upheaval that not all other banks were able to overcome.

One major test for Giannini's bank occurred on April 18, 1906, when a massive earthquake struck San Francisco, followed by a raging fire that destroyed much of the city. Giannini obtained two wagons and teams of horses, filled the wagons with the bank's reserves, mostly in the form of gold, covered the reserves with crates of oranges, and escaped from the chaos of the city with his clients' funds protected. In the aftermath of the disaster Giannini's bank was the first to resume operations. Unable to install the bank in a proper office setting, Giannini opened up shop on the Washington Street Wharf on a makeshift desk created from board and barrels.

In the period following the 1906 fire, the Bank of Italy continued to prosper and expand. By 1918 there were twenty-four branches of the Bank of Italy, and by 1928 Giannini had acquired numerous other banks, including a Bank of America located in New York City. In 1930 he consolidated all the branches of the Bank of Italy, the Bank of America in New York City, and another Bank of America that he had formed in California into the Bank of America National Trust and Savings Association.

A second major crisis for the bank occurred during the Great Depression of the 1930's. Although Giannini had already retired prior to the darkest days of the Depression, he became incensed when his successor began selling off banks during the bad economic times. Giannini resumed leadership of the bank at the age of sixty-two. Under Giannini's leadership, the bank weathered the storm of the Depression and subsequently moved into a phase of overseas development.

21. According to the passage, Giannini...
- (A) opened the Bank of America in 1904.
 - (B) worked in a bank in Italy.
 - (C) set up the Bank of America prior to setting up the Bank of Italy.
 - (D) later changed the name of the Bank of Italy.
22. Where did Giannini open his first bank?
- (A) In New York City.
 - (B) In what used to be a bar.
 - (C) On Washington Street Wharf.
 - (D) On a makeshift desk.
23. According to the passage, which of the following is NOT true about the San Francisco earthquake?
- (A) It happened in 1906.
 - (B) It occurred in the aftermath of a fire.
 - (C) It caused problems for Giannini's bank.
 - (D) It was a tremendous earthquake.
24. The word "raging" in line 8 could best be replaced by...
- (A) angered;
 - (B) localized;
 - (C) intense;
 - (D) feeble.
19. It can be inferred from the passage that Giannini used crates of oranges after the earthquake...
- (A) to hide the gold.
 - (B) to fill up the wagons.
 - (C) to provide nourishment for his customers.
 - (D) to protect the gold from the fire.
20. The word "chaos" in line 10 is closest in meaning to...
- (A) legal system.
 - (B) extreme heat.
 - (C) overdevelopment.
 - (D) total confusion.
21. The word "consolidates" in line 17 is closest in meaning to...
- (A) hardened.
 - (B) merged.
 - (C) moved.
 - (D) sold.
22. The passage states that after his retirement, Giannini...

- (A) began selling off banks.
 - (B) caused economic misfortune to occur.
 - (C) supported the bank's new management.
 - (D) returned to work.
23. The expression "weathered the storm of" in line 23 could best be replaced by...
- (A) found a cure for.
 - (B) rained on the parade of.
 - (C) survived the ordeal of.
 - (D) blew its stack at.
24. Where in the passage does the author describe Giannini's first banking clients?
- (A) Lines 2-5.
 - (B) Lines 7-8.
 - (C) Lines 12-13.
 - (D) Lines 14-16.
25. The paragraph following the passage most likely discusses...
- (A) bank failures during the Great Depression.
 - (B) a third major crisis of the Bank of America.
 - (C) the international development of the Bank of America.
 - (D) how Giannini spent his retirement.

MANAGEMENT

- A. *Directions: In questions 1-22 each sentence has four underlined words or phrases. The four Underlined parts of the sentence are marked (A), (B), (C), and (D). Identify the one underlined word or phrase that must be changed in order for the sentence to be correct.*
1. The Internal Revenue Service (A) uses computers to check tax return (B) computations, to determine the reasonableness of deductions, and (C) for verifying the accuracy of (D) reported income.
 2. (A) Some economists now suggest that home equity loans (B) are merely a new trap to push consumers (C) beyond what (D) had been affordable.
 3. (A) Some general theories of motivation identify (B) limited number of central motives, (C) from which (D) other motives develop.
 4. (A) Prices for (B) bikes can (C) run (D) as high to \$250.
 5. The value (A) of the dollar (B) declines (C) as the rate of inflation (D) raises.
 6. The new model (A) costs twice (B) more than (C) last (D) year's model.
 7. The rest of the stockholders (A) will receive (B) his reports (C) in the mail along with a copy of (D) today's proceedings.
 8. J.P. Morgan (A) had (B) a reputation (C) in being a prudent (D) businessman.
 9. (A) The Consumer Price Index (B) lists (C) how much every car (D) cost.
 10. (A) A balance of international payment (B) refers to the result of the business which a nation (C) carries on with other nations in a given (D) periods.
 11. The Internal Revenue (A) Service makes all Americans (B) to file (C) their tax forms (D) by April 15 every year.
 12. (A) Despite of the increase in air fares, most people (B) still (C) prefer (D) to travel by plane.
 13. Economists have tried (A) to discourage (B) the use of the phrase under-developed nation and (C) encouraging the more accurate phrase “developing nation” (D) in order to suggest an ongoing process.
 14. Home buyers (A) is proceeding (B) cautiously (C) because of the high interest (D) rates.
 15. As the demand (A) increases, manufactures who previously produced only a large luxury car, (B) is compelled (C) to make (D) a smaller model in order to compete in the market.
 16. The interest (A) rate on a (B) minimum balance savings account is a little higher (C) then the interest rate on a regular (D) savings account.
 17. (A) Finances can (B) consists of a combination of stocks, (C) bonds, and

- (D) properties.
18. Top management must (A) took a hard (B) look at its current (C) product lines to see if resources can (D) be reallocated.
19. To control quality and (A) making decisions (B) about production (C) are (D) among the many responsibilities of an industrial engineer.
20. Let you and (A) I agree (B) to cancel the last shipment unless the company (C) meets the conditions of (D) our original contract.
21. It is necessary that the direction (A) will sign (B) all (C) of the copies, not just the (D) top one.
22. (A) Statistics (B) show that (C) the greatest number of B.A. degrees in recent years (D) has been conferring in the fields of business management, education, and social science.

B. *Read the following passage. They are followed by several questions about them. For questions 23-32 you are to choose the one best answer, (A), (B), (C), or (D), to each question.*

Passage 1

Although the composition and role of the board of directors of a company will vary from one organization to the next, a few generalizations may be made. As regards the composition of the board, customarily some directors are prominent men and women selected to give prestige to the group. Others are usually chosen from among retired executives of the organization for their specialized knowledge of the company.

It is generally true that, as long as the top management maintains the confidence of the board of directors, the directors will not actively intervene to dictate specific policies. This is the same administrative procedure usually followed by the board of trustees of a college or university, and is similar many respects to the parliamentary system of ministerial responsibility practiced in Great Britain.

23. The word prominent in line 4 most nearly means...
- (A) professional;
 - (B) ethical;
 - (C) important;
 - (D) elderly.
24. Who generally formulates policies for a company?
- (A) Top manager.
 - (B) A dictator.
 - (C) The board of directors.

- (D) Retired executives.
25. According to this passage, who would not be a likely candidate as a member of the board of directors of City Bank?
- (A) A retired president of City Bank.
 - (B) A respected lawyer.
 - (C) A City Bank employee.
 - (D) A state senator.
26. The title below that best expresses the ideas in this passage is...
- (A) The Board of Directors.
 - (B) The Board of Trustees.
 - (C) The Parliamentary System.
 - (D) Management.

Passage 2

Eight basic practices have been found to be characteristics of successfully managing companies. One of these is management's "bias toward action; this was manifest in a willingness to experiment and take risks. In such a company all new ideas get tested and then get stored rather than discarded if they don't work right away. Long, detailed strategies are not the rule, and ideas are solicited from everyone, not just from corporate planners.

Many of these ideas are considered part of the management's conventional wisdom in highly profitable Japanese corporations, but few of them are common practice in the majority of American business concerns, many of which do not realize the New Law of Business Life: that strong cultures make for highly successful companies.

27. What does the word "these" in line 2 refer to?
- (A) Basic practices.
 - (B) Successfully managed companies.
 - (C) New ideas.
 - (D) Different styles of management.
28. What does the word "this" in line 2 refer to?
- (A) The action of management.
 - (B) A bias toward action.
 - (C) A willingness to experiment.
 - (D) Evidence of risk-taking.
29. What do the words "such a company" in line 3 refer to?
- (A) One that is successful.
 - (B) One that plans ahead.

- (C) One that takes risks.
 - (D) One that likes long' detailed strategies.
30. What do the words "these ideas" in line 7 refer to?
- (A) Basic practices.
 - (B) Strong cultures.
 - (C) Careful strategies.
 - (D) Ideas suggested by all employers.
31. What does the word "them" in line 8 refer to?
- (A) Conventional methods.
 - (B) Japanese companies.
 - (C) These ideas.
 - (D) Business concerns.
32. What does the word "which" in line 9 refer to?
- (A) Profitable Japanese corporations.
 - (B) Common business practices.
 - (C) American business concerns.
 - (D) New Law of Business Life.

ACCOUNTING

A. Questions 1-6 are incomplete sentences. Beneath each sentence you will see four words or phrases, marked (A), (B), (C), and (D). Choose the one word or phrase that best completes the sentence.

1. Some economists are proposing that the United States Institute a consumption tax rather than an income tax.
 - (A) in Addition to;
 - (B) in place of;
 - (C) at the expense of;
 - (D) alongside.
2. The “Consumers Price Index” lists...
 - (A) how much costs every car.
 - (B) how much does every car cost.
 - (C) how much every car costs.
 - (D) how much are every car cost.
3. The life fund is a pool of money into which all the premiums are paid and from which all ... are eventually paid out.
 - (A) loans;
 - (B) savings;
 - (C) benefits;
 - (D) interest.
4. Insurance makes trading easier by ... a variety of risks.
 - (A) eliminating;
 - (B) describing;
 - (C) ensuring;
 - (D) creating.
5. California relies heavily on income from Kruit Crops, and ...
 - (A) Florida also.
 - (B) Florida too.
 - (C) Florida is as well.
 - (D) so does Florida.
6. This year will be difficult for this organization because...
 - (A) they have less money and volunteers than they had last year.
 - (B) it has less money and fewer volunteers than it had last year.
 - (C) the last year it did not have as few and little volunteers and money.
 - (D) there are fewer money and volunteers that in the last year there were.

B. In questions 7-9 each sentence has an underlined word or phrase. Below each sentence are four other words or phrases, marked (A), (B), (C), and (D). You are to choose the one word or phrase that best keeps the meaning of the original sentence if it is substituted for the underlined word or phrase.

7. The new accounts offered by the bank are compounded semi-annually.
 - (A) every year;
 - (B) every six months;
 - (C) every two years;
 - (D) every half month.
8. Discretionary funds are included in most budgets to cover expenses that the constructor might run into during the work.
 - (A) forget to do;
 - (B) pay for;
 - (C) meet unexpectedly;
 - (D) add on.
9. City taxes are based on an estimate of the value of one's property.
 - (A) appraisal;
 - (B) forecast;
 - (C) diagnosis;
 - (D) outline.

C. Directions: In questions 10-20 each sentence has four underlined words or phrases. The four Underlined parts of the sentence are marked (A),(B),(C),and (D). Identify the one underlined word or phrase that must be changed in order for the sentence to be correct.

10. Harvey seldom (A) pays his bills (B) on time and (C) his brother (D) does too.
11. Each of (A) the students (B) in the accounting class has to type (C) their (D) own research paper this semester.
12. Merchants and (A) others people have kept (B) records of their transactions (C) since very (D) early times.
13. In 1494 Luca Pacioli (A) has written a book where the system (B) of accounting which (C) evolved (D) among the merchants of Italy was formulated.
14. In 1605 a (A) Dutchman, Simon Stevin, advocated that the profit and (B) loss account should (C) produce at (D) yearly intervals.
15. Some companies are large (A) enough (B) to employment a permanent tax specialist, but (C) in most cases the practicing accountant with special taxation expertise will (D) undertake this work.
16. The practitioner may find himself involved with tax planning, advising

his clients (A) either companies (B) and individuals, on how best (C) to reduce the burden (D) of taxation.

17. (A) Many small (B) business receive advice (C) as to how to finance (D) their operations from the practitioner.
18. The type (A) of work done by (B) executive accountants can (C) be further (D) subdivide.
19. (A) Financial accountants act (B) as stewards, showing the financial (C) effect of the actions (D) by the owners and managers of the business.
20. The financial accountant (A) produces (B) the accounts which are (C) letter checked (D) by the auditor.

D. *Reorder the sentences below to create one coherent text. Underline all the connecting words which help you to do this.*

- a) Firstly money is collected at source from everyone in Australia who has a job.
- b) Tax on petrol is also aimed at reducing the number of vehicles on the roads by discouraging motorists from using their cars.
- c) The Australian government collects tax in a number of different ways.
- d) Income tax, as this is known, can be as high as 48% for some people.
- e) In addition to this tax on luxuries, there is a special tax on fuel which brings in a large amount of revenue for the government.
- f) Secondly, the government gains money by imposing tax on all goods purchased or services received so that every time money changes hands a tax of 10% is paid.
- g) The term “services” includes anything from getting a haircut to having your house painted.
- h) Another way that the government raises money is by charging an additional tax on luxuries such as wine, tobacco or perfume.

MARKETING

A. Directions: In questions 1-8 each sentence has four underlined words or phrases. The four Underlined parts of the sentence are marked (A), (B), (C), and (D). Identify the one underlined word or phrase that must be changed in order for the sentence to be correct.

1. The sales representatives were asked to go over the figures in their reports before the conference.
(A) relate;
(B) revise;
(C) review;
(D) calculate.
2. The warranty guaranteed that all defective parts would be replaced without charge.
(A) lost;
(B) imperfect;
(C) unused;
(D) dorsal.
3. If a country has a floating currency, importers and exporters may have to keep changing the prices of their goods.
(A) swimming;
(B) flying;
(C) flowing;
(D) soft .
4. Some countries try to be saturated with certain commodities so that they are not dependent of imports.
(A) economic;
(B) sufficient;
(C) self-sufficient;
(D) self-financing.
5. It's better to start exporting on a small scale and than expand if things go well.
(A) enlargement;
(B) bigger;
(C) increase;
(D) shorten.
6. Because of high shipping costs, it made more sense to give rights to a manufacturer to produce our range of furniture.
(A) to license;

- (B) lease;
 - (C) control;
 - (D) handle.
7. Quality control is an essential aspect of the manufacturing process.
 - (A) an alternative;
 - (B) an introspective;
 - (C) an encompassing;
 - (D) a necessary.
 8. Some manufacturers were accused of selling goods abroad at a very low price because they are not wanted in the home market.
 - (A) dumping;
 - (B) revaluing;
 - (C) flooding;
 - (D) devaluation.

B. Directions: In questions 9-17 each sentence has four underlined words or phrases. The four Underlined parts of the sentence are marked (A), (B), (C), and (D). Identify the one underlined word or phrase that must be changed in order for the sentence to be correct.

9. That product that you (A) bought at the lower price is (B) the more inferior to the (C) one that we see at a (D) slightly higher price.
10. The manufacturer is not only (A) raising his price but (B) also decreasing the (C) production of his product (D) as well.
11. (A) It is the responsibility of the marketing department (B) to promote and (C) to organize the sale of products (D) to the purchaser.
12. (A) It is questions (B) like these the marketing department (C) will have to answer even before production (D) will commence.
13. (A) It becomes (B) obviously that making and selling (C) are two facets of the same (D) undertaking.
14. The marketing manager and the production manager (A) are two members of the same team, depending (B) on each other in much the same way (C) as the players (D) in the Liverpool football team.
15. (A) As well as satisfying (B) existing needs, marketers can also anticipate and create new (C) ones (D) needs.
16. (A) A product's features, the methods of distributing and (B) promotion it, and (C) its price, can all be changed during (D) the course of its life.
17. (A) Quite (B) apart from the marketing of consumer products, with which everybody is familiar, (C) it is (D) a great deal of marketing of industrial goods.

C. Read the following passage. They are followed by several questions about them. For questions 18-27 you are to choose the one best answer, (A), (B), (C), or (D), to each question.

The “karat” marking on jewelry tells you what proportion of gold is mixed with other methods. If 14 parts of gold are mixed with 10 parts of base metal, the combination is called 14 karat (14k) gold. The higher the Karat rating, the higher the proportion of gold in the object. The lowest karat gold that can be marketed in the USA is 10 karat. Jewelry does not have to be marked with its karat quality but most of it is. If there is a karat quality mark, next to it must be the US registered trademark of the person or company that will stand behind the mark, as required by the National Gold & Silver Stampiny Act.

18. “Propotion” most nearly means...
 - (A) ratio;
 - (B) mix;
 - (C) registered;
 - (D) quality.
19. If a ring is stamped 24 k, in has...
 - (A) 204 parts gold;
 - (B) 24 parts gold;
 - (C) two and four-tenths parts gold;
 - (D) 10 parts gold.
20. “Registered” most nearly means...
 - (A) documented;
 - (B) marketed;
 - (C) mixed;
 - (D) stamped.
21. According to the text, the phrase “stand behind” most nearly means...
 - (A) not in front;
 - (B) to the side;
 - (C) back up;
 - (D) give up.
22. “Marketed” most nearly means
 - (A) engrated;
 - (B) registered;
 - (C) mixed;
 - (D) sold.
23. “Karat” as it used in the jewelry industry, refers to the ...
 - (A) jeweler’s appraisal;

- (B) U.S. registered trademark;
 - (C) amount of gold mixed with other metals;
 - (D) money value.
24. Gold which is 10 karat in proportion...
- (A) represents the highest grade of gold in the U.S.;
 - (B) cannot be sold in the U.S.;
 - (C) never carries a karat quality mark;
 - (D) represents the lowest-grade gold marketable in the U.S.
25. If gold is marked with a karat quality mark, it must also...
- (A) bear a national gold and silver stamp;
 - (B) bear the registered trademark of the entity standing behind the mark;
 - (C) bear a "made in the USA" mark;
 - (D) bear a percentage mark.
26. If the jewelry is marked, 14 parts of gold mixed with 10 parts of base metal will always bear...
- (A) a 14k mark ;
 - (B) a 10k mark;
 - (C) an 18k mark;
 - (D) a platinum mark.
27. This paragraph serves the consumer as...
- (A) important buying information;
 - (B) a challenge to buy more gold;
 - (C) a debate over gold prices;
 - (D) advice about buying silver.

ADVERTISING

A. *Directions: In questions 1-11 each sentence has four underlined words or phrases. The four Underlined parts of the sentence are marked (A), (B), (C), and (D). Identify the one underlined word or phrase that must be changed in order for the sentence to be correct.*

1. The “Fairness Doctrine” of the FCC (A) requires that radio and television (B) stations give equal time to (C) opposing sides of (D) issues contro-
versial.
2. Major (A) advertising companies have (B) traditionally volunteered (C) its time (D) to public service accounts.
3. The (A) six main parts of a (B) business letter (C) are the address, the inside address, the salutation, the body, the closing, and (D) signing your name.
4. A new product (A) should be judged not (B) by the promises made in commercials and advertisements, (C) but also by the results (D) demonstrated in actual use.
5. Commercials on the educational television network (A) are (B) generally shorter (C) comparing to those (D) on other networks.
6. In the (A) cosmetics world Avon Products Inc. (B) emphasizes (C) personnel selling (D) while Revlon Inc. emphasizes advertising.
7. Public relations (A) are concerned primarily with people outside (B) the target market, although (C) it (D) may include them.
8. (A) Customer’s contact (B) personnel are (C) an important secondary audience (D) for service advertising.
9. Writers and media (A) personnel sell (B) themselves best (C) by the impression given in their verbal (D) expression.
10. While verbalization is (A) the most common form of language in (B) existence, humans make use of many (C) others systems and techniques (D) to express their thoughts and feelings.
11. Writers and media (A) personal sell (B) themselves best (C) by the impression given in their verbal (D) expression.

B. *Questions 12-23 are incomplete sentences. Beneath each sentence you will see four words or phrases, marked (A), (B), (C), and (D). Choose the one word or phrase that best completes the sentence.*

12. With effective advertising a company can become a ... name.
(A) house;
(B) household;
(C) housewife’s;

- (D) home.
13. We need an effective campaign to ... our new product range.
(A) fire;
(B) set out;
(C) set off;
(D) launch.
14. During the commercial ... , there was an advertisement for a new women's magazine.
(A) break;
(B) breakage;
(C) pause;
(D) interval.
15. The first thing an ad must do is ... the reader's eye.
(A) trap;
(B) catch;
(C) find;
(D) reach.
16. We need a name for the product which will ... to teenagers.
(A) draw;
(B) attract;
(C) succeed;
(D) appeal.
17. All advertisers must obey the industry's
(A) practice code;
(B) code of practice;
(C) practical code;
(D) code word.
18. Advertising on television is very expensive during ... viewing hours.
(A) peak;
(B) high;
(C) audience;
(D) big.
19. We did a lot of research to ensure that the advertisement would appeal to the ... audience.
(A) aim;
(B) arrival;
(C) goal;
(D) target.
20. Newspaper advertising ... for 45% of the total.
(A) accounted;

- (B) counted;
 - (C) comprised;
 - (D) came.
21. Advertisers look at each newspaper's ... figures before deciding where to place their advertisements.
- (A) circular;
 - (B) population;
 - (C) circulation;
 - (D) revenue.
22. If you advertise at airports, you have a ... audience.
- (A) captured;
 - (B) slave;
 - (C) captivated;
 - (D) captive.
23. She does the art work while I write the ... for each advertisement.
- (A) copy;
 - (B) copies;
 - (C) copyright;
 - (D) media.

B. *Skim the following two passages very quickly. Do not read every word carefully. Then answer the first questions under each passage. Look again at the two passages that you skimmed, scan them and then answer the second questions under each passage.*

It is true that in publicity one brand of manufacture, one firm, competes with another; but it is also true that every publicity image confirms and enhances every other. Publicity is not merely an assembly of competing messages: it is a language in itself which is always being used to make the same general proposal. Within publicity, choices are offered between this cream and that cream, that car and this car, but publicity as a system only makes a single proposal. It proposes to each of us that we transform ourselves, or our lives, by buying something.

24. What is the passage about?
- (A) The effects of publicity.
 - (B) Competition between systems.
 - (C) Making general proposals.
 - (D) The transformation of the world around us.
25. What does the language of publicity do?
- (A) It makes one general proposal.

- (B) It transforms all of us.
- (C) It enhances everyone's lives.
- (D) It assembles confusing messages.

One of the most widespread uses of survey research today is for rating radio and television programs. Commercial ratings of network radio programs were first undertaken by the C.E. Hooper Company in 1935. Then, the A.C. Nielsen Company, founded in the early 1940's, invented its mechanical recording device, the audiometer, that was attached to radio receivers to monitor the station and the amount of time a set was tuned in to it. Neilson bought the Hooper Company in 1950. By the mid-1970s Neilson was offering an 'instantaneous Neilson' service by connecting some 1,200 sets to a central computer for overnight tabulation of audience.

26. What is the passage about?
- (A) Survey research for radio and television ratings.
 - (B) The relation between the Hooper Company and the Neilson Company.
 - (C) The uses of central computers.
 - (D) How radios are monitored by stations.
27. When was the first commercial rating of radio programs?
- (A) In the 1950's.
 - (B) In the 1940's.
 - (C) In the 1970's.
 - (D) In the 1930's.

READING COMPREHENSION IN GMAT

Directions: *Below the passage you will find questions or incomplete statements about the passage. Each statement or question is followed by lettered words or expressions. Select the word or expression that most satisfactorily completes each statements or answers each question in accordance with the meaning of the passage.*

The high unemployment rates of the early 1960s occasioned a spirited debate within the economics profession. One group found the primary cause of unemployment in slow growth and the solution in economic expansion. The other found the major explanation in changes that had occurred in the supply and demand for labor and stressed measures for matching demand with supply.

The expansionist school of thought, with the Council of Economic Advisers as its leading advocates, attributed the persistently high unemployment level to a slow rate of economic growth resulting from a deficiency of aggregate demand for goods and services. The majority of this school endorsed the position of the Council that tax reduction would eventually reduce the unemployment level to 4% of the labor force with no other assistance. At 4%, bottlenecks in skilled labor, middle-level manpower and professional personnel were expected to retard growth and generate wage-price pressures. To go beyond 4%, the interim goal of the Council, it was recognized that improved education, training and retraining and other structural measures would be required. Some expansionists insisted that the demand for goods and services was nearly satiated and that it was impossible for the private sector to absorb a significant increase in output. In their estimate, only the lower-income fifth of the population and the public sector offered sufficient outlets for the productive efforts of the potential labor force. The fact that the needs of the poor and the many unmet demands for public services held higher priority than the demands of the marketplace in the value structure of this group no doubt influenced their economic judgments.

Those who found the major cause of unemployment in structural features were primarily labor economists, concerned professionally with efficient functioning of labor markets through programs to develop skills and place individual workers. They maintained that increased aggregate demand was a necessary but not sufficient condition for reaching either the CEA's 4% target or their own preferred 3%. This pessimism was based, in part, on the conclusion that unemployment among the young, the unskilled, minority groups and depressed geographical areas is not easily attacked by increasing general de-

mand. Further, their estimate of the numbers of potential members of the labor force who had withdrawn or not entered because of lack of employment opportunity was substantially higher than that of the CEA. They also projected that increased demand would put added pressure on skills already in short supply rather than employ the unemployed, and that because of technological change, which was replacing manpower, much higher levels of demand would be necessary to create the same number of jobs.

The structural school, too, had its hyper-enthusiasts: Fiscal conservatives who, as an alternative to expansionary policies, argued the not very plausible position that a job was available for every person, provided only that he or she had the requisite skills or would relocate. Such extremist positions aside, there was actually considerable agreement between two main groups, though this was not recognized at the time. Both realized the advisability of a tax cut to increase demand, and both needed to reduce unemployment below a point around 4%. In either case, the policy implications differed in emphasis and not in content.

1. The primary purpose of the passage is to...
 - a) suggest some ways in which tools to manipulate aggregate demand and eliminate structural deficiencies can be used to reduce the level of unemployment;
 - b) demonstrate that there was a good deal of agreement between the expansionist and structuralist theories on how to reduce unemployment in the 1960s;
 - c) explain the way in which structural inefficiencies prevent the achievement of a low rate of unemployment without wage-price pressures;
 - d) discuss the disunity within the expansionist and structuralist schools to show its relationship to the inability of the government to reduce unemployment to 4%;
 - e) describe the role of the Council of Economic Advisers in advocating expansionist policies to reduce unemployment to 4%.

2. Which of the following is *not* mentioned in the passage as a possible barrier to achieving a 4% unemployment rate through increased aggregate demand?
 - a) Technological innovation reduces the need for workers, so larger increases in demand are needed to employ the same number of workers.
 - b) The increase in output necessary to meet an increase in aggregate demand requires skilled labor, which is already in short supply, rather than unskilled labor, which is available.

- c) An increase in aggregate demand will not create jobs for certain sub-groups of unemployed persons such as minority groups and young and unskilled workers.
 - d) Even if the tax reduction increases aggregate demand, many unemployed workers will be unwilling to relocate to jobs located in areas where there is a shortage of labor.
 - e) An increase in the number of available jobs will encourage people not in the labor market to enter it, which in turn will keep the unemployment rate high.
3. The author's treatment of the "hyperenthusiasts" can best be described as one of...
- a) strong approval;
 - b) lighthearted appreciation
 - c) summary dismissal
 - d) contemptuous sarcasm
 - e) malicious rebuke
4. Which of the following best describes the difference between the position taken by the Council of Economic Advisers and that taken by dissenting expansionists?
- a) Whereas the Council of Economic Advisers emphasized the need for a tax cut to stimulate general demand, the dissenters stressed the importance of structural measures such as education and training.
 - b) Although the dissenters agreed that an increase in demand was necessary to reduce unemployment, they argued government spending to increase demand should fund programs for lower income groups and public services.
 - c) The Council of Economic Advisers set a 4% unemployment rate as its goal, and dissenting expansionists advocated a goal of 3%.
 - d) The Council of Economic Advisers rejected the contention, advanced by the dissenting expansionists, that a tax cut would help to create increased demand.
 - e) The dissenting expansionists were critical of the Council of Economic Advisers because members of the Council advocated politically conservative policies.
5. The passage contains information that helps to explain which of the following?
- 1) The fact that the economy did not expand rapidly in the early 1960s.

- 2) The start of wage-price pressures as the employment rate approaches 4%.
 - 3) The harmful effects of unemployment on an individual worker.
 - a) 1) only;
 - b) 2) only;
 - c) 1) and 2) only;
 - d) 1) and 3) only;
 - e) 1), 2) and 3).
6. Which of the following best describes the author's attitude toward the expansionists mentioned in line 9?
- a) The author doubts the validity of their conclusions because they were not trained economists.
 - b) The author discounts the value of their judgment because it was colored by their political viewpoint.
 - c) The author refuses to evaluate the value of their contention because he lacks sufficient information.
 - d) The author accepts their viewpoint until it can be demonstrated that it is incorrect.
 - e) The author endorses the principles on which their conclusions are based but believes their proposal to be impractical.
7. It can be inferred from the passage that the hyperenthusiasts (lines 59-64) contended that
- a) the problem of unemployment could be solved without government retraining and education programs;
 - b) the number of persons unemployed was greatly overestimated by the Council of Economic Advisers;
 - c) a goal of 3% unemployment could not be reached unless the government enacted retraining and education programs;
 - d) the poor had a greater need for expanded government services than the more affluent portion of the population;
 - e) fiscal policies alone were powerful enough to reduce the unemployment rate to 4% of the work force.

KEYS

Assessment Tests

Task 1. 1) remuneration package; 2) fee; 3) salary; 4) fringe 5) benefits/perks; 6) wages; 7) tycoon.

Task 2. 1–f; 2–d; 3–b; 4–e; 5–c; 6–a.

Task 3. 1) in, of; 2) at, for; 3) for; 4) by; 5) on; 6)for, in.

Task 4. 1–c; 2–a; 3–c; 4–b. | **Task 5.** 1–c; 2–a; 3–b.

Task 6. Tycoon; entrepreneur; job-setting; fringe benefits/perks; wages; salary; forecast; academic; distribution; economic; economical; tax revenue; to qualify as an economist to have flair for ...; Bachelor's degree; Master's Degree; to run one's own business; costs.

GMAT

1–b; 2–a; 3–a; 4–c; 5–a; 6–b; 7–d.

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ACHIEVEMENTS TESTS**

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(для студентов экономических
специальностей)**

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для студентов экономических специальностей*

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