**MONEY**

Money, a commodity accepted by general consent as a medium of economic exchange. It is the medium in which prices and values are expressed; as currency, it circulates anonymously from person to person and country to country, thus facilitating trade, and it is the principal measure of wealth. The subject of money has fascinated people from the time of Aristotle to the present day. The piece of paper labeled 1 dollar, 10 euros, 100 yuan, or 1,000 yen is little different, as paper, from a piece of the same size torn from a newspaper or magazine, yet it will enable its bearer to command some measure of food, drink, clothing, and the remaining goods of life while the other is fit only to light the fire. Whence the difference? The easy answer, and the right one, is that modern money is a social contrivance. People accept money as such because they know that others will. This common knowledge makes the pieces of paper valuable because everyone thinks they are, and everyone thinks they are because in his or her experience money has always been accepted in exchange for valuable goods, assets, or services. If the social arrangement that sustains money as a medium of exchange breaks down, people will then seek substitutes – like the cigarettes and cognac that for a time served as the medium of exchange in Germany after World War II. New money may substitute for old under less extreme conditions. In many countries with a history of high inflation, such as Argentina, Israel, or Ukraine, prices may be quoted in a different currency, such as the U.S. dollar, because the dollar has more stable value than the local currency. Furthermore, the country’s residents accept the dollar as a medium of exchange because it is well-known and offers more stable purchasing power than local money. Anything can serve as money that habit or social convention and successful experience endow with the quality of general acceptability, and a variety of items have so served – from the wampum (beads made from shells) of American Indians, to cowries (brightly colored shells) in India, to whales’ teeth among the Fijians, to tobacco among early colonists in North America, to large stone disks on the Pacific island of Yap, to cigarettes in post-World War II Germany and in prisons the world over. In fact, the wide use of cattle as money in primitive times survives in the word «pecuniary», which comes from the Latin «pecus», meaning cattle. The development of money has been marked by repeated innovations in the objects used as money. 16 The basic function of money is to enable buying to be separated from selling, thus permitting trade to take place without the so-called double coincidence of barter. In principle, credit could perform this function, but, before extending credit, the seller would want to know about the prospects of repayment. That requires much more information about the buyer and imposes costs of information and verification that the use of money avoids.

FOLLOW-UP Exercise 1. Answer the questions on the text:

1. What is money in simple words?

2. What is the basic function of money?

3. What is the difference between 1 dollar, as paper, and a piece of the same size torn from a newspaper or magazine?

4. Which Greek philosopher is mentioned in the text?

5. Can colored shells serve as money in Ukraine?

Exercise 2. Decide whether the following statements are true (T) or false (F). Correct them if necessary. 1. Money is the medium in which prices and values are expressed. 2. People accept money without any confidence that others also will. 3. There are no recorded precedents, when old money was substituted with new money. 4. Еhe word «pecuniary» comes from the Greek «pecus», meaning cigarettes. 5. In countries with high inflation, prices may be quoted in a different currency. Exercise 3. Read the sentences and extend your knowledge on the subject: 1. The U.S. dollar is the most commonly used currency in the world. 2. The Romans were the first to stamp the image of a living person on a coin. 3. The only woman to have ever appeared on a U.S. currency note was Martha Washington. 4. Queen Elizabeth II holds the record for appearing on more currency than any other person. 17 5. Over 170 different currencies are used around the world today. 6. Early Romans used salt as a form of money. Even the word «salary» derived from sal, which means «salt» in Latin. 7. Pablo Escobar had enough cash that rats ate almost $1 billion of his money each year. 8. The «$» symbol is derived from the Spanish dollar sign. In 1782, the US considered choosing the Spanish peso as the country’s currency. The abbreviation for the Spanish peso (PS) later transformed into a $. 9. After World War I, hyperinflation wreaked havoc on the German currency, causing it to lose almost all of its value. As a result, people would give money to kids to play with, and many people used it as wallpaper. 10. No trees are cut down to make our banknotes.

**I Відкрийте дужки, напишіть дієслово у правильній формі**

1. This morning at 10 o'clock I went to see Mr. Amis on business. We

(to arrange)\_\_\_\_\_\_\_\_\_\_\_\_this meeting beforehand. When I (to

come) .\_\_\_\_\_\_\_\_\_ into the office the secretary (to tell) \_\_\_\_\_\_\_

me that Mr. Amis (to return)\_\_\_\_\_\_\_\_\_\_\_\_from the conference

somewhat later. I (to ask)\_\_\_\_\_\_\_\_\_\_\_\_to sit down and (to offer)

\_\_\_\_\_\_\_\_\_\_\_\_a cup of coffee. While I (to have)\_\_\_\_\_\_\_\_\_\_\_\_

my coffee Mr. Amis (to come in)\_\_\_\_\_\_\_\_\_\_«(to wait) \_\_\_\_\_\_\_

\_\_\_\_\_\_\_you long?» he asked most politely.

2. Close the window. It (to rain)\_\_\_\_\_\_\_\_\_\_\_\_\_ The weather (to

change) \_\_\_\_\_\_\_\_\_\_\_\_ greatly since yesterday. If it (not to

brighten up) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_we'll have a snowfall

tomorrow.

**II. Вставити артикль, ге необхідно .**

Captain Smith was :.. captain of «The Titanic». He hoped to prove that «The Titanic» was ... fastest ship in ... world.

Although it was early spring he led ... ship to ... north. He knew that there were ... icebergs, but «The Titanic» was

considered to be ... unsinkable ship.

When he understood his mistake he helped to evacuate ... passengers and died ... hero. He was one of ... 1490 people

who drowned on that terrible night.

**III. Вставити правильний прийменник, де необхідно**

1. I am not satisfied ... my progress ... maths.

2. He was ... such a hurry, so he left ... the party ... saying good-buy to the host.

3. Luckily we arrived ... the station ... fifteen minutes after we had left home.

IV. Составьте предложения, расположив слова в нужном порядке.

1. excuse/no/for/coming/time/exam/in/to/there/is/not/the/his.

2. ours/house/next/be/to/fmished/the/year/this/will?

3. television/very/sports/on/relaxing/watching/is.

V. Закончите диалог вопросами, подходящими по смыслу.

Nick and Eric are talking about the summer holiday.

N:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E: I took a trip around Europe.

N:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E: By train.

N:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E: No, it was quite cheap. I bought a railcard.

N:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E: A couple of friends came with me.

N:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E: We have been to six or seven countries.

**VI. Слова в дужках перекласти англійською**

1. Very (мало)\_\_\_\_\_\_\_\_\_customers were satisfied with the service.

2. This way is (намного)\_\_\_\_\_\_\_\_\_safer than the other one.

3. At that time it began raining (сильно)\_\_\_\_\_\_\_ .

4. I am afraid Jane doesn't (делает)\_\_\_\_\_\_\_any housework at all.

5. (Никто)\_\_\_\_\_\_\_\_\_of his parents realised what was happening.

6. He said he would like to (лежать)\_\_\_\_\_\_\_\_\_in the sun for an

hour.

7. Some people keep dogs as pets, (другие)\_\_\_\_\_\_\_\_\_have cats.

8. Sometimes the girl felt (взволнованной)\_\_\_\_\_\_\_\_\_\_without any

reason.

**VII. Оберіть правильний варіант.**

1. a) They reached to the lake at night.

b) They reached the lake at night

c) They reached at the lake at night.

2. a) Dick worked hard last term and was a success.

b) Dick worked hard last term, and had a success.

c) Dick has worked hard last term and was a success.

**VIII. Обєднати за змістом фрази лівої та правої колонки**

1. What's Betty like? a. She is fine.

2. What is Betty? b. She is diligent.

3. How is Betty? c. She is a secretary.