İQTİSADÇILAR ÜÇÜN

İNGİLİS DİLİ
İQTİSADÇİLAR ÜÇÜN

İNGİLİS DİLİ

DƏRS VƏSAİTİ

Tərtib edən: V.V. Qolovanyov
Тәрәкүмөнөн редактору:

İQTİSADÇILAR ÜÇÜN

İNGİLİR DİLİ

V.V. Qolovanyov

Дәрс вәсайти Һәр бир дөрд бөлөмө олмакла он икәң башлыкдан ибарәтдир. Һәр мөвзүя айд вәримиш сөз вә тәшәриңләр шифаи нәтижән иңкәәрафа әйдәт эдир. Һәмәә киңак, мәәзүнә аңың өлән бу китәв али мәктәб тәлеебәләрә вә еләәдә дә иңгүләәри яңы дә мәлийәә иңәәләрдән чәсисән иңкәәрафа сүәизләр үәзүң нәцәрдә түтүлмәүдәр.

Китәвнәң рәсәй дилида өлән тәшәриң вә лүәгәт тәәркәбәзә Az.DİU-нин «Xәрәс диләр-1» өәфәдәрәгәрән өмәкәдәләрән S.M. Нәбиевә вә F.S. Рзаева тәәрәфдән тәрәкүмә эдилмәяһә.

Бәкә – 2009
Lesson I  

UNIT 1  

Money and its functions

Money is a commodity commonly accepted as a medium of economic exchange. The idea of money as a universal equivalent is familiar to us since our childhood. Money circulates from person to person and country to country, thus facilitating trade, and it is the principal measure of wealth. Money has four functions: [1] to serve as a medium of exchange, a commodity universally accepted in exchange for goods and services and for the discharge of debts or for the discharge of contracts; [2] to act as a unit of account, the unit that makes the operation of the price system possible and provides the basis for keeping accounts and calculating cost, profit, and loss; [3] to serve as a standard of deferred payments, the unit in which loans are made and future transactions are fixed; and [4] to provide a store of wealth, a convenient form in which to hold any income not immediately required for use.

Vocabulary

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Azerbaijan</th>
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<tbody>
<tr>
<td>commodity</td>
<td>товар</td>
<td>mal, эмтәө</td>
</tr>
<tr>
<td>medium of exchange</td>
<td>средства обмена</td>
<td>mübadilә vasитәsi</td>
</tr>
<tr>
<td>facilitate</td>
<td>содействовать</td>
<td>köмәк etмәк,</td>
</tr>
<tr>
<td>discharge of debt</td>
<td>погашение;</td>
<td>börсү одәмә,</td>
</tr>
<tr>
<td>discharge of contract</td>
<td>исполнение</td>
<td>өдәниш</td>
</tr>
<tr>
<td>unit of account</td>
<td>расчетная единица</td>
<td>өдәмә вахиди</td>
</tr>
<tr>
<td>price system</td>
<td>ценовая система</td>
<td>qiымәт sistemi</td>
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</tbody>
</table>
Exercise 1. Answer the Questions:

1. What is meant by the term "money"?
2. How many functions does money have?
3. What does money serve as?
4. What does money act as?
5. What does money make?
6. What does money provide?
7. What does money calculate?
8. What is the third function of money?
9. What is the fourth function of money?

Exercise 2. Agree or disagree with the following statements.

1) Money is a medium of communication. 2) The idea of money as a universal equivalent is unfamiliar to us. 3) Money has five functions. 4) Money is used in exchange for goods and services. 5) Money is used for the discharge of defendant. 6) Money is used for the discharge of agreements. 7) Money acts as a trustee. 8) Money makes the operation of the price system impossible. 9) Money ensures the basis for keeping accounts. 10) Money counts cost, profit, and loss. 11) Money is exercised
as a standard of deferred payments. 12) Money serves as the unit in which borrowings are made. 13) Money serves as the unit in which futures are fixed. 14) Money provides a store of material values.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English

Exercise 4. Complete the following statements. Choose one topic to speak about money: a) its definition; b) its first function; c) its second function; d) its third function; e) its fourth function. Retell the text Money and its functions.

1) Money is ... 2) The idea of money as a universal equivalent is ... 3) Money has ... 4) Money serves as ... 5) Money is used
UNIT 2

Paper money and gold standard

Metals, especially gold and silver, have been used for money for at least 4,000 years. For perhaps 2,600 years, standardized coins have been the form in which money metals circulate. Gold and silver coins contain legally specified amounts of gold or silver are theoretically equal in value to that quantity of the metal. Coins or uncoined bullion, however, can be an inconvenient and insecure mode for conveying large quantities of value. For large transactions, various forms of paper notes came into use. In the late 18th and early 19th centuries, banks began issuing such notes - banknotes. Each banknote was redeemable for gold or silver. This paper money became the principal, money of growing industrial economies.

Up to 1931 paper money was backed by a reserve of gold and any settlement of international debts was settled by the transfer of gold from one country to another. With the collapse of the gold standard in 1931, many countries suspended the movement of gold, but gold still being a precious metal is still quoted each day on the market in ounces against the US $.

Vocabulary

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Azerbaijani</th>
</tr>
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<tbody>
<tr>
<td>specify</td>
<td>точно устанавливать</td>
<td>dəqiq müəyyənlaşdırmaq</td>
</tr>
<tr>
<td>value</td>
<td>стоимость</td>
<td>dəyər</td>
</tr>
</tbody>
</table>
Exercise 1. Answer the Questions:

1. What has been used for money for 4,000 years?
2. What form did money metals circulate in?
3. What do gold and silver coins contain?
4. What can be inconvenient and insecure for conveying large quantities of value?
5. What came into use for large transactions?
6. When did banks begin issuing banknotes?
7. What was each banknote redeemable for?
8. What did this paper money become?
9. What was paper money backed by up to 1931?
10. What was settled by the transfer of gold from one country to another?
11. Why did many countries suspend the movement of gold?
12. What is still quoted each day on the market?

Exercise 2. Agree or disagree with the following statements.

1) Metals were not used for money. 2) Money metals moved around in the form of coins. 3) Gold coins had legally specified amounts of gold as a part. 4) Coins might be convenient and secure for conveying large quantities of value. 5) Paper notes came out of use for large transactions. 6) Banks ceased issuing banknotes. 7) Each banknote might be bought in for gold. 8) This paper money became the most important money of economies. 9) Paper money was supported by a reserve of gold. 10. Any settlement of debts was ended by the transfer of gold. 11. Gold standard failed in 1931. 12) Gold is estimated each day on the market. 13) The gold standard means the use of the value of gold as a fixed standard on which to base the value of money.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English

Стандартизировать; выкупать; урегулирование; улаживать; перемещение; обвал; приостанавливать; драгоценный; дать расценку; уния; слиток золота или серебра; небезопасный; способ; перевозить; сделка; пускать в обращение; обратимый в золото; быть в обращении; юридически; точно устанавливать; равный; стоимость; золотой стандарт.

Standartlaşdırmaq; girovu geri almaq; nizama salma; həll ətmək; köçürmə; dağılma/qökmə; saxlamaq; qiymətlə; qiymət qoymaq; unsiya; qızıl və yaxud gümüş külçə; təhlükəli; üsl; gönderəmək; alver; dövriyyə buraxmaq; qızılə çevrilə bilən; dövriyyədə olmaq; hüquq; dəqiq
Exercise 4. Complete the following statements. Choose one topic to speak about a) money metals; b) paper money; c) gold standard. Retell the text Paper money and gold standard.

1) Gold and silver have been used for... 2) Money metals circulate in the form of... 3) Gold and silver coins contain ... 4) Gold and silver coins are equal in... 5) Coins or uncoined bullion can be... 6) Various forms of paper notes came into use for... 7) Banks began... 8) Each banknote was redeemable for... 9) This paper money became... 10) Paper money was backed... 11) Any settlement of debts was settled by... 12) Many countries suspended... because of... 13) Gold is still quoted...

UNIT 3

Monetarism

Monetarism as an economic theory states that inflation is caused by an excessive supply of money. Thus the best way to manage and control a country's economic system is to limit the amount of money in circulation. Where there is too much money it will cause the price of goods to rise, i.e. the value of money will fall. The concept of money supply (all the money that exists in a country's economic system at a particular time) plays an important role in economic policymaking, because many economists believe that it is the quantity of money within the economy that ultimately determines real price levels, the rate of economic growth, and the rate of inflation. The Federal Reserve Banks in the United States and the Bank of England in the United Kingdom regulate the money supply to stabilize their respective...
economies. The Federal Reserve Banks, for example, can buy or sell government securities, thereby expanding or contracting the money supply. Monetary systems are today very much alike in all the major countries of the world. Monetary systems consist of three levels: [1] the holders of money (the "public") - individuals, businesses, governmental units; [2] commercial banks, which borrow, by way of demand deposits (= bank deposits that can be withdrawn without advance notice), from the public land make loans to individuals, firms, or governments; and [3] central banks, which have a monopoly on the issue of money, serve as the bankers for the central government and the commercial banks, and have the power to determine the quantity of money in circulation.

**Vocabulary**

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<thead>
<tr>
<th>English</th>
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<tr>
<td>monetarism</td>
<td>монетаризм</td>
<td>monetarizm</td>
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<tr>
<td>excessive</td>
<td>чрезмерные</td>
<td>həddən artiq, hədsiz</td>
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<td>money supply</td>
<td>денежная масса в обращении</td>
<td>dövrüyyədə olan pul</td>
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<tr>
<td>ultimately</td>
<td>в основе, в корне</td>
<td>sonda, nəticədə</td>
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<tr>
<td>government</td>
<td>государственные</td>
<td>dövlətə məxsus</td>
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<td>securities</td>
<td>ценные бумаги</td>
<td>qiyənlətli kağızlar</td>
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<td>expand</td>
<td>расширять</td>
<td>genişləndirmək, çoxaltmaq</td>
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<tr>
<td>contract</td>
<td>сокращать</td>
<td>ixtisar etmək, azaltmaq</td>
</tr>
<tr>
<td>governmental unities</td>
<td>правительственныe подразделения</td>
<td>hökümat idarəleri</td>
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<tr>
<td>demand deposit</td>
<td>вклад до востребования</td>
<td>tələblə əmanət/ xəzinə</td>
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</tbody>
</table>
Exercise 1. Answer the Questions:

1. What does monetarism state?
2. What is the best way to manage an economy?
3. What will cause the price of goods to rise?
4. What plays an important role in economic policymaking?
5. What do economists believe?
6. What might be done to expand or contract the money supply?
7. What is the first level of monetary systems?
8. What is the second level of monetary systems?
9. What is its third level?

Exercise 2. Agree or disagree with the following statements.

1) Deflation is caused by an excessive supply of money.
2) Too much money in circulation does not cause the price of goods to rise.
3) To limit the amount of money in circulation is the best way to control an economy.
4) Money supply plays an insignificant role in economic policymaking.
5) The quantity of money in circulation has a strong influence on real prices.
6) The quantity of money in circulation has a strong effect on the rate of economic growth.
7) Commercial banks do not borrow money from the public.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.

Монетаризм; стабилизировать; соответственный; регулировать; темп экономического роста; инфляция; быть причиной; чрезмерный; денежная масса в обращении; стоимость; мнение; управлять; контролировать; количество; разработка политического курса; полагать; в конце концов; определять; уровень; государственные
ценные бумаги; таким образом; расширять; сокращать; денежный; главный; держатель; фирма; правительствственные подразделения; занимать; вклад до востребования; ссуда; эмиссия; темп развития инфляции; Федеративный резервный банк; общественность.

Monetarizm; sabitlaşdirmək; münasib; qaydaya salmaq, iqtişadi artım tempi; infliyasiya; səbəb olmaq; hədsiz; dövrəviyyədə olan pul; dəyər; rəy/mübadila; idarə etmək; nəzarət etmək; miqdar/kəmiyyət; siyasi kursu əşləyib hazırlama; fərz etmək/ hesab etmək; sonda; müəyyən etmək; səviyyə; dövlət məxsus qiymətli kağızlar; beləliklə, artırmaq; azaltmaq; pul/pullu; əsas; sahib; firma; hökümat idarələri; borc almaq; təxəlli əmanət; borc; emissiya; infliyasiyanın inkişaf tempi; federal ehtiyat bankı; ictimaiyyət/cəmiyyət

Exercise 4. Complete the following statements. Choose one topic to speak about a) the first level of monetary systems; b) the second level of monetary systems; c) the third level of monetary systems. Retell the text Monetarism.

1) Monetarism states... 2) The best way to control a country's economic system is... 3) ...will cause the price of goods to rise. 4) The concept of money supply plays... 5) Many economists believe... 6) ...regulate the money supply to stabilize... 7) ...can buy or sell... 8) Monetary systems consist of...
UNIT 4

Money laundering

Criminals use the financial system to put money which has been obtained illegally into legal businesses and bank accounts, so that they can hide it or use it. These activities are commonly referred to as money laundering. In January 1989 the Basle Statement of Principles on Money Laundering was circulated to all institutions authorised under the Banking Act. The Statement of Principles does not restrict itself to drug related money laundering, but extends to all aspects of laundering through the banking system, i.e. the deposit, transfer and/or concealment of money derived from illicit activities whether robbery, terrorism, fraud or drugs. The Statement of Principles seeks to deny to those involved in money laundering by the application of the following principles: (a) Know your customer - banks should make reasonable efforts to determine the customer's true identity and have effective procedures for verifying the bona fides of new customers, that is, they are who they say they are. (b) Compliance with laws - banks should ensure that business is conducted in conformity with high ethical standards and laws; that a service is not provided where there is good reason to suppose that transactions are associated with laundering activities. (c) Cooperation with law enforcement agencies - within any constraints imposed by rules relating to customer confidentiality, banks should co-operate fully with national law enforcement agencies including, where there are reasonable grounds for suspecting money laundering, taking appropriate measures which are consistent with the law.
**Vocabulary**

<table>
<thead>
<tr>
<th>English</th>
<th>Russian ( transliteration )</th>
<th>Kazakh</th>
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<tr>
<td>money laundering</td>
<td>отмывание денег</td>
<td>çırklı pulların yuyulması</td>
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<tr>
<td>laundered money</td>
<td>отмытые деньги</td>
<td>yuyulmuş pul</td>
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<tr>
<td>circulate/extend</td>
<td>распространять</td>
<td>yaymaq, genişledirmek</td>
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<tr>
<td>authorize</td>
<td>узаконить</td>
<td>qanunilaşdırılmak</td>
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<tr>
<td>restrict</td>
<td>ограничивать</td>
<td>məhəndəlaşdırmaq</td>
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<td>transfer</td>
<td>перемещение</td>
<td>köçürmə</td>
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<td>concealment</td>
<td>утаивание</td>
<td>gizlətmə, ört-bastır etma</td>
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<td>illicit</td>
<td>незаконный</td>
<td>qanunsuz</td>
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<td>deny</td>
<td>не допускать</td>
<td>icazə verməmək</td>
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<td>разумный</td>
<td>ağlılı, düşünülmüş</td>
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<td>подлинный</td>
<td>həqiqi, orijinal</td>
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<td>identity</td>
<td>опознание</td>
<td>şəxsiyəyişin</td>
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<td>удостоверять</td>
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<td>bona fides</td>
<td>добросовестность</td>
<td>vəcidan, insaf, düzlük</td>
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<td>ограничение</td>
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<td>confidentiality</td>
<td>конфиденциальность</td>
<td>qızlı, məxfilik</td>
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<tr>
<td>consistent</td>
<td>согласующийся</td>
<td>münəsib, uyğun gələn</td>
</tr>
<tr>
<td>mistaken identity</td>
<td>принятие одного лица за другое</td>
<td>bir insani digər ilə dəyişik salmaq</td>
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</tbody>
</table>

**Exercise 1. Answer the Questions:**

1. What is commonly referred to as money laundering?
2. What was circulated to all banks in 1989?
3. What does the Statement of Principles extend to?
4. How many principles are included in the Statement of Principles?
5. What is the first one?
6. What is the second one?
7. What is the third one?

Exercise 2. Agree or disagree with the following statements.

1) Banks should determine the customer's mistaken identity.
2) Banks should not check the bona fides of new customers.
3) If you check someone's bona fides, you check that they are who they say they are. 4) Banks should ensure that business is conducted in a way that obeys rules. 5) Banks should make it certain that a service is not provided where there are laundering activities. 6) Banks should disobey law enforcement agencies. 7) Banks should take correct or suitable measures against money laundering.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.

Ошибочное опознание личности; применение; разумный; подлинный; опознание личности; удостоверять подлинность; добросовестность; соблюдение закона; обеспечивать; соответствие; предоставлять; предполагать; распространять; трансфер; утаивание; незаконный; мошенничество; искать; не допускать; сделка; отмывание денег; узаконить; отмытые деньги; ограничивать; ассоциироваться; полицейский орган; ограничения; конфиденциальность; согласующийся.

Отмытые деньги — это средства, посланные последовательно через большое число депозитарных институтов в попытке скрыть источник денег. Гангстеры отмывают деньги для придания видимости легальности нелегальным источникам своего обогащения.
Exercise 4. Complete the following statements. Choose one topic to speak about Money laundering a) its first principle b) its second principle; c) its third principle. Retell the text Money laundering.

1) Criminals use... 2) These activities are referred to as... 3) ...was circulated to... 4) The Statement of Principles does not restrict... but extends to... 5) Banks should make... 6) Banks should have... for verifying... 7) Banks should ensure that business is... 8) Banks should ensure that a service is... 9) Banks should co-operate... including taking...
Lesson II

UNIT 1

Credit and crediting

Credit - transactions between two parties in which one (the creditor or lender) supplies money, goods, services, or securities in return for a promised future payment by the other (the debtor or borrower). [Creditor is someone who money is owed to. Debtor is someone who owes money.] Credit given is an indication of trust in that person to pay for the goods given or money lent. Credit transactions normally include the payment of interest to the lender. Credit may be extended by public or private institutions to finance business activities, agricultural operations, consumer expenditures, or government projects. Most modern credit is extended through specialized financial institutions, of which commercial banks are the oldest and most important. The lender must judge each loan he makes on the basis of the character of the borrower (his intention to repay), his capacity to repay (based on his potential for earning income), and his collateral (property or other goods that you promise to give someone if you cannot pay back the money they lent you). [Loan is an amount of money that you borrow from a bank.] Customers and lenders may publicly regulate the terms of credit transactions to prevent abuses.

Vocabulary

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<tr>
<td>crediting</td>
<td>кредитование</td>
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<td>ценный бумаги</td>
<td>qiymətləri kağızlar</td>
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<td>in return</td>
<td>взамен</td>
<td>evəzində</td>
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<td>given</td>
<td>предоставленный</td>
<td>təqdim olunmuş</td>
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<tr>
<td>indication</td>
<td>знак</td>
<td>işərə</td>
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<tr>
<td>extend</td>
<td>предоставлять</td>
<td>təqdim etmək</td>
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</table>
finance финансировать maliyyələşdirmək
expenditures расходы xəcrər
judge оценить qiymətləndirən
capacity способность bacarıq
collateral залог girov
abuse злоупотребление sui-stifadə
imply подразумевать nəzərdə tutmaq
discharge of debt погашение долга borcun ödənilməsi

Exercise 1. Answer the Questions:

1. What is by the term “credit” meant?
2. What does credit normally include?
3. What institutions may extend credit?
4. What may credit finance?
5. How is most modern credit extended?
6. How must the lender judge each loan?
7. What does the character of the borrower imply?
8. What is the debtor’s capacity to repay based upon?
9. What does the debtor’s collateral imply?
10. What may be publicly regulated?
11. Why may the terms of credit transactions be publicly regulated?

Exercise 2. Agree or disagree with the following statements.

1) Credit is an arrangement with a shop, bank etc that makes it possible for you to buy something and pay for it later.
2) The lender supplies shares in return for a future payment by the borrower.
3) Credit doesn’t include the payment of interest to the lender.
4) Credit may sponsor consumer expenditures.
5) The lender must appreciate each loan.
6) The lender must estimate the character of the borrower.
7) The lender may not judge the borrower’s intention to repay.
8) The borrower must
judge the lender’s capacity to repay. 9) The borrower’s capacity to repay is based on his potential for making money. 10) The lender must judge the borrower’s pledge. 11) The terms of credit can’t prevent abuses by customers and lenders. 12) Customers and lenders may secretly correct the terms of credit transactions to prevent abuses.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.

Кредитование; акции; взамен; обещать; обещанный; долг; дебитор; облигации; занимать; знак; доверие; сделка; проценты; предоставлять; финансировать; потребитель; расходы; оценить; ссуда; способность; заработать; доход; залог; условия соглашения; публично; предотвратить; заказчик; подразумевать; кредитор; давать взаймы; ссудодатель; поставлять; ценные бумаги; предоставленный; злоупотребления; участвующее лицо.

Кредит – это ссуда в денежной или товарной форме на условиях возвратности. Кредитор – это один из участников кредитных отношений, выступающий как субъект, предоставляющий ссуду. Кредитором может быть государство, банк, предприятие или организация. Дебитор – это должник, юридическое или физическое лицо, имеющее денежную задолженность предприятию, организации, учреждению. Должник – это сторона в обязательстве, от которой другая сторона-кредитор вправе требовать передачи имущества, выполнения работы или уплаты денег в счет погашения долга.

Kredit vermə; səhm; əvəzində; vəd etmək; vəd edilmiş; borc; debitor; istiqraz vərəqosi; borc almaq; işarə; inam/etibar; alver; faiz; vermək; maliyyəalsədirmək; istehlakçı; xərc;

Exercise 4. Complete the following statements. Choose one topic to speak about a) credit, its transactions and its terms; b) the character of the borrower. Retell the text Credit and crediting.

1) Credit means... 2) Credit given is... 3) Credit transactions include... 4) Credit may be... 5) Credit finance... 6) Most modern credit is extended... 7) The lender must judge... 8) Customers may regulate...
UNIT 2

Credit risk

Credit risk - in general, the risk that a lender will not be able to get the money loaned back from the borrower. To guard against this, the credit risk is assessed either by a lending manager at an interview, or by the submission of a specially prepared form which is designed to score the credit rating. Credit scoring is a method of measuring the risk factor in a personal lending situation. By using this computer method, the bank saves on management time, clerical costs, etc. The procedure only demands the time of a junior clerk to see that the customer completes the form correctly and such data as marital status, address, employment, income, etc. is fed into the computer and the answer is given. Should the answer be unreasonable, then the loan application can be referred to a senior official. Credit rating is a judgement made by a financial institution about how likely a person or business is to pay their debts. Credit rating is usually obtained through the banking system or through the credit analyst whose function is to research into the records / affairs of an individual or company to assess whether that person / entity has a degree of creditworthiness (creditworthy - considered to be able to repay debts).

Vocabulary

<table>
<thead>
<tr>
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<tbody>
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<td>credit risk</td>
<td>кредитный риск</td>
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<td>işgüzar görüş</td>
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<td>направлять</td>
<td>istiqamətəndirmək</td>
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<td>рейтинг общей</td>
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<td>заемщика</td>
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<td>юридическое лицо</td>
<td>reytinqi</td>
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<td>hûquqı şəxs</td>
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Exercise 1. Answer the Questions:

1. What is by the term “credit risk” meant?
2. What is to be done to guard against credit risk?
3. Who has the right to assess credit risk?
4. What is by the term “credit scoring” meant?
5. What does the bank save by using credit scoring?
6. What does the procedure of credit scoring demand?
7. What is fed into the computer?
8. When can the loan application be referred to a senior official?
9. What does credit rating inform?
10. How is credit rating usually obtained?
11. What is the function of credit analyst?

Exercise 2. Agree or disagree with the following statements.

1) A lending manager at an assignation assesses credit risk.
2) Credit risk might not be assessed.
3) Credit scoring is not a method of measuring risk factor.
4) The bank economizes clerical costs by using credit scoring.
5) The procedure demands the time of a senior clerk.
6) The customer completes the form untruthfully.
7) Such data as matrimonial status or address is fed into the computer.
8) The loan application can be referred to a junior official.
9) Credit rating is an estimation made by a financial institution.
10) Credit rating is derived through the banking system.
11) Credit rating is not obtained through the credit analyst.
12) Credit analyst studies the affairs of an individual in detail.
13) Credit analyst assesses whether that person has a degree of solvency.
14) Lender is a person that offers money to a borrower with the expectation that
repayment will be made with interest, either by installments or in one amount, by a specified date.

**Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Юридическое лицо; риск неплатежа по кредиту; измерять; беречь; канцелярский; младший служащий; данные; брачный статус; питать; неразумный; прошение; направлять; старший; рейтинг общей кредитоспособности заемщика; мнение; представление документов; вероятный; исследовать; ссуда; оценивать; деловое свидание; система оценки потенциальных заемщиков; кредитоспособность.

Кредитоспособность определяется показателями, характеризующими заемщика: его аккуратностью при расчете по ранее полученным кредитам, его текущим финансовым положением, его способностью при необходимости мобилизовать денежные средства из различных источников. Кредитный риск — это вероятность неоплаты задолженности по платежам и обязательствам в установленный контрактом срок.

Hüquqi şəxs; kreditin ödənilməsi ilə bağlı risk; ölçmək; qorumaq; dəftərxana; kiçik qulluquçu; məlumat/rəqəmlər; braçniy status; təchiz etmək/yükləmək; düşünüləməmiş bağışlanma; istiqamətləndirmək; böyük; kredit ödəmə qəbiliyyəti; fikir/rəy; sənədlərin təqdim edilməsi; inandırıcı; tədqiq etmək; qiymətləndirmək; işgazar görüş; potensial borc alanların kredit ödəmə qəbiliyyətinin qiymətləndirilmə sistemi; kredit ödəmə qəbiliyyəti.

Kredit ödəmə qəbiliyyəti – borc alanı xarakterizə edən göstəriciləri: onun əvvəlcə almış olduğu kreditin qaytarması ilə bağlı dəqiqliyini; onun cari maliyyə vəziyyətini, onun
Exercise 4. Complete the following statements. Choose one topic to speak about a) credit, its transactions and its terms; b) the character of the borrower. Retell the text Credit and crediting.

1) Credit risk means... 2) Credit risk is assessed... 3) Credit scoring is... 4) The bank saves... by using... 5) Credit scoring demands... 6) Credit scoring includes such data as... 7) The loan application is referred... when... 8) Credit rating is... and is obtained through... 9) The function of credit analyst is...

UNIT 3

Credit union

A system, popular in North America, by which people with a common bond - membership of the same club, church, tenants' association or trade union - can collaborate to put their savings (all the money that one has saved, especially in a bank) into a joint fund. Members can then apply to borrow from the fund and make repayments at an annual rate of interest of 12 per cent. The loans are usually short-term consumer loans, mainly for automobiles, household needs, medical debts, and emergencies. In less developed countries these loans are particularly important, constituting the only credit source for many people, and are used primarily for farm production and small business enterprise. Credit unions generally operate
under government charter and supervision. At annual meetings, the members elect the directors, the credit committee, and the supervisory committee. The Credit Union Act 1979 included the following: 1. the minimum membership shall be 21 and the maximum 5000; 2. the maximum savings permitted per person to be 3000$; 3. the unions must be non-profit making and the purpose is to provide a service to its members.

**Vocabulary**

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<thead>
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<tr>
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<td>кредитный союз</td>
<td>kredit ittifaqi</td>
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<td>common bond</td>
<td>общая связь</td>
<td>ümumi əlaqə</td>
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<td>сбережения</td>
<td>əmanat</td>
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<td>арендатор</td>
<td>icarədar</td>
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<td>supervisory</td>
<td>наблюдательный</td>
<td>nəzarətçи</td>
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<tr>
<td>rate of interest</td>
<td>процентная ставка</td>
<td>faiz dərəcəsi</td>
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**Exercise 1. Answer the Questions:**

1. What people can put their savings into a joint fund?
2. Can the members of credit unions apply to borrow from the fund?
3. What repayments can the members make?
4. What loans can the members take?
5. What do these loans constitute?
6. What are these loans used for?
7. What do credit unions operate under?
8. What do the members do at annual meeting?
9. What is said about credit unions in the Credit Union Act 1979?
Exercise 2. Agree or disagree with the following statements.

1) People can cooperate together to put their savings into a joint fund. 2) The members of credit unions can appeal to borrow from the fund. 3) The members of credit unions make repayments at a monthly rate of interest of 15 per cent. 4) The loans are usually long-term consumer loans. 5) These loans are not for emergencies. 6) These loans compose the only credit source for many people. 7) These loans are used primarily for major concerns. 8) Credit unions generally operate under Magna Charter. 9) Credit unions do not operate under government supervision. 10) Credit unions must be uncommercial organizations. 11) Credit union is not obliged to provide a service to its members. 12) Fund is an amount of money that is collected and kept for a particular purpose. 13) A non-profit making organization uses the money it earns to help people. 14) Repayment is an amount of money that you pay back. 15) Tenant is someone who lives in a house, room etc and pays rent to the person who owns it. 16) Loan is an amount of money that you borrow from a bank etc. 17) Consumer is someone who buys and uses products and services. 18) Charter is a signed statement from a government, which allows an organization to officially exist and have special rights.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.

Общая связь; избирать; учреждать; источник; предприятие; обычно; хартия; надзор; наблюдательный; разрешать; не ставящий себе целью извлечение прибыли; цель; членство; арендатор; союз; профсоюз; сотрудничать; сбережения; совместный; фонд; медицинский; обращаться; занимать;
погашение; годовой; процентная ставка; ссуда; краткосрочный; потребительский; главным образом; домашнее хозяйство; непредвиденный случай; особенно; включать; обеспечить; долг; развивающиеся страны.

Кредитные союзы – это финансовые кооперативные организации, объединяющие частные лица по какому-либо общему признаку (например, лица наемного труда или проживающие в одной местности). Принципы деятельности кредитных союзов те же, что и у акционерных обществ, они предоставляют своим членам потребительский кредит с условием погашения его в рассрочку.

Ümumi əlaqə, seçmək, əsasını qoymaq, mənbə, müəssisə, adətən, nizamnamə, nəzarət, müəşəhidədici; həll etmək, mənşəət güdməyən, məqsəd, üzlük, arendator, ittifaq, həmkarlar ittifaqi, əməkdaşlıq etmək; əmanət, müştərək, fond, tibbi nöqtəyi nəzərdən, dövr etmək; borc almaq; ödənilmiş; illik, faiz dərcəsəi, kredit, qısa müddətli, istehlak(çı), başlıca olaraq, ailə təsərrüfatı, gözlənilmiş hadisə, xüsusiə, daxil etmək; təmin etmək, borc, inkişaf edən ölkələr.

Kredit ittifaqları – ayı-ayrı fərdlərin hər hansı bir ümumi əlamətlərinə görə birleşdirən, maliyyə kooperativ təşkilatıdır (məsələn eyni bir yerdə yaşayən şəxsələr və s.) Kredit ittifaqlarının fəaliyyət prinsipləri səhmər cəmiyyətlərinin fəaliyyət prinsipləri ilə eynidir, onlar öz üzvlərinə krediti müəyyən müddət ərzində hissə-hissə ödəmək şərtiylə verirlər.
Exercise 4. Complete the following statements. Choose one topic to speak about a) credit union; b) credit union and its loans; c) Credit Union Act 1979. Retell the text Credit union.

1) Credit union is... 2) People with a common bond are... 3) People can collaborate... 4) Members can apply... 5) Members make... 6) The loans are... 7) These loans constitute... 8) These loans are used... 9) Credit unions operate... 10) The members of credit unions elect... 11) The Credit Union Act included...

UNIT 4

Credit card and credit cardholders

Credit card is a piece of plastic about 85 mm by 54 mm, bearing the name and computer number of the holder and the period of availability. The holder must sign it. The best known cards in the UK are the VISA card and ACCESS; the American Express and Diner’s Club (introduced by the Diner’s Club, Inc., in 1950) are leisure or entertainment cards as no credit is permitted. VISA is an international credit card scheme which has worldwide representation. Major banks in a number of countries have issued cards through VISA. ACCESS is the name given to a credit card company jointly owned by three banks, namely, Lloyds, Midland and National Westminster. The American Express Company issues American Express card whose holders have no limit placed on the sum they spend, but all outstanding debts must be settled by a given date. Any creditworthy mature person can be a credit card holder. Before a card is issued, certain details are supplied and references (reference – a letter written by someone who knows you well, usually to a new employer, giving information about
you) given. On approval a credit card is given to the holder and the cardholder is at the same time notified of the maximum credit available to him / her. The credit card can be used at any retail outlet displaying the credit card company symbol. It is usual for settlement or partial settlement to be made by the credit cardholder within 25 days of receipt of the statement.

**Vocabulary**

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<tr>
<th>English</th>
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<tr>
<td>credit card</td>
<td>кредитная карточка</td>
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<td>mature</td>
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<td>retail outlet</td>
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<td>получение</td>
<td>alma, qəbul etmə</td>
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<td>statement</td>
<td>отчет</td>
<td>hesabat</td>
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**Exercise 1. Answer the Questions:**

1. What does credit card bear?
2. What must the holder sign?
3. What credit cards are the best known cards in the UK?
4. What credit cards are leisure cards and why?
5. What is known about ACCESS and VISA?
6. What is known about American Express card?
7. Who can be a credit card holder?
8. What is supplied and given before a card is issued?
9. What is the cardholder notified of?
10. Where can the credit card be used?
11. What is to be made by the cardholder within 25 days of receipt of the statement?
Exercise 2. Agree or disagree with the following statements.

1) Credit card is a piece of wood. 2) Credit card bears the name of the owner. 3) Credit card bears the computer number of the possessor. 4) Credit card bears the period of serviceable life. 5) The holder must subscribe credit card. 6) Holders have limit placed on the sum they can spend. 7) All debts must be settled by a given date. 8) Any solvent person can be a credit card holder. 9) Recommendations are to be given before a card is issued. 10) The cardholder is announced of the minimum credit available to him. 11) The credit card can be used far and near. 12) Retailer is someone who sells things in a shop.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.

Доступ; досуг; извещать; доступный; розничная торговая точка; демонстрировать; частичный; расчет; получение; зрелый; держатель; годность; развлечения; разрешать; неуплаченный; заслуживающий; кредитоспособность; отчет; пускать в обращение; снабжать; рекомендация; одобрение; подписать.

Daxil olma (keçmə); asudə vaxt; köhnəlmək; keçilə bilən (yüngül, sadə); pərakəndə ticarət mərkəzi; nümayiş etdirmək; qismən; hesab; alma (qəbul etmə); yetgin; sahibkar; yararlılık; əyləncə; icazə vermək (izin vermək); ödənilməmiş; dinqəyən (qulaq asan); kredit ödəmə qəbiliyyət; hesabat; dövriyyəyə buraxmaq; təchiz etmək; zəmanət; bəyənmə; imzalamaq.
Exercise 4. Complete the following statements. Choose one topic to speak about a) credit card; b) the best known cards in the UK; c) credit cardholders. Retell the text Credit card and credit cardholders.

1) Credit card is... 2) Credit card bears... 3) The holder must... 4) The best known cards in the UK are... 5) VISA is... 6) ACCESS is... 7) American Express card is known for its holders have... 8) Any creditworthy person can... 9) Before a card is issued... 10) The cardholder is notified of... 11) The credit card can be used... 12) The credit cardholder should make... within 25 days...
Lesson III  
UNIT 1  

Bank and its classes

Bank – an institution that deals in money and its substitutes and provides other financial services. Banks accept deposits and make loans and derive a profit from the difference in the interest rates. They also have the power to create money. The two major classes of banks are commercial and central banks. Commercial banks accept savings deposits, make loans and other investments, and offer financial services that facilitate the exchange of funds among individuals and institutions. In addition to the profit derived from the difference in the interest rates, commercial banks charge fees for various services. Central banks are involved in the issue of money and maintain the country’s foreign currency reserves. Central banks maintain the accounts of other banks and supervise their activities. Central banks act as bankers to governments, as the designers of monetary and credit policies, and as lenders of last resort to commercial banks in the case of a financial crisis. Central banks also play a significant psychological role as guarantors of the monetary system. Central banks may be nationalized organizations and are subject to government control, but some of them can have independence from governmental supervision.

Vocabulary

deal in  
deposit  
derive a profit  
tорговать  
вклад в банк  
извлекать прибыль  
alver etmək  
banka yatırma  
gəlir əldə etmək
Exercise 1. Answer the Questions:

1. What is by the term “bank” meant?
2. What do banks accept?
3. What do banks make?
4. What do banks derive a profit from?
5. What are the two major classes of banks?
6. What do commercial banks accept?
7. What do commercial banks make?
8. What do commercial banks offer?
9. What are central banks involved in?
10. What do central banks maintain?
11. What do central banks supervise?
12. What do central banks act as?
13. What role do central banks play?
14. Are central banks subject to government control or not?

Exercise 2. Agree or disagree with the following statements.

1) Bank trades in money. 2) Bank gives various financial services. 3) Banks receive deposits. 4) Banks don’t make loans.
5) Banks derive a profit by skillfully deceiving people.
6) Commercial banks aid the exchange of funds among individuals and institutions. 7) Central banks act as bankers to organized crime. 8) Central banks act as the designers of default. 9) Central banks act as the designers of foreign policy. 10) Central banks act as lenders of last resort to counterfeiters. 11) Central banks play an important role as guarantors of the monetary system. 12) Central banks have the right to issue money. 13) Central banks keep the country’s foreign currency reserves. 14) Central banks back up the accounts of other banks. 15) Central banks oversee the activities of other banks. 16) Central banks may be private owned organizations. 17) Central banks are subject to shadow ministers. 18) Central banks are totally dependent on their bank customers.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.

Торговать; сберегательный вклад на неопределенный срок под процент; способствовать; денежные средства; начислять комиссионные; валютная политика; кредитная политика; последний кредитор в критической ситуации; денежная система; вклад в банк; ссуда; извлекать прибыль; процентная ставка.

1) Банк торгует деньгами и их заменителями. 2) Банк обеспечивает различные финансовые услуги. 3) Банк принимает депозиты. 4) Банки предоставляют займы. 5) Банки получают прибыль из разницы в процентных ставках. 6) Банки могут быть независимы от правительственного контроля.

Alver etmək; faiz ödəməklə müddətsiz əmanət qoyuluşu; kömək etmək; pul vəsaiti; komisyon haqlarının
Exercise 4. Complete the following statements. Choose one topic to speak about a) bank; b) commercial bank; c) central bank. Retell the text Bank and its classes.

1) Bank deals in...
2) Bank provides...
3) Banks accept...
4) Banks make...
5) Banks derive...
6) Banks have...
7) The two major classes of banks are...
8) Commercial banks accept...
9) Commercial banks make...
10) Commercial banks offer...
11) Commercial banks charge...
12) Central banks are involved in...
13) Central banks maintain...
14) Central banks supervise...
15) Central banks act as...
16) Central banks play...
17) Central banks may be...
18) Central banks are subject to...
19) Central banks can have...

UNIT 2

European Bank for Reconstruction and Development

The European Bank, with its headquarters in London, was established in May 1990. It is the first international financial institution of the post-Cold War period. Its purpose is to foster the transition towards open market oriented economies and to promote private and entrepreneurial initiative in the
countries of central and Eastern Europe. The European Bank will endeavour to help the economies of these countries integrate into the international economy, with particular concern for strengthening democratic institutions, respect for human rights and for environmentally sound policies. In fulfilling its purpose, the Bank performs a wide range of functions designed to assist countries with operations to implement structural economic reforms, including demonopolization, decentralization and privatization. The European Bank has the following departments: merchant banking (merchant bank - a bank that provides banking services for business), development banking, finance, personnel and administration, project evaluation, secretary general, chief economist, communications and press, internal audit. The Bank has 59 members: 57 countries and two institutions - the European Investment Bank (EIB) and the Economic Community (EC), known as the European Economic Community or Common Market.

**Vocabulary**

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<td>keçid</td>
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<td>управление кадрами</td>
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Exercise 1. Answer the Questions:

1. When was the European Bank established?
2. Where is its headquarters?
3. What is its purpose?
4. What will the European Bank endeavor?
5. What are the European Bank’s requirements to integrate into the international economy?
6. What does the European Bank perform in fulfilling its purpose?
7. What departments does the European Bank have?
8. What member does the European Bank have?
9. 

Exercise 2. Agree or disagree with the following statements.

1) The European Bank’s headquarters is in Paris.
2) The European Bank was founded in 1980.
3) The European Bank’s ambition is to favour the transition to a planned economy.
4) The European Bank’s aim is to promote business initiative.
5) The European Bank will help less developed countries join into the international economy.
6) Industrial nations should strengthen democratic institutions.
7) Commonwealth countries must respect human rights.
8) The countries of European Union have to conduct environmentally sound policies.
9) The European Bank brings the underdeveloped countries to ruin with privatization.
10) The European Bank assists the open market oriented economies with monopolization.
11) The European Bank lends the open market oriented economies a helping hand with centralization.
Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English

Пытаться; оценка; особый; забота; укреплять; уважение; ряд; осуществляет; торговый; проект; благоприятствовать; частная инициатива; банковские услуги; экономическое развитие; штаб-квартира; учреждать; переход; ориентированный на; предприниматель; управление кадрами; внутренняя ревизия; относящийся к борьбе с загрязнением окружающей среды.

1) Европейский банк реконструкции и развития был учрежден в 1990 году. 2) Его цель состоит в том, чтобы благоприятствовать переходу к рыночной экономике. 3) Банк осуществляет множество функций. 4) Банк помогает странам осуществить приватизацию. 5) Банк имеет множество отделов. 6) Банк предоставляет долгосрочные кредиты развивающимся странам.

Cəhd etmək, qiymət, xüsusi; qayğı, möhkəmləndirmək; hörmət, sıra, həyata keçirmək; ticarət; layihə; şərait yaratmaq; şəxsə təşəbbüs; bank xidmətləri; iqtişadi inkişaf; mənəzil-gərargah; əsəsini qoymaq/yaratmaq; keçid; istiqamətləndirilmiş; sahibkar; kadrlar idarəsi; daxili təftiş; ətraf mühitin çirklənmişsinə qarşı mübarizə.

1) Avropa bankının yenidən qurulması və inkişafı 1990-ci ildə təsdiq edilib. 2) Onun məqsədi odur ki, bazar iqtisadiyyatına keçid üçün müsbət təsir göstərsin. 3) Bank çalış funksiyalar həyata keçirir. 4) Bank ölkələrdə əzələşmə prosesini həyata keçirməyə kömək edir. 5) Bankın bir çox şöbələri var. 6) Bank inkişaf etməkdə olan ölkələrə uzun müddətli kreditlər təqdim edir.

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Exercise 4. Complete the following statements. Choose one topic to speak about European Bank for Reconstruction and Development. a) its establishment and its headquarters; b) its purpose; c) its functions; d) its departments. Retell the text European Bank for Reconstruction and Development.

1) The European Bank has its headquarters in... 2) It was established... 3) It is the first... 4) Its purpose is... 5) The European Bank will endeavour... 6) Its particular concern is... 7) The Bank performs... 8) These functions are designed to assist... 9) The European Bank has... departments and...

UNIT 3

European Investment Bank

The EIB was formed in 1958 with its headquarters in Luxembourg. It is administered by a Board of Governors which consists of a Minister (usually the Finance Minister) of each member country that lays down general directives on credit policy, approves the balance sheet, decides on capital increases and appoints directors and members of the management and audit committees. The Board of Directors has overall responsibility for deciding on loans and setting interest rates. The EIB makes loans for a wide range of projects. The pattern of lending depends on demand, the viability of the projects and their consistency with the European Economic Community’s policies. Almost all the funds necessary to finance its lending operations are raised by borrowing on capital markets, mainly through public bond issues. While its traditional product is fixed rate loans, adjustable fixed - rate and variable – rate loans are also available. Maturities range between 4 - 20 or more
years with repayment of principal and interest normally in equal six – monthly installments. Depending on the borrower’s preferences and the EIB’s holdings, loans are disbursed in a single currency, such as the ECU (Euro), or the borrower’s own currency, or in a mix of several currencies. The European Investment Bank does not charge commitment, management or other fees.

**Vocabulary**

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**Exercise 1. Answer the Questions:**

1. When was the EIB formed?
2. Where is its headquarters?
3. What is it administered by?
4. Whom does the Board of Governors consist of?
5. What are the functions of the Board of Governors?
6. What does the Board of Directors have?
7. What does the EIB make?
8. What does the pattern of lending depend on?
9. Where does the EIB take its funds?
10. What loans are available by the EIB?
Exercise 2. Agree or disagree with the following statements.

1) The Board of Directors formulates general directives on credit policy. 2) The Board of Directors sanctions the balance sheet. 3) The Board of Directors decides on capital decreases. 4) The Board of Directors ousts directors. 5) The Board of Directors doesn’t assume responsibility for deciding on loans. 6) The EIB makes investments for a wide range of projects. 7) The EIB’s pattern of lending depends on market. 8) Borrowing on capital markets cuts the EIB’s funds? 9) The EIB’s traditional product is variable-rate loans. 10) The EIB’s loans are paid in a single currency. 11) The EIB charges commitment and management fees.

Exercise 3. Translate the statements from Russian or Azerbaijani into English.

11. What do the EIB’s maturities range? 12. How are the EIB’s loans disbursed? 13. Does the EIB charge any fees?

Формулировать; жизнеспособность; согласованность; рынок капитала; облигация; эмиссия; кредит с фиксированной процентной ставкой; регулируемый; переменный; сроки платежа; колебаться в пределах; основная сумма; на которую начисляются проценты; очередной платеж при рассрочке платежа; предпочтения; вклады; платить; требовать; комиссия за обязательство предоставить кредит; указания; балансовый отчет; рост; все охватывающий; процентная ставка.

1) Европейский инвестиционный банк был создан в 1958 году. 2) Банк заимствовал средства на рынке капитала. 3) Банк субсидировал многие проекты. 4) Банк не требовал
комиссию за обязательство предоставить кредит. 5) Банк не требовал комиссию за обязательство предоставить менеджмент. 6) Кредит с фиксированной процентной ставкой означает заем с фиксированной ставкой процента, установленной на весь срок его действия, предоставляемый на фиксированный период времени.

Xulasə etmək; həyat qəbiləyi, müvafiq; bazar kapitalı; istiqraz vərəqəsi; emissiya (qiymətlə kəğızlar, kəğız pullar buryxilməsi), fiksetdilmiş faiz dərcəsi ilə kredit; tənzimlənən (nizama salınan); dəyişkən, ölçüniş vaxtı; enib qalxmaq; əsas məbləq; hansına ki, faiz hesablanır; məhələdə ədəmdə nəvbəti ölçüniş; üstünlük vermek; əmanət qoyuluşu; ədəmdək; tələb etmək; iltizamlı kredit üçün komissiya; göstəris verilmə; balans hesabatı; artır; hərtərəfli; faiz dərcəsi.
1) Avropa investisiya bankı 1958-ci ilə yaradılışdırı. 2) Bank vəsaiti bazar kapitalından borc alınır. 3) Bank bir çox layihələrə maddi yardım göstərmüşdür. 4) Bank kredit vermə ilə bağlı faiz tələb etmirələr. 5) Bank menecmentə bağlı faiz tələb etmirələr. 6) Faiz norması təyin olunmuş kredit – əvvəlcədən müəyyən edilmiş müddət və vaxt ərzində verilən borçdur.

Exercise 4. Complete the following statements. Choose one topic to speak about EIB. a) its establishment; b) its Board of Governors; c) its pattern of lending; d) its funds; e) its traditional product; f) its maturities; g) its currency; h) its fees. Retell the text The EIB.

1) The EIB was formed... 2) Its headquarters is... 3) The EIB is administered by... 4) The Board of Governors lays down... 5) The EIB makes... 6) The EIB's pattern of lending depends on... 7) The EIB's funds are raised... 8) The EIB's traditional
UNIT 4

Bank of England

The central bank in the UK is the Bank of England. Established in 1694 by Royal Charter, it had a capital of £1,200,000. This charter was renewed periodically and over the course of time, the Bank of England very gradually moved from being a commercial to being a central bank. Under the 1844 Bank Charter Act the Bank of England was divided into departments – the Banking Department and the Issue Department. Both these departments had to issue a balance sheet each week and still do. The Bank of England acquired the note issuing monopoly in England and Wales. Its present functions are (a) banker to the government; (b) banker’s bank; (c) manages the Exchange Equalization Account [Exchange equalization account – an account held at the Bank of England for the Treasury that contains the country’s foreign currency and gold reserves. This account is used to stabilize the value of sterling against other international currencies, so that if the Bank of England considers that sterling is drifting too low, it will buy sterling with funds from the account, or if sterling is becoming expensive the Bank of England will sell sterling and receive foreign currency and replenish the account]; (d) handles the issue of Treasury bills; (e) supervises the banking institutions in the UK; (f) maintains the sterling accounts of other central banks and international organizations; (g) lender of last resort; (h) the note issuing authority in England and Wales.
**Vocabulary**

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<td>issue</td>
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<td>стабилизации</td>
<td>hesabi (qiyməti)</td>
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<td>equalize</td>
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<td>treasury bill</td>
<td>казначейский вексель</td>
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**Exercise 1. Answer the Questions:**

1. What bank is the central bank in the UK?
2. When was it established?
3. What was it established by?
4. What capital did it have?
5. How was that charter renewed?
6. How did the Bank of England move over the course of time?
7. How was the Bank of England divided?
8. What did those departments have to do?
9. What did the Bank of England acquire?
10. What are its present functions?

**Exercise 2. Agree or disagree with the following statements.**

supervises the educational institutions in the UK. 6) The Bank of England has nothing to do with the sterling accounts of other central banks. 7) The Bank of England can scarcely be a lender of last resort. 8) The Bank of England does not participate in banknote circulation in England. 9) The Treasury is a government department that controls the money that the country collects and spends.

Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.

Учреждать; приобретать; банкнот; королевская хартия; управлять; казначейство; полагать; обновлять; со временем; банковские услуги; эмиссия; балансовый отчет; дрейфовать; счет стабилизации валюты; уравнять; казначейский вексель; последний кредитор в критической ситуации; снова наполнять.

1) Английский банк является центральным банком в Великобритании. 2) Банк Англии является банкиром правительства. 3) Английский банк обслуживает счета в фунтах стерлингов других стран. 4) Банк Англии выступает как последнее средство при получении кредита. 5) Этот банк является учреждением, которое уполномочено выпускать банкноты английской национальной валюты. 6) Английский банк не имеет право выпускать банкноты необеспеченные драгоценными металлами. 7) Общественность доверяет банкнотам, выпущенным в обращение Английским банком.
Exercise 4. Complete the following statements. Choose one topic to speak about the Bank of England.
a) its establishment; b) its departments; c) its functions; d) its exchange equalization account. Retell the text Bank of England.

1) The Bank of England is... 2) The Bank was established in ... by... 3) The Bank had... 4) The Bank moved from... to... 5) The Bank was divided into... 6) The Bank's departments had to... 7) The Bank acquired... 8) The Bank's present functions are... 9) The Exchange Equalisation Account is...
Lesson IV  EXCHANGE

UNIT 1

Stock exchange

Stock exchange – organized market for the sale and purchase of securities such as shares (share – one of the equal parts into which the ownership of a company is divided) and bonds (bond – an official document promising that a government or company will pay back money that it has borrowed, often with interest). In developed capitalist countries, the stock exchange has important functions: as a ready market for securities, it ensures their liquidity (the state of being readily convertible into cash) and thus encourages people to channel savings into business; and, as a pricing mechanism, it determines prices that reflect the actual value of a company’s stock (the capital of a company). Trading is done in various ways: it may occur on a continuous auction basis or it may involve brokers buying and selling shares in a company for other people. Membership requirements of the exchanges of different countries vary mainly with respect to the number of members and the rigour of the eligibility requirements. Membership requirements also differ in the degree to which government participates in their management. The London Stock Exchange, for example, functions as an independent institution, free from government legislation. In the United States, stock exchanges are subject to specific legislative regulation. In Europe, it is quite common for the members of the exchanges to be appointed by a government official and to have semi governmental status.
### Vocabulary

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**Exercise 1. Answer the Questions:**

1. What is the term “stock exchange” meant by?  
2. What functions does the stock exchange have?  
3. How is trading done?
4. How do membership requirements of the exchanges of different countries vary?
5. What does the London Stock Exchange function as?
6. What are stock exchanges in the United States subject to?
7. Who appoints the members of the exchanges in Europe?
8. What is meant by the term “liquidity”?

Exercise 2. Agree or disagree with the following statements.

1) Stock exchange is a place where shares are bought and sold. 
2) Stock exchange is not a ready market for securities. 
3) Stock exchange keeps people from putting savings into business. 
4) Stock exchange is a pricing device. 
5) Stock exchange determines the exact value of a company’s stock. 
6) Stock exchange trading might be based on an auction basis. 
7) Stock exchange trading must not involve brokers. 
8) Stock exchange may act as an independent institution. 
9) Stock exchange stands upon government legislation. 
10) Stock exchange might have semi-official status.

Exercise 3. Translate the statements from Russian or Azerbaijani into English.

1. Фондовая биржа – это организованный и регулярно функционирующий рынок по купле-продаже ценных бумаг. 
2. Фондовая биржа мобилизует временно свободные денежные средства через продажу ценных бумаг. 
3. Фондовая биржа устанавливает рыночную стоимость ценных бумаг. 
4. Фондовая биржа осуществляет перелив капитала между компаниями, отраслями и сферами. 
5. Биржа может функционировать как независимый институт. 
6. Биржа может иметь
полуофициальный статус. 7. Члены биржы назначаются
правительственными чиновниками.


Exercise 4. Complete the following statements. Choose one
topic to speak about stock exchange. a) its definition; b) its
functions; c) its trading; d) its membership requirements.
Retell the text Stock exchange.

1) Stock exchange is... 2) As a ready market for securities,
stock exchange ensures... 3) Stock exchange encourages...
4) As a pricing mechanism, stock exchange determines...
5) Stock exchange trading may occur... 6) Stock exchange
trading may involve... 7) Membership requirements vary...
8) Membership requirements differ... 9) The London Stock
Exchange functions... 10) In the United States, stock ex-
changes are... 11) In Europe, the members of the exchanges
may be appointed by... and may have...
UNIT 2

New York Stock Exchange

NYSE - world's largest marketplace for securities. The exchange evolved from a meeting of 24 men under a plane tree in 1792 on what is now Wall Street in New York City. The present name was adopted in 1863. Membership, limited to 1,366 since 1953, is obtained by purchasing a seat from an existing member. Greater commercial activity in the United States after the War of 1812 and speculation in railroad stocks in the 1830s increased demand for capital and stimulated trading at the New York Stock Exchange. After the Civil War, the exchange provided the capital for the accelerating industrialization of the United States. After the Panic of 1837, when many investors suffered heavy losses, the New York Stock Exchange began to demand that companies disclose to the public information about their finances as a condition of offering stock. The Stock Market Crash of 1929, which signaled the start of the Great Depression, led to investigation by the federal government and regulation by the Securities and Exchange Commission, which was authorized to provide supervision over buying and selling of securities. A corporation must meet certain requirements to be listed on the NYSE. These include that the company must earn $2,500,000 (before taxes), have at least 1,000,000 outstanding shares, give common stockholders voting rights, and publish periodic financial statements.

Vocabulary

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Exercise 1. Answer the Questions:

1. What is the NYSE?
2. What did it evolve from?
3. When was the present name adopted?
4. What is its membership limited to?
5. What is its membership obtained by?
6. What increased the demand for capital?
7. What did the exchange provide the capital for, after the Civil war?
8. What did the exchange begin to demand as a condition of offering stock?
9. What did the Stock Market Crash of 1929 lead to?
10. What must a corporation do to be listed on the NYSE?

Exercise 2. Agree or disagree with the following statements.

1. The NYSE deals with securities. 2. The NYSE was conceived in 1792. 3. Its present name was adopted in 1793. 4. Its membership was without restriction. 5. Its membership is obtained by borrowing a seat from an existing member. 6. The War of 1812 and currency speculation stimulated trading at the New York Stock Exchange. 7. The New York Stock Exchange provided the capital for the expansionism of the United States. 8. The New York Stock Exchange began to demand that companies conceal the information about their finances from the public. 9. A corporation is to satisfy certain requirements to be listed on the NYSE.

Exercise 3. Translate the statements from Russian or Azerbaijani into English.

1. Фондовая биржа – это рынок ценных бумаг.
2. Комиссия по ценным бумагам и биржам уполномочена осуществлять постоянный надзор за операциями купли/продажи ценных бумаг.
3. Спекуляция – это купля-продажа биржевых ценностей (акций, облигаций, валюты) с целью получения прибыли от разницы между покупной и продажной ценой при перепродаже этих ценностей.
4. Крах фондовой биржи может случиться в любое время.
5. Брокер – это официальный посредник при заключении сделок между покупателями и продавцами ценных бумаг на фондовых биржах.
6. Брокер обладает местом на бирже.
7. Брокер заключает сделки от своего имени по поручению
и за счет клиентов. 8. Акционер – это совладелец акционерного предприятия. 9. Акционер имеет право на участие в управлении делами акционерного предприятия.


Exercise 4. Complete the following statements. Choose one topic to speak about NYSE. a) its history; b) its membership and its requirements. Retell the text New York Stock Exchange.

1. The NYSE is … 2. The NYSE evolved from … 3. Its membership is obtained … 4. … increased demand for capital and stimulated trading at the NYSE. 5. The NYSE provided the capital for … 6. The NYSE began to demand … 7. To be listed on the NYSE, a corporation must …
UNIT 3

Commodity Exchange

Commodity Exchange – also called Futures Market, or Futures Exchange, organized market where futures contracts are traded. A futures contract represents a binding agreement to buy a commodity at a specified price on a specified future date. Thus it is possible for a trader to obtain a guarantee for the price he will have to pay for a commodity in the future. The method of obtaining a price is usually in open outcry in the commodity exchange. There are two basic types of traders in a futures market: hedgers and speculators. Both are necessary to the market in order to generate a sufficient volume of two-way business. Hedging – the process whereby a dealer or investor will seek to gain some protection against the possible loss of their investment owing to some sudden movement in the market. Hedgers seek to avoid or minimize the financial risks associated with their current commercial activity by taking out an insurance policy in the shape of a futures contract against adverse price or interest-rate movements. On the other hand, the speculator, in the expectation of making a profit, seeks risk by committing his funds to back his own view of higher or lower prices or interest rates. Speculation – a risk on the purchase of an asset (an item of property or value) that it will rise at some time in the near future and can be sold for a profit, or the sale of an asset on the assumption that its price will drop and it can be purchased at a lower price, hence make a profit.

Vocabulary

commodity exchange товарная биржа mal birjası
futures market рынок сделок müddətli
trade торговать bazar alveri

alver etmək
binding  обязаный  мөмкүн
specify  точно определять  дөөүү
open outcry  свободный  биржевой торг  ticарети
whereby /  посредством чего  нөйинсө  васитесиңө
wherewith  порождать  сөзөлө  олмаг,
generate  сөзөлө  гәтirmөq

two-way business  двусторонние  икитөрөфли ticарет
owing to  вследствие  гөрө, нөтиөөдө
associate  связывать  өлөө  ыратмөq
insurance  страховой  сиғормө
interest rate  процентная ставка  фәиз дөөлөсө
expectation  ожидание  гөзөлөө
commit  вверять  этибар етмөq,  инандырмөq
speculation  спекуляция, игра  алвер, биржада өюн
purchase  покупать; покупка  алың, базарлык
asset  имущество  мүлк, өмлөк
on the assumption  при условии, что  ө сөртөлө ки,

Exercise 1. Answer the Questions:

1. Where are futures contracts traded?
2. What does a futures contract represent?
3. Wherewith can a trader obtain a guarantee for the price he is to pay for a commodity?
4. What is the method of obtaining a price in?
5. What dealers generate a sufficient volume of two-way business?
6. What do hedgers seek?
7. What do hedgers financial risks by minimize?
8. Why does the speculator seek risk?
9. What does the speculator seek risk by?
10. What is by the term “hedging” meant?
11. What is by the term “speculation” meant?

**Exercise 2. Agree or disagree with the following statements.**

1) A futures contract deals with a commodity at a specified price on a specified future date. 2) A futures contract is a contract to buy or to sell a specific amount of a named commodity or financial paper at an agreed price on a given future date. 3) There are three basic types of traders in a futures market. 4) Hedgers seek financial risks. 5) Hedgers seek to minimize financial risks. 6) Speculators seek to avoid financial risks. 7) Buying a house will be a hedge against inflation. 8) One may buy gold or diamonds as a hedge against inflation. 9) To speculate means to buy goods in a company hoping that you will make a large profit when you sell them.

**Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

1. Фьючерский рынок имеет дело с фьючерскими контрактами. 2. Фьючерский контракт – это контракт, заключаемый по фиксируемой в момент заключения контракта цене с исполнением через определенный промежуток времени. 3. Хеджеры стремятся избегать финансовых рисков. 4. Спекулянты ищут финансовые риски. 5. Спекуляция – это купля-продажа биржевых ценностей с целью получения прибыли от разницы между покупной и продажной ценой при перепродаже этих ценностей.
Exercise 4. Complete the following statements. Choose one topic to speak about stock exchange. a) futures contracts; b) hedgers; c) speculators; d) hedging; e) speculation. Retell the text Commodity Exchange.

1) Commodity Exchange is... 2) A futures contract represents... 3) A futures contract allows a trader to obtain... 4) The method of obtaining a price is... 5) Hedgers and speculators are necessary to... 6) Hedgers seek... 7) In the expectation of... speculators seek... 8) Hedging is... 9) Speculation is...

UNIT 4

Chicago Board of Trade

The largest commodity exchange is the Chicago Board of Trade. The Board of Trade is the first grain futures exchange in the United States, organized in 1848 in Chicago. The Chicago Board of Trade began as a voluntary association of prominent Chicago grain merchants. Merchants in Chicago who bought wheat from outlying territories were not sure of the arrival time and quality of a delivery. The introduction of futures contracts enabled the sellers to get a better price for their product and
buyers to avoid serious price risk. In 1849 the Chicago Board of Trade received a charter from the Illinois legislature, and in 1859 it was incorporated by a special legislative act. At first grain was sold by sample (a small part or amount of something that is examined in order to find out something about the whole), but soon a system of inspection and grading was introduced to standardize the market and facilitate trading. By 1858 access to the trading floor, known as the "pit," was limited to members with seats on the exchange, who traded either for their own account or for their clients. The Chicago Board of Trade was eventually to become the largest of the world's futures markets in terms of volume and value of business. The Chicago Board of Trade trades in wheat, corn, oats, rye, soybeans, soybean oil, and soybean meal.

**Vocabulary**

**Chicago board of trade** Чикагская торговая палата

**grain** зерно

**voluntary** добровольный

**association** союз

**prominent** выдающийся

**merchants** купцы

**wheat** пшеница

**outlying** отдаленный

**enable** давать возможность

**avoid** избегать

**legislature** законодательная власть

**incorporate** регистрировать

**legislative** законодательный
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<td>нүмүнөүө</td>
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<td>çеşidлөрө / нөвлөрө айырмаq</td>
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<td>доступ</td>
<td>daxil olma (кешмә)</td>
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<td>өмтөө биржасының өмөлійиыт залы</td>
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<td>со временем</td>
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<td>рожь</td>
<td>çовдар</td>
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<td>соевый боб</td>
<td>soya пашләсү</td>
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**Exercise 1. Answer the Questions:**

1. What is the Chicago Board of Trade?
2. When and where was it organized?
3. What did it begin as?
4. What did futures contracts enable the sellers and buyers to do?
5. What did it receive in 1849?
6. When and by what was it incorporated?
7. What was introduced to standardize the market and facilitate trading?
8. What does the Chicago Board of Trade trade in?
Exercise 2. Agree or disagree with the following statements.

1) The Chicago Board of Trade is the third grain futures exchange in the US.  
2) The Chicago Board of Trade was organized in 1847.  
3) The Chicago Board of Trade began as a voluntary association of employees.  
4) The Board of Trade refused to accept a charter from the Illinois legislature.  
5) The Chicago Board of Trade was not incorporated by a special legislative act.  
6) The Chicago Board of Trade became the smallest of the world's futures markets.  
7) The Chicago Board of Trade grows fresh fruit for the market.

Exercise 3. Translate the statements from Russian or Azerbaijani into English.

Чикагская торговая палата торговала зерном.  
2. Чикагская торговая палата начинала как ассоциация купцов.  
3. Чикагская торговая палата позволила продавцам получать более высокую цену за свои товары.  
4. Чикагская торговая палата позволила покупателям избежать ценового риска.  
5. Чикагская торговая палата торгует пшеницей, кукурузой и рожью.  
6. Чикагская торговая палата специализируется на торговле серебром, золотом и ценными бумагами.  
7. Чикагская торговая палата – это крупная биржа срочных сделок.

1) Çıkaqo ticarət palatası dənli bitkilərlə alver edir.  
2) Çıkaqo ticarət palatası tacirlər asosasiyası kimi işə başlamışdır.  
3) Çıkaqo ticarət palatası satıcılara öz mallarını yüksək qiymət satmağa imkan yaratdı.  
4) Çıkaqo ticarət palatası öz alicılara qiymət riskindən uzaqlaşmağa imkan yaratdı.  
5) Çıkaqo ticarət palatası buğda, qarğidali və çovdar alveri edir.  
6) Çıkaqo ticarət
palatası gümüş, qızıl və qiyəmtli kağızların satışında ixtisaslaşır. 7) Çikaqo ticərət palatası böyük təcili səndəlaşma birjasıdır.

Exercise 4. Complete the following statements. Choose one topic to speak about The Chicago Board of Trade. a) its start; b) its legal implementation; c) its trading floor; d) its range of commodities; . Retell the text The Chicago Board of Trade

1) The largest commodity exchange is... 2) The Chicago Board of Trade is... 3) The Chicago Board of Trade was organized in... 4) The Chicago Board of Trade began as... 5) Merchants in Chicago bought... 6) Merchants in Chicago were not sure of... 7) ...enabled the sellers to get... and buyers to avoid... 8) The Chicago Board of Trade received... 9) The Chicago Board of Trade was incorporated by... 10) The Chicago Board of Trade became... 11) The Chicago Board of Trade trades in...
Lesson V  TAXATION

UNIT 1

Objectives of taxation

Tax is a compulsory levy on individuals and companies by the state to meet the expenses of the government. Taxation is imposition of compulsory levies on persons or other entities by governments. Taxes are levied in almost every country of the world, primarily to raise revenue (money that a business or organization receives over a period of time, especially from selling goods or services) for government expenditures. One useful way to view the purpose of taxation is to distinguish between objectives of resource allocation, income redistribution, and economic stability. Economic growth or development and international competitiveness (the ability of a company or a product to compete with others) are sometimes listed as separate goals. In the absence of a strong reason for interference, such as the need to reduce pollution, the resource allocation objective is furthered if tax policy does not interfere with market determined allocations. The redistributive objective is to lessen inequalities in the distribution of income and wealth to the extent they are considered excessive and unjust. The stabilization objective is the maintenance of high employment and price stability.

Vocabulary

objectives of taxation  цели  vergiqoyma
impose  налогообложение  vergi qoymaq,
compulsory  облагать  tăyin etmæk
compulsory  принудительный  məcburi
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**Exercise 1. Answer the Questions:**

1. What is the term "tax" meant by?
2. What is by the term "taxation" meant?
3. Where are taxes levied?
4. What are taxes levied to do?
5. What is the first objective of taxation?
6. What is the second objective of taxation?
7. What is the third objective of taxation?
8. What is the fourth objective of taxation?
9. What is the one fifth?
10. What is the term "com-petitiveness" meant by?
11. When is the resource allocation objective furthered?
12. What is the redistributive objective to do?
13. What is the stabilization objective?

Exercise 2. Agree or disagree with the following statements.

1) Tax is an amount of money paid by citizens to the government. 2) Taxation is the system of charging taxes. 3) Taxes are charged to increase revenue for government expenses. 4) Taxation provides resource allocation. 5) Taxation ensures income redistribution. 6) Taxation provides economic instability. 7) Taxation provides economic regression. 8) Taxation provides economic stagnation. 9) Taxation fails to provide international competitiveness. 10) Tax evasion is illegal ways of paying less tax. 11) Tax avoidance is legal ways of paying less tax.

Exercise 3. Translate the statements from Russian or Azerbaijani into English.

1. Каждый человек должен платить налоги. 2. Налоги существуют во всех странах мира. 3. Налогообложение не должно вмешиваться в рыночное распределение ресурсов. 4. Налогообложение должно уменьшать неравенство в распределении дохода. 5. Налогообложение должно поддерживать стабильность цен.
1. Every tax has a definition. 2. Taxation is the process of making contributions to the government's total revenue. 3. The collection (or redistribution) of resources is a significant objective. 4. The efficiency of tax collection is a fundamental goal. 5. Taxation should be used to maintain stability / stability.  

Exercise 4. Complete the following statements. Choose one topic to speak about taxation. a) its definition; b) its first objective; c) its second objective; d) its third objective; e) its fourth objective; f) its fifth objective. Retell the text

Objectives of taxation

I) Tax is... 2) Taxation is... 3) Taxes are levied in... 4) Taxes are levied to raise... 5) The first objective of taxation is... 6) The second objective of taxation is... 7) The third objective of taxation is... 8) The fourth objective of taxation is... 9) The fifth objective of taxation is... 10) Competitiveness is... 11) The resource allocation objective is furthered if... 12) The redistributive objective is to lessen... 13) The stabilization objective is the maintenance of...

UNIT 2

Principles of taxation

The 18th-century philosopher Adam Smith attempted to systematize the rules that should govern a rational system of taxation. In his books he set down three general canons. I. The subjects of every state ought to contribute towards the support of the government in proportion to their respective abilities, that is, in proportion to the revenue which they respectively enjoy under the protection of the state. II. The tax which each individual is bound to pay ought to be certain, and not
arbitrary. The time of payment, the manner of payment, the quantity to be paid, ought all to be clear and plain to the contributor, and to every other person. III. Every tax ought to be levied at the time, or in the manner, in which it is most likely to be convenient for the contributor to pay it. Although they need to be reinterpreted from time to time, these principles, especially the first, retain remarkable relevance. From the first can be derived both of the leading views of what is fair in the distribution of tax burdens among taxpayers. These are the belief that taxes should be based on the individual’s ability to pay, known as the ability-to-pay principle, and the benefit principle, the idea that there should be some equivalence between what the individual pays and the benefits he derives from governmental activities.

**Vocabulary**

<table>
<thead>
<tr>
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<th>Kazakh</th>
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<tr>
<td>systematize</td>
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<td>недвусмысленный</td>
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<td>fair</td>
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<td>tax burden</td>
<td>налоговое бремя</td>
<td>vergи ұықұу</td>
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Exercise 1. Answer the Questions:

1. Who was Adam Smith?
2. What did he attempt to do?
3. What did he set down in his books?
4. What was the first canon?
5. What was the second canon?
6. What was the third canon?
7. What are the two leading principles that taxes should be based on?

Exercise 2. Agree or disagree with the following statements.

1) Adam Smith arranged the rules of taxation. 2) Adam Smith set down five general canons. 3) The subjects of the state ought to give money, help and ideas to the government in proportion to their abilities. 4) Each individual is not obliged to pay taxes. 5) The tax ought to be loose. 6) The tax ought to be arbitrary. 7) The time of payment ought to be incomprehensible to the contributor. 8) The manner of payment ought to be ambiguous to the contributor. 9) The quantity to be paid ought to be ambulatory to the contributor. 10) Every tax ought to be inconvenient for the contributor to pay it. 11) These principles of taxation are to be reinterpreted from time to time. 12) These principles of taxation retain remarkable irrelevance. 13) Taxes should be based on the individual’s ability to make money. 14) Taxes should be based on the benefits the individual derives from governmental activities. 15) Tax haven is a place where people go to live to avoid paying high taxes in their own country. 16) Tax exile is someone who lives abroad in order to avoid paying high taxes in their own country.
Exercise 3. Translate the statements from Russian or Azerbaijani into English.

1. Вы должны платить налоги в соответствии со своей платежеспособностью. 2. Никто не любит платить налоги. 3. Надо сделать так, чтобы налоги было выгодно платить. 4. Налоги должны быть разумными. 5. Налоги должны быть уместными.


Exercise 4. Complete the following statements. Choose one topic to speak about the canons of Adam Smith. a) the first one; b) the second one; c) the third one. Retell the text Principle of taxation.

1) Adam Smith attempted… 2) Adam Smith set down… 3) The subjects of every state ought to contribute… 4) The tax ought to be… 5) The time of payment ought to be… 6) The manner of payment ought to be… 7) The quantity to be paid ought to be… 8) Every tax ought to be levied… 9) The canons of Adam Smith need to be… but they retain… 10) The ability-to-pay principle is the belief that… 11) The benefit principle is the idea that…
UNIT 3

Tax return

Tax return is the form on which you have to give information so that your tax can be calculated. The definition of the amount subject to taxation requires an analysis of the taxpayer’s situation and of the legal provisions that apply to him. With the income tax (and also some taxes on the transfer of property, such as the inheritance tax), the taxpayer submits a tax return providing information as to his occupation, his real and personal property, his professional expenditures, and other pertinent matters; a corporation supplies, additionally, copies of the balance sheet, profit and loss statement, and minutes of the general meeting that approved these financial reports. The return, with the attached reports and statements, is meant to provide such complete information that the assessing official (someone who works for the government, deciding how much tax a person or company should pay) can rely on it to compute the correct tax. In examining tax returns, the basic principle is that a return is assumed to be correct until the assessing official determines otherwise. In countries such as the United States, where the self-assessment method prevails (the income taxpayer’s liability is computed by himself), a minority of returns is selected for audit; most of them are only checked as to timely arrival, inclusion of all required forms and attachments, and arithmetical accuracy.

Vocabulary

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<td>налоговая декларация</td>
<td>vergi bəyamnaməsi</td>
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<td>legal provision</td>
<td>правовая норма</td>
<td>hüquqi norma</td>
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<td>передача</td>
<td>múłkiyyətín</td>
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<td></td>
<td>собственности</td>
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Exercise 1. Answer the Questions:

1. What is the term “tax return” meant by?
2. What does analysis the definition of the amount subject to taxation require?
3. What does the taxpayer submit?
4. What does a tax return provide?
5. What a corporation does supply?
6. What is the return to provide meant?
7. What is the basic principle in examining tax returns?
8. Where does prevail the self-assessment method?
9. What does the self-assessment method in countries such as the United States mean?
Exercise 2. Agree or disagree with the following statements.

1) Tax return is a formal statement on a required legal form showing taxable income, allowable deductions and exemptions, and the computation of the tax due. 2) Taxation is required to analyse the taxpayer’s situation. 3) Taxation is asked to analyse the legal norms that apply to the taxpayer. 4) The taxpayer is not bound to submit a tax return. 5) The taxpayer’s return provides information of his intellectual facilities. 6) The corporation’s return supplies copies of commercial secrets. 7) The assessing tax official cannot lean on a return to compute the correct tax. 8) The return is assumed to be proper until the assessing official determines otherwise. 9) Income tax is a tax on the net income of an individual or a business. 10) Inheritance tax is a tax on the money or property that you give to someone else after you die. 11) Real property is property in the form of land or houses. 12) Personal property is something that belongs to you. 13) Tax inspector is someone who works for the government, deciding how much tax a person or company should pay.

Exercise 3. Translate the statements from Russian or Azerbaijani into English.

1. Налогоплательщик должен представить налоговую декларацию. 2. Налоговая декларация обеспечивает полную информацию. 3. Сборщик налогов доверяет налоговой декларации. 4. Налоговые декларации должны быть подвергнуты аудиту. 5. Налоговая декларация должна подаваться вовремя.

Exercise 4. Complete the following statements. Choose one topic to speak about a) what taxation requires; b) taxpayer’s liability; c) corporation’s ability; d) what a tax return is meant to provide; e) self-assessment method.

Retell the text Tax return.

1) Tax return is … 2) Taxation requires … 3) The taxpayer submits … 4) A corporation supplies … 5) The return is meant to provide … 6) In examining tax returns, the basic principle is … 7) The self-assessment method prevails in … 8) In the United States, a minority of returns is selected for … 9) In the United States, a majority of returns are checked as …

UNIT 2

Classes of taxes

Taxes are most commonly classified as either direct or indirect, an example of the former type being the income tax (inheritance tax, real estate tax) and of the latter the sales tax (value-added tax, excise tax). Direct taxes are taxes on persons; they are aimed at the individual’s ability to pay as measured by his income or his net wealth. Income taxes are levied on total personal net income in excess of some stipulated minimum. They are also adjusted to take into account the circumstances influencing the ability to pay of the individual, such as family status, number and age of children, and financial burdens resulting from illness. Income taxes are often levied at graduated rates, that is, at rates that rise as income rises.
Inheritance taxes are taxes on the money or property that you give to someone else after you die. Real estate taxes are taxes imposed upon immovable property consisting of land, any natural resources, and buildings. Indirect taxation is a system of collecting taxes by adding an amount to the price of goods and services that people buy. Sales tax is a tax that you have to pay in addition to the cost of something you are buying. Value-added taxes are taxes on the rise in value of a product at each stage of manufacture and marketing. Sales tax levied on the manufacture, purchase, sale, or consumption of a specific commodity is known as an excise tax.

Vocabulary

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<tr>
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<td>подоходный налог</td>
<td>gəlir vergisi</td>
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<td>inheritance tax</td>
<td>налог на наследство</td>
<td>miras üzərinə qoyulan vergi</td>
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<td>real estate</td>
<td>налог на недвижимость</td>
<td>daxınlıq Əmlak uzərinə qoyulan vergi</td>
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<td>sales tax</td>
<td>налог с оборота</td>
<td>dövrıyyə/tədadıvl vergisi</td>
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<tr>
<td>sales</td>
<td>сбытовые операции</td>
<td>satış işi</td>
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<td>value-added tax (VAT)</td>
<td>налог на добавленную стоимость</td>
<td>eləvə dəyar vergisi</td>
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<td>excise tax</td>
<td>акцизный налог</td>
<td>aksiz vergisi</td>
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<td>платежеспособность</td>
<td>ödəmə qabiliyyətə</td>
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<td>чистый</td>
<td>təmiz, sifır</td>
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<td>levy</td>
<td>сбор; взимать</td>
<td>rüşüm, vergi, vergi yiğmaq</td>
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<td>in excess of</td>
<td>сверх</td>
<td>xaric, artıq</td>
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<td>stipulate</td>
<td>обусловливать</td>
<td>şərt qoymaq, asılı etmek</td>
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<td>adjust</td>
<td>приспосабливать</td>
<td>uyğunlaşdırmak, düzəltmək</td>
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<td>graduated</td>
<td>прогрессивный</td>
<td>proqressiv gəlir</td>
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Exercise 1. Answer the Questions:

1. What are taxes classified as?
2. What are direct taxes mentioned in the text?
3. What are indirect taxes mentioned in the text?
4. What are direct taxes aimed at?
5. What are income taxes levied on?
6. What are income taxes adjusted to?
7. What circumstances do the ability to pay of the individual influence?
8. What are income taxes levied at?
9. What is by the term "inheritance tax" meant?
10. What is by the term "real estate tax" meant?
11. What does indirect taxation collect taxes by?
12. What is by the term "sales tax" meant?
13. What is by the term "value-added tax" meant?
14. What is an excise tax known as?

Exercise 2. Agree or disagree with the following statements.

1) Taxes may be either direct or indirect. 2) Inheritance taxes are indirect taxes. 3) Excise taxes are direct taxes. 4) Direct taxes are taxes on landowners. 5) Direct taxes are aimed at the individual's inability to pay. 6) The individual's ability to pay is measured by his gross profit. 7) Income taxes are imposed on total personal net income. 8) Income taxes have respect to the circumstances influencing the ability to pay of the individual. 9) Income taxes are progressive taxes. 10) Direct taxation collects
taxes by adding an amount to the price of goods and services.
11) Direct tax is a tax exacted directly from the taxpayer. 12) Indirect tax is a tax on a commodity which is collected from the manufacturer or supplier, but is ultimately paid by the consumer. 13) Income tax is a tax paid on the money that you earn. 14) Progressive tax is a tax that takes a larger percentage of money from people with higher incomes than from people with lower incomes.

Exercise 3. Translate the statements from Russian or Azerbaijani into English

1. Налоги бывают двух видов: прямые и косвенные.
2. Подоходным налогом облагается чистый личный доход человека.
3. Налог на добавленную стоимость – это система налогообложения продуктов на сумму стоимости, добавленной на каждом этапе их производства и обмена.
4. Налог с оборота – это налог с продаж товаров и услуг.
5. Налог с оборота – это косвенный налог.


Exercise 4. Complete the following statements. Choose one topic to speak about a) direct taxes; b) indirect taxes; c) income taxes; d) sales taxes. Retell the text Classes of taxes.

1) Taxes are classified as ... 2) Direct taxes include ... 3) Indirect taxes include ... 4) Direct taxes are taxes on ...
5) Direct taxes are aimed at ... 6) Income taxes are levied on ... 7) Income taxes are adjusted ... 8) Income taxes are levied at ... 9) Inheritance tax is ... 10) Real estate tax is ... 11) Indirect taxation is ... 12) Sales tax is ... 13) Value-added tax is ... 14)... is known as an excise tax.
UNIT 1

ENTREPRENEURS AND ENTREPRENEURSHIP

Entrepreneur is someone who starts a company, arranges business deals, and takes risks in order to make a profit. Of course, to work for someone else is less trouble. Someone creates a job for you, gets orders, collects money from the clients and takes on the responsibility for making both ends meet. At night entrepreneur figures if he has enough money to write out your paycheque, pay the rent for the building, buy equipment and so on. On the other hand, entrepreneurship gives you an incomparable sense of personal freedom. The quality of entrepreneurship is seen by many economists as an important explanation of differences in the rate of technical progress between countries. It has been argued that two countries undertaking similar amounts of investment leading to more or less identical rates of growth in the fixed assets will not necessarily show the same rate of technical progress. In one country entrepreneurs may be undertaking enterprise investment that has as its aim the introduction of the most advanced types of production techniques, those that will lead to a rapid growth of labour productivity. In the other, because of hesitation or ignorance, the investment program may lead only to marginal changes in productive processes; the resulting growth in labour productivity and Gross National Product will be small.

Vocabulary

entrepreneur — предприниматель sahibkar
entrepreneurship — предпринимательство sahibkarliq
rate of economic growth — темп экономического роста iqtisadi inkişaf tempi
Exercise 1. Answer the Questions:

1. What is by the term "entrepreneur" meant?
2. What is less trouble and why?
3. What can entrepreneurship give you?
4. What is the quality of entrepreneurship seen as by many economists?
5. Are two countries undertaking similar amounts of investment to show the same rate of technical progress?
6. In what country will a rapid growth of labour productivity take place?
7. When will the resulting growth in labour productivity and Gross National Product be small?
Exercise 2. Agree or disagree with the following statements.

1) Entrepreneur sets up a company. 2) Entrepreneur makes business deals. 3) Entrepreneur risks his neck in order to make a profit. 4) Entrepreneur introduces new types of legal techniques. 5) Entrepreneur leads his company to a slow growth of labour productivity. 6) Entrepreneur must not be doubtful or ignorant. 7) Investment is the money that people or organizations have put into a company, business, or bank in order to get a profit, or to make a business activity successful. 8) Labour productivity is the rate at which goods are produced, compared with the work, time, and money needed to produce them. 9) The GNP is the total value of all the goods and services produced in a country, including income from abroad.

Exercise 3. Translate the statements from Russian or Azerbaijani into English


Exercise 4. Complete the following statements. Choose one topic to speak about a) entrepreneurs; b) entrepreneurship; Retell the text Entrepreneurs and entrepreneurship.

1) Entrepreneur starts ...  2) Entrepreneur arranges ...
3) Entrepreneur takes risks ...  4) Entrepreneur creates ...
5) Entrepreneur gets ...  6) Entrepreneur collects ...
7) Entrepreneur takes on ...  8) Entrepreneur writes out ...
9) Entrepreneur pays ...  10) Entrepreneur buys ...
11) Entrepreneurship gives...

UNIT 2

Company

Company is an organization that makes or sells goods or services in order to get money. Business enterprises usually take one of three forms: individual proprietorships, partnerships, or limited-liability companies. In the first form, a single person holds the entire operation as his personal property, usually managing it on a day-to-day basis. Most businesses are of this type. The second form, the partnership, may have from two to 50 or more members, as in the case of large law and accounting firms, brokerage houses (companies of brokers), and advertising agencies. This form of business is owned by the partners themselves; they may receive varied shares of the profits depending on their investment or contribution. Whenever a member leaves or a new member is added, the firm must be reconstituted as a new partnership. The third form, the limited-liability company, functions on the basis of limited liability.
Limited liability is the legal position under which the loss that an owner (shareholder) of a business firm may incur is limited to the amount of capital invested by him in the business and does not extend to his personal assets. Acceptance of this principle by business enterprises and governments was a vital factor in the development of large-scale industry, because it enabled business firms to mobilize large amounts of capital from a wide variety of investors who were understandably unwilling to risk their entire personal fortunes in their investments.

**Vocabulary**

- **enterprise**
- **individual proprietor**
- **partnership**
- **limited liability**
- **company**
- **brokerage house**
- **agency**
- **varied**
- **contribution**
- **whenever**
- **constitute**
- **incur**
- **extend**
- **assets**
- **acceptance**
- **vital**
- **large-scale industry**
- **enable**
Exercise 1. Answer the Questions:

1) What is by the term "company" meant? 2) What do forms business enterprises usually take? 3) What is by the "term" individual proprietorship" meant? 4) What is by the term "partnership" meant? 5) What is the third form of business enterprises? 6) What is by the term "limited liability" meant?

Exercise 2. Agree or disagree with the following statements.

1) Company makes or sells goods or services in order to get profit. 2) Proprietor is an owner of a business. 3) Individual proprietor keeps the entire operation as his rented property. 4) Individual proprietor manages his personal property on a from time to time basis. 5) Partnership is a business owned by two or more partners who share the profits and losses. 6) Partners share the profits and losses according to their investment or contribution. 7) Whenever a partner leaves or a new partner is added, the firm must be reconstituted as a new partnership. 8) Sleeping (silent) partner is someone who owns part of a business but is not actively involved in operating it. 9) Limited liability company is a company whose owners only have to pay a limited amount if the company gets into debt. 10) Limited liability is the legal position of being responsible for paying only a limited amount of debt if something bad happens to yourself or your company.
Exercise 3. Translate the statements from Russian or Azerbaijani into English

Предприятие, единоличный собственник, товарищество, компания с ограниченной ответственностью, брокерская фирма, агентство, разнообразный, долевой взнос, всякий раз когда, учреддать, подвергаться, простираться, имущество, принятие, жизнеенно важный, крупная промышленность, дать возможность, целый; судьба, богатство.

1. Компания продаёт товары и услуги, чтобы заработать деньги, не так ли? 2. Компанией может владеть индивидуальный собственник, не так ли? 3. Компания может быть собственностью товарищества, не так ли? 4. Компания с ограниченной ответственностью функционирует на основе принципа ограниченной ответственности, не так ли? 5. Ограниченная ответственность – это ограничение возмещения убыток от хозяйственной деятельности суммарной вложенного капитала?

Müəssisə; fərdi mülkiyyət; ortaqlıq/şəriklik; məhdud məsuliyətli kompaniya; birja/satış firması; agentlik; müxtəlif; pulla ödəmə; nə vaxtsa; yaratmaq; məruz qalmaq; uzanmaq; mülkiyyət; qəbul etmə; əhəmiyyətli; böyük sənaye; ixtiyar vermək; bütöv; bəxt/tale; var-dövlət.

Exercise 4. Complete the following statements. Choose one topic to speak about a) individual proprietorships; b) partnerships; c) limited-liability companies. Retell the text Company.

1) Company is ... 2) Business enterprises take ... 3) The first form of business is ... 4) The second form of business is ... 5) The third form of business is ... 6) Individual proprietor holds ... 7) Individual proprietor manages ... 8) Partners receive ... 9) Whenever a partner leaves ... 10) Limited-liability company functions ... 11) Limited liability is ... 12) Limited liability enables business firms to ... 13) Investors are understandably unwilling to ...

UNIT 3

Holding company

Holding company is a company that owns enough voting stock (a controlling number of the shares) in one or more other companies to exercise control over them. A company that exists exclusively for this purpose is called a pure holding company, while one that also engages in a business of its own is called a holding-operating company. A holding company typically owns a majority of stock in a subsidiary (a company that is owned or controlled by another company), but if ownership of the remaining shares is widely diffused, even minority ownership may suffice to give the holding company control. A holding company provides a means of control of several companies with a minimum amount of investment. The use of a holding company is legally simpler and less expensive than other means of gaining control of another company, such as, for example, merger (the act of joining together two or more
companies to form a single enterprise). A holding company is able to reap the benefits of a subsidiary's goodwill (the success of a company, and its good relationship with its customers, calculated as part of its value when it is sold) and reputation, yet its liability is limited to the proportion of the subsidiary's stock that it owns. These and other factors make holding companies an effective form of organization on both national and international levels.

**Vocabulary**

<table>
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<th><strong>holding company</strong></th>
<th><strong>холдинг компания</strong></th>
<th><strong>xoldinq kompaniyası</strong></th>
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<td><strong>diffuse</strong></td>
<td><strong>распространять</strong></td>
<td><strong>sahiblik</strong></td>
</tr>
<tr>
<td><strong>sufficient</strong></td>
<td><strong>хватать</strong></td>
<td><strong>tutmaq, yaprışmaq,</strong></td>
</tr>
<tr>
<td><strong>gain</strong></td>
<td><strong>добывать</strong></td>
<td><strong>götürmək</strong></td>
</tr>
<tr>
<td><strong>merger</strong></td>
<td><strong>поглощение,</strong></td>
<td><strong>əldə etmək</strong></td>
</tr>
<tr>
<td></td>
<td><strong>слияние,</strong></td>
<td><strong>udma, birləşmə</strong></td>
</tr>
<tr>
<td><strong>reap</strong></td>
<td><strong>пожинать плоды</strong></td>
<td><strong>bəhrəsinini görmək</strong></td>
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<tr>
<td><strong>goodwill</strong></td>
<td><strong>представление</strong></td>
<td><strong>nüfuzlu firmalar</strong></td>
</tr>
<tr>
<td><strong>liability</strong></td>
<td><strong>денежные</strong></td>
<td><strong>pul öhədəliyi</strong></td>
</tr>
</tbody>
</table>
Exercise 1. Answer the Questions:

1. What is by the term "holding company" meant?
2. What is by the term "voting stock" meant?
3. What company is called a pure holding company?
4. What company is called a holding-operating company?
5. What is by the term "subsidiary" meant?
6. What stock does the holding company give to control over its subsidiary?
7. What company provides a means of control of several companies with a minimum amount of investment?
8. What is the simplest way to gain control of another company?
9. What is by the term "merger" meant?
10. What is by the term "goodwill" meant?
11. What is a holding company able to get?
12. What is a holding company's liability limited to?
13. What is an effective form of organization on both national and international levels?

Exercise 2. Agree or disagree with the following statements.

1) Holding company is a company that holds a control packet of shares in other companies. 2) Controlling interest is ownership of more than 50 per cent of a business. 3) If you have a controlling interest in a company, you own enough shares to be able to make decisions about what happens to the company. 4) Holding company controls the composition of the board of directors of the subsidiary company. 5) Goodwill is the favor or prestige that a business has acquired beyond the mere value of what it sells. 6) Holding company is an inefficient form of organization.
Exercise 3. Translate the statements from Russian or Azerbaijani into English


Exercise 4. Complete the following statements. Choose one topic to speak about a) pure holding company; b) holding – operating company; c) the use of a holding company; d) company’s goodwill; e) subsidiary company. Retell the text Holding company.

1) Holding company is ... 2) ... is called a pure holding company. 3) ... is called a holding-operating company. 4) A holding company typically owns ... 5) Minority ownership
may ... if ... 6) A holding company provides ... 7) The use of a holding company is ... 8) A holding company is able to ... 9) A holding company's liability is limited to...

UNIT 4

Bankruptcy

Bankruptcy - the status of a debtor who has been declared by judicial process to be unable to pay his debts. Although sometimes used indiscriminately to mean insolvency, the terms have distinct legal significance. Insolvency, as used in most legal systems, indicates the inability to meet debts. Bankruptcy, on the other hand, results from a legal adjudication that the debtor has filed a petition or that creditors have filed a petition against him. Bankruptcy laws were enacted to provide and govern an orderly and equitable liquidation of the estates of insolvent debtors. This purpose has remained an important aim of bankruptcy legislation since the Middle Ages. Because in the past bankruptcy was coupled with the loss of civil rights and imposition of penalties upon fraudulent debtors, the designation bankrupt came to be associated with dishonesty, casting a stigma on persons who were declared bankrupts. Eventually, however, bankruptcy legislation was extended to provide procedures for the adjustment of debts so as to avoid liquidation and for the rehabilitation of insolvent debtors. Modern bankruptcy laws include the salvage of an enterprise in financial difficulties. It has become the principal focus of bankruptcy legislation with particular concern for the maintenance of employment opportunities and the protection of members of the labour force.

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### Vocabulary

<table>
<thead>
<tr>
<th>English Term</th>
<th>Russian Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>judicial process</td>
<td>судебнaя процедура</td>
</tr>
<tr>
<td>indiscriminately</td>
<td>неразборчиво</td>
</tr>
<tr>
<td>insolvency</td>
<td>неплатежеспособность</td>
</tr>
<tr>
<td>meet debts</td>
<td>оплачивать долги</td>
</tr>
<tr>
<td>adjudication in bankruptcys</td>
<td>объявление банкротом</td>
</tr>
<tr>
<td>bankruptcys</td>
<td>по суду</td>
</tr>
<tr>
<td>file a petition</td>
<td>подать петицию</td>
</tr>
<tr>
<td>enact</td>
<td>вводить закон</td>
</tr>
<tr>
<td>orderly</td>
<td>аккуратный</td>
</tr>
<tr>
<td>equitable</td>
<td>беспристрастный</td>
</tr>
<tr>
<td>estate</td>
<td>имущество</td>
</tr>
<tr>
<td>insolvent debtor</td>
<td>несостоятельный</td>
</tr>
<tr>
<td>couple</td>
<td>должник</td>
</tr>
<tr>
<td>impose</td>
<td>связывать</td>
</tr>
<tr>
<td>fraudulent debtors</td>
<td>должники, дающие ложные сведения</td>
</tr>
<tr>
<td>adjustment</td>
<td>улаживание</td>
</tr>
<tr>
<td>rehabilitation</td>
<td>восстановление в правах</td>
</tr>
</tbody>
</table>

- **məhkəmə üsulu**: məhkəmə üsulu, доляшыг, гарышыг
- **borcunу ödəyə bilməyən**: borcu ödəmək
- **qarışında**: qərizə vermək
- **qanun tətbiq etmək**: qanun tətbiq etmə
- **müntəzəm**: müntəzəm
- **qərəzsiz, ədalətlə**: qərəzsiz, ədalətlə
- **mülliyyət**: mülliyyət
- **kasib, əyoxsul**: kasib, əyoxsul
- **borcu**: borcu
- **əlaqələndirmək**: əlaqələndirmək
- **qoymaq (çarimə)**: qoymaq (çarimə)
- **öz əmlakı barədə**: öz əmlakı barədə
- **yalan məlumat**: yalan məlumat
- **qaydəya qoymə, nizama salınma**: qaydəya qoymə, nizama salınma
- **büşqələrin**: büşqələrin
- **bərpə etmə**: bərpə etmə
salvage

labour force

Exercise 1. Answer the Questions:

1. What is by the term "bankruptcy" meant?
2. What does insolvency indicates?
3. What does bankruptcy result from?
4. What were bankruptcy laws enacted to do?
5. What was bankruptcy coupled with in the past?
6. What did the designation bankrupt come to be?
7. What was bankruptcy legislation extended to do?
8. What do modern bankruptcy laws include?
9. What is the particular concern of bankruptcy legislation?

Exercise 2. Agree or disagree with the following statements.

1) Bankruptcy is the state of being unable to pay your debts.
2) Insolvency indicates the ability to meet debts.
3) Bankruptcy laws provide a disorderly liquidation of the estates of solvent debtors.
4) Bankruptcy laws govern a prejudicial liquidation of the estates of insolvent debtors.
5) Bankruptcy was linked with the loss of civil liberties.
6) Bankruptcy inflicted punishment upon fraudulent debtors.
7) Bankruptcy legislation may include settlement of debts.
8) The designation bankrupt was connected with unfairness.
9) Bankrupt is someone who has officially said that they cannot pay their debts.
10) Bankrupt is an insolvent person who has been adjudicated bankrupt by the court.
Exercise 3. Translate the statements from Russian or Azerbaijani into English

1. Банкрот не способен платить свои долги?
2. Неплатежеспособность – это финансовое положение фирмы, при котором она не может своевременно выполнять свои финансовые обязательства?
3. Неплатежеспособность необязательно означает банкротство, не так ли?
4. Кредитор может подать заявление в суд на должника?
5. Законы о банкротстве ликвидируют имущество неплатежеспособных должников?
6. Банкротство связано с потерей гражданских прав?
7. Как называются должники, дающие ложные сведения о своем имущественном положении?

1. Müfïlis olan şəxs borcunu ödəməyə qədir deyil?

Exercise 4. Complete the following statements. Choose one topic to speak about a) insolvency in comparison with bankruptcy; b) bankruptcy legislation in the past; c) modern bankruptcy laws. Retell the text Bankruptcy.

1) Bankruptcy is….. 2) Insolvency indicates …. . 3) Bankruptcy results from ... 4) Bankruptcy laws were enacted ... 5) Bankruptcy was coupled with ... 6) The designation bankrupt came to be ... 7) Bankruptcy legislation was extended ... 8) Modern bankruptcy laws include ... with particular concern for ....
Accounting and its financial statements

Accounting is the systematic development and analysis of information about the economic affairs of an organization. This information may be used in a number of ways: by the organization's managers to help them plan and control the organization's operations; by owners and legislative bodies to help them appraise the organization's performance and make decisions as to its future; by owners, lenders, suppliers, employees, and others to help them decide how much time or money to devote to the organization; by governmental bodies to determine how much tax the organization must pay; and by customers to determine the price to be paid. Accounting provides information for all these purposes through the maintenance of files of data, analysis and interpretation of these data, and the preparation of various kinds of reports. These reports are called financial statements. Three financial statements will be discussed: the balance sheet, the income statement, and the statement of cash flows. Accountant is a professionally qualified person who is able to record, keep, check, and prepare financial statements.

Vocabulary

- **accounting**: бухгалтерское дело
- **legislative body**: законодательный орган
- **appraise**: оценивать
- **performance**: показатели работы
- **mūhasibat işi**: qanunverici
- **orqan**: qiyomatlandirmak
- **işin göstəriciləri**:
Exercise 1. Answer the Questions

1. What is by the term "accounting" meant?
2. What people deal with accounting and why?
3. What does accounting provide its information through?
4. What financial statements are mentioned in the text?
5. What is by the term "accountant" meant?

Exercise 2. Agree or disagree with the following statements.

1) Accounting is the systematic analysis of illegal ways of paying less tax. 2) The organization's managers to plan and control the organization's operations use intercom. 3) Owners to appraise the organization's performance use illegal tapping. 4) Lenders to decide how much time or money to devote to the organization use the newspapers that print shocking stories about people's personal lives. 5) Governmental bodies to determine how much tax, the organization must pay use tax legislation. 6) Customers to determine the price to be paid use their common sense. 7) Accounting provides its information through Internet. 8) Accounting provides its information through the preparation of various kinds of statements. 9) Balance sheet is a statement of how much money a business has earned and how much money it has paid for goods and services. 10) Cash flow
Exercise 3. Translate the statements from Russian or Azerbaijani into English

1. Бухгалтерское дело – это систематический анализ информации об экономическом положении организации?
2. Финансовый отчет – это отчет о финансовом положении организации?
3. Документами финансового отчета являются: балансовый отчет, отчет о доходах и баланс оборотных средств, не так ли?
4. Балансовый отчет – это доклад о финансовом положении организации на определенную дату?
5. Отчет о доходах – это документ о денежных или материальных ресурсах, поступающих государству, предприятию, учреждению или отдельному лицу в процессе распределения национального дохода?
6. Баланс оборотных средств – это доклад об изменениях в финансовом положении организации?

Exercise 4. Complete the following statements. Choose one topic to speak about a) what people use accounting and why; b) three financial statements. Retell the text Accounting and its reports.

1) Accounting is ... 2) Accounting is used by managers to ... 3) Accounting is used by legislative bodies to ... 4) Accounting is used by lenders and employees to ... 5) Accounting is used by governmental bodies to ... 6) Accounting is used by customers to ... 7) Accounting provides ... 8) Three financial statements are...

UNIT 2

Balance sheet

A balance sheet describes the resources that are under a company's control on a specified date and indicates where these resources have come from. Any balance sheet consists of three major sections: (1) the assets: material values and money resources owned by the company; (2) the liabilities: the funds that have been provided by outside lenders and other creditors in exchange for the company's promise to make payments or to provide services in the future; and (3) the owners' equity: the funds that have been provided by the company's owners or on their behalf. The list of assets shows the forms in which the company's resources are kept; the lists of liabilities and the owners' equity indicate where these same resources have come from. The balance sheet, in other words, shows the company's resources from two points of view, and the following relationship

resurslar barədə sənəddir? 6. Tədavül balansı təşkilatının maliyyə vəziyyətindəki dəyişikliklər barədə hesabatdır?
must always exist: total assets are total liabilities plus total owners' equity. This same identity is also expressed in another way: total assets minus total liabilities equals total owners' equity. In this form, the equation emphasizes that the owners' equity in the company is always equal to the net assets (assets minus liabilities). Any increase in one will inevitably be accompanied by an increase in the other, and the only way to increase the owners' equity is to increase the net assets.

**Vocabulary**

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Kazakh</th>
</tr>
</thead>
<tbody>
<tr>
<td>balance sheet</td>
<td>балансовый отчет</td>
<td>баланс хабынаттары</td>
</tr>
<tr>
<td>assets</td>
<td>активы</td>
<td>актів</td>
</tr>
<tr>
<td>liabilities</td>
<td>обязательства</td>
<td>өндірген, тәрелліді</td>
</tr>
<tr>
<td>in exchange for</td>
<td>в обмен на</td>
<td>өндірмеге (әйінсі)</td>
</tr>
<tr>
<td>equity</td>
<td>собственные средства</td>
<td>құсусі вәсіт, компания қапіталының әрізіз (сірф) дөйөрі</td>
</tr>
<tr>
<td>on behalf</td>
<td>от имени кого-либо</td>
<td>қімінсі адіндан</td>
</tr>
<tr>
<td>identity</td>
<td>тождество</td>
<td>әскәрлік, бәрәбәрлік</td>
</tr>
<tr>
<td>equation</td>
<td>уравнение</td>
<td>әскәрлік</td>
</tr>
<tr>
<td>inevitably</td>
<td>неизбежно</td>
<td>мүтлөг, истер-истәмә</td>
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<tr>
<td>accompany</td>
<td>сопровождать, сопутствовать</td>
<td>мүшәйят етмек, ыла салмаq</td>
</tr>
<tr>
<td>current assets</td>
<td>оборотный капитал</td>
<td>дөвриyyа капиталь</td>
</tr>
<tr>
<td>fixed assets</td>
<td>основной капитал</td>
<td>әсас капитал</td>
</tr>
<tr>
<td>in tangible assets</td>
<td>нематериальные активы</td>
<td>көрйi-maddi aktiv</td>
</tr>
<tr>
<td>real estate</td>
<td>недвижимость</td>
<td>ғаінмаз әмлек</td>
</tr>
<tr>
<td>trademark</td>
<td>торговая марка</td>
<td>тикәрәт нишаны</td>
</tr>
<tr>
<td>goodwill</td>
<td>репутация компании</td>
<td>компаніяның аді, әдірәті</td>
</tr>
</tbody>
</table>
Exercise 1. Answer the Questions

1. What does a balance sheet describe?
2. What does a balance sheet indicate?
3. What does sections any balance sheets consist of?
4. What is by the term "assets" meant?
5. What is by the term "liabilities" meant?
6. What does the owners' equity include funds?
7. What does the list of assets show?
8. What do the lists of liabilities and the owners' equity indicate?
9. What must the balance sheet show?
10. What does this equation emphasize?
11. What is the only way to increase the owners' equity?

Exercise 2. Translate the statements from Russian or Azerbaijani into English

1. Как называется документ бухгалтерского учета, который в денежном выражении дает представление о состоянии дел фирмы на определенную дату?
2. Как называется часть бухгалтерского баланса, отражающего на определенную дату все принадлежащие данному предприятию материальные ценности и денежные средства?
3. Активы компании — это оборотный капитал компании, основной капитал компании и нематериальные активы компании?
4. Оборотный капитал компании — это наличные деньги и сырье, не так ли?
5. Основной капитал компании — это недвижимость, машины и оборудование, не так ли?
6. Нематериальные активы компании — это патенты, репутация и торговая марка, не так ли?

1. Müəyyən bir müddətdə firmanının pul sahəsindəki vəziyyətini barədə məlumat vərən mühəsibən sənədləri necə

Exercise 3. Analyse the table “Balance Sheet” and retell the text of the same name.

<table>
<thead>
<tr>
<th>Assets</th>
<th>Liabilities and owners’ equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>Current liabilities</td>
</tr>
<tr>
<td>Cash</td>
<td>Wages payable</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>Accounts payable</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>Total current liabilities</td>
</tr>
<tr>
<td>Inventories</td>
<td>Deferred taxes</td>
</tr>
<tr>
<td>Total current assets</td>
<td>Long-term bonds payable</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>Total liabilities</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>Owners’ equity</td>
</tr>
<tr>
<td>Original cost</td>
<td>Common stock</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>Retained earnings</td>
</tr>
<tr>
<td>Total assets</td>
<td>Total owners’ equity</td>
</tr>
<tr>
<td></td>
<td>Total liabilities and owners’ equity</td>
</tr>
</tbody>
</table>

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UNIT 3

Income statement

The company uses its assets to produce goods and services. The company's success depends on whether it is wise or lucky in the assets it chooses to hold and in the ways it uses these assets to produce goods and services. The company's success is measured by the amount of profit it earns. Net income is the accountant's term for the amount of profit that is reported for a particular time period. The company's income statement for a period of time shows how the net income for that period was derived. The first line in the company's income statement shows the company's net sales revenues for the period: the assets obtained from customers in exchange for the goods and services. The second line summarizes the company's revenues from other sources. The income statement next shows the expenses of the period: the assets that were consumed while the revenues were being created. The expenses are usually broken down into several categories (cost of merchandise sold, salaries of employees, depreciation, and etc.) indicating what the assets were used for. The income statement shows only a single number, the net gain on the sale. If net income is negative, it is referred to as a net loss.

Vocabulary

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Kazakh</th>
</tr>
</thead>
<tbody>
<tr>
<td>income statement</td>
<td>отчет о доходах</td>
<td>gәләр hesабаты</td>
</tr>
<tr>
<td>assets</td>
<td>активы</td>
<td>aktiv</td>
</tr>
<tr>
<td>net income</td>
<td>чистый доход</td>
<td>тәмиз (sирф)</td>
</tr>
<tr>
<td>sales revenue</td>
<td>доходы от запротаж</td>
<td>сатыңдан әлән әләр</td>
</tr>
<tr>
<td>obtain</td>
<td>получать</td>
<td>алып, әлде өтмәк</td>
</tr>
<tr>
<td>consume</td>
<td>расходовать</td>
<td>өрәләмәк, сәрф өтмәк</td>
</tr>
<tr>
<td>cost of merchandise</td>
<td>стоимость</td>
<td>satилмыш мәлләрین</td>
</tr>
</tbody>
</table>
sold реализованных товаров dəyəri
depreciation амортизация amortizasiya
net gain / income чистая прибыль sirf qazanc, mənfəət
net loss чистый убыток sirf (təmiz) itki
interest revenues доходы от процентов faizdən gələn gəlir
expenses расходы xərclər
interest expense расходы на выплату faiz ödənişindəki xərclər

Exercise 1. Answer the Questions

1. What does the company's income statement show?
2. What does the first line in the company's income statement show?
3. What does the second line in the company's income statement summarize?
4. What expenses does the income statement show?
5. What number does the income statement show?
6. What is a net loss referred to?

Exercise 2. Translate the statements from Russian or Azerbaijani into English

1. Чистый доход – это доход после уплаты всех налогов?
2. Чистый убыток – это когда расходы превышают доходы? 3. Что включает в себя понятие «стоимость»?
4. Что включает в себя понятие «издержки»? 5. Зарплата работающих по найму отражена в отчете о доходах?
6. Амортизация – это постепенное снижение ценности основных фондов вследствие их изнашивания?
7. Амортизация – это постепенное перенесение стоимости основных фондов на вырабатываемую продукцию с целью накопления средств для их обновления?

Exercise 3. Complete the following statements. Choose one topic to speak about a) the company’s success; b) the company’s income statement.

1) The company uses ... 2) The company's success depends on ... 3) The company's success is measured by ... 4) Net income is ... 5) The company's income statement shows ... 6) The first line in the company's income statement shows ... 7) The second line in the company's income statement summarizes ... 8) The income statement next shows ... 9) The expenses are broken down into ... and indicate ... 10) The income statement shows only ...

Exercise 4. Analyses the table “Income Statement” and retell the text of the same name.

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales revenues</td>
<td>$ 800</td>
</tr>
<tr>
<td>Interest and other revenues</td>
<td>14</td>
</tr>
<tr>
<td>Total revenues</td>
<td>$ 814</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
</tr>
<tr>
<td>Cost of merchandise sold</td>
<td>$492</td>
</tr>
<tr>
<td>Salaries of employees</td>
<td>116</td>
</tr>
<tr>
<td>Depreciation</td>
<td>30</td>
</tr>
<tr>
<td>Interest expense</td>
<td>4</td>
</tr>
<tr>
<td>Other expenses</td>
<td>125 767</td>
</tr>
<tr>
<td>Net income</td>
<td>$ 47</td>
</tr>
</tbody>
</table>
UNIT 4

Cash flow statement

Companies also prepare a third financial statement, the statement of cash flows. Cash flows result from three major groups of activities: (1) operating activities, (2) investing activities, and (3) financing activities.

Cash balance; cash flow statement; investing activities; purchase of equipment; financing activities; issuance of bonds; bond; cash flow; cash; operating activities; net income; depreciation; deferred taxes; monetary assets; gain on sale of investment; cash dividend.

Exercise 1. Translate the following words and phrases from Russian or Azerbaijani into English and vice versa.

Баланс оборотных средств, прибыль от торговли инвестициями, инвестиционная деятельность, покупка оборудования, финансовая деятельность, выпуск облигаций, облигация, денежный дивиденд, остаток кассы, движение наличных средств, денежная наличность, текущая (эксплуатационная) деятельность, чистый доход, амортизация, отсроченные налоги, валютные активы.

Төдөвүү (дөврийүү) балансы; инвестисия сатуучудан гөлөн көзөчү мөөнөт; инвестисия жөмөк өөрүүү; авданлык алынма; малийүү өөрүүү; истирошуз бурачысы; истирошуз; пул дивиденти; касса көзүрү (калышы); негдө вөсэйин калыш-дүшөсү; пул ыарк-хесаби; өрүү (истисмар) өөрүүү; төмөз (сирф) гөлөр; амортизация; вахты үзәдилмөс веги; валютута активи;
Exercise 2. Translate the following statements from English into Russian or Azerbaijani

1) Cash is money in the form of coins or notes rather than cheques, credit cards etc. 2) Cash flow is the movement of money coming into a business as income and going out as wages, materials etc. 3) A net amount of money is the amount that remains after everything has been taken away from it. 4) A gross amount of money is the total amount before any tax or costs have been taken away. 5) Income is the amount of money (usually annual) accruing as payment, profit, interest, etc., from labour, business, professions or property. 6) Net income is a person's total income after deduction of income tax. 7) Depreciation is the measure of wearing out of a fixed asset arising from use, effluxion of time or obsolescence through technological or market changes. 8) To defer means to delay something until a later date. 9) Tax is a compulsory levy on individuals and companies by the state to meet the expenses of the government. 10) Assets are the things that a company owns, that can be sold to pay debts. 11) Gain is the increase of resources, due to profitable trading. 12) Sale is the act of giving property, food, or other goods to someone in exchange for money. 13) Investment is the money that people or organizations have put into a company, business, or bank in order to get a profit, or to make a business activity successful. 14) Equipment is all the special tools, machines, clothes etc. that you need for a particular activity. 15) Bond is an official document promising that a government or company will pay back money that it has borrowed, often with interest. 16) Dividend is a part of a company's profit that is divided among the people who have shares in the company.
Exercise 3. Complete the following statements.

1) Deferred taxes are ...
2) Monetary assets are ...
3) Cash dividends are ...
4) Cash balance is ...
5) Cash from operating activities includes ...
6) Cash for investing activities consists of ...
7) Cash from financing activities comprises ...

Exercise 4. Analyses the table “Statement of Cash Flows” and make up a story or dialogue to say where cash flows result from.

<table>
<thead>
<tr>
<th>Cash from operating activities:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$ 52</td>
</tr>
<tr>
<td>Depreciation</td>
<td>30</td>
</tr>
<tr>
<td>Deferred taxes</td>
<td>3</td>
</tr>
<tr>
<td>Increase in monetary assets other than cash</td>
<td>2</td>
</tr>
<tr>
<td>Gain on sale of investment</td>
<td>(5)</td>
</tr>
<tr>
<td></td>
<td>$82</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash for investing activities:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of equipment</td>
<td>$(41)</td>
</tr>
<tr>
<td>Sale of investment</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>(22)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash from financing activities:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance of bonds</td>
<td>$ 10</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>(35)</td>
</tr>
<tr>
<td></td>
<td>(25)</td>
</tr>
<tr>
<td>Increase in cash balance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 35</td>
</tr>
</tbody>
</table>
Lesson VIII  Advertising

UNIT 1

Advertising and its history

To advertise means to tell people publicly about a product or service in order to persuade them to buy it. Advertising - the techniques and practices used to bring products, services or opinions to public notice for the purpose of persuading the public to respond in a certain way toward what is advertised. Most advertising involves promoting a good that is for sale, but similar methods are used to encourage people to drive safely, to support various charities, or to vote for political candidates. In many countries advertising is the most important source of income for the media through which it is conducted. The media are all the organizations, such as television, radio, and the newspapers, that provide information for the public. In the ancient and medieval world such advertising as existed was conducted by word of mouth. The first step toward modern advertising came with the development of printing in the 15th and 16th centuries. In the 17th century weekly newspapers in London began to carry advertisements, and by the 18th century such advertising was flourishing. The great expansion of business in the 19th century was accompanied by the growth of an advertising industry; it was that century, primarily in the United States, that saw the establishment of advertising agencies. Advertising agency is a company that designs and makes advertisements for other companies. By the 1920s advertising agencies could plan and execute complete advertising campaigns.
### Vocabulary

<table>
<thead>
<tr>
<th>English</th>
<th>Uzbek</th>
<th>Russian</th>
</tr>
</thead>
<tbody>
<tr>
<td>techniques</td>
<td>технические приемы</td>
<td>техники (qəbul) üsul, yol</td>
</tr>
<tr>
<td>persuade</td>
<td>убедить</td>
<td>inandırmaq</td>
</tr>
<tr>
<td>respond</td>
<td>реагировать</td>
<td>cavab vermək, reaksiya etmək</td>
</tr>
<tr>
<td>charities</td>
<td>благотворительные дела</td>
<td>xeyriyyə işi</td>
</tr>
<tr>
<td>media</td>
<td>средства массовой информация</td>
<td>kütləvi informasiya vasitələri</td>
</tr>
<tr>
<td>by word of mouth</td>
<td>устно</td>
<td>şifahi</td>
</tr>
<tr>
<td>flourish</td>
<td>процветать</td>
<td>çičəkləmək, inkişaf etmək</td>
</tr>
<tr>
<td>primarily</td>
<td>главным образом</td>
<td>əsəson, xüsusiələ</td>
</tr>
<tr>
<td>execute</td>
<td>осуществлять</td>
<td>həyata keçirmək, yerinə yetirmək</td>
</tr>
</tbody>
</table>

### Exercise 1. Answer the Questions

1. What is by the term "advertising" meant?
2. What does most advertising involve?
3. Where is advertising used?
4. What is the most important source of income for the media?
5. How was advertising in the ancient and medieval world conducted?
6. What was the first step toward modern advertising?
7. Who began to carry advertisements in the 17th century in London?
8. What was the great expansion of business in the 19th century accompanied by?
Exercise 2. Agree or disagree with the following statements.

I) To advertise means to make an announcement, for example in a newspaper or on a poster, that a job is available. 2) Advertisement is a picture, set of words, a film etc that is used to advertise a product or service. 3) Advertising is used to bring its preconceived opinions to public notice. 4) Advertising promotes unsaleable goods for sale. 5) Advertising encourages people to make traffic violations. 6) Advertising discourages people to back up various charities. 7) Advertising has the purpose of persuading the public that charity begins at home. 8) Advertising encourages people to vote for political candidates holding extreme views in politics. 9) Advertising encourages people to hold a candle to the devil. 10) Advertising is something that gives people what they want knowing it is not good for them. II) Advertising is the most important source of income for the gutter press. 12) Advertising tuckers any man of sense out. 13) Advertising makes anyone extremely angry or annoyed.

Exercise 3. Translate the following questions from Russian or Azerbaijani into English

Russian or Azerbaijani into English

1. Реклама используется для того, чтобы привлечь внимание публики к определенным товарам?
2. Реклама убеждает нас осторожно водить автомобиль?
3. Реклама поддерживает благотворительные дела?
4. Реклама призывает нас голосовать за политических кандидатов?
5. Реклама процветает?

Exercise 4. Complete the following statements. Choose one topic to speak about advertising a) its definition; b) its usage; c) its mutual relations with the media; d) its existence far back in the past; e) its agencies. Retell the text Advertising and its history.

1) To advertise means ... 2) Advertising is ... 3) ... is the action of calling something to the attention of the public especially by paid announcements. 4) Most advertising involves ... 5) Advertising encourages ... 6) Advertising supports ... 7) Advertising helps people to vote ... 8) The most important source of income for the media is ... 9) Advertising is conducted through ... 10) Advertising was conducted by ... in the ancient and medieval world. 11) Modern advertising came with ... 12) Weekly newspapers in London began ... 13) ... was accompanied by ... 14) The United States saw ... 15) Advertising agencies could ...
computers or literature) and offer the manufacturers of products of particular interest to such people the chance to make contact with their most likely customers. The most pervasive (existing or spreading everywhere) media are television and radio. Advertisers can buy short "spots" of time to promote their products or services. Advertising spots are broadcast between or during regular programs. For advertisers the most important facts about a given television or radio program are the size and composition of its audience. The size of the audience determines the amount of money the broadcaster can charge an advertiser, and the composition of the audience determines the advertiser's choice as to when a certain message, directed at a certain segment of the public, should be run. The other advertising media include direct mail, outdoor billboards, posters, and etc. Advertising is on some occasions too intrusive (affecting someone's private life or interrupting them in an unwanted and annoying way).

**Vocabulary**

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Uzbek</th>
</tr>
</thead>
<tbody>
<tr>
<td>medium</td>
<td>средство</td>
<td>vasitə</td>
</tr>
<tr>
<td>the media</td>
<td>средства массовой информации</td>
<td>kütləvi informasiya vasitələrį</td>
</tr>
<tr>
<td>circulation</td>
<td>тираж</td>
<td>tiraj, nüşxə</td>
</tr>
<tr>
<td>likely</td>
<td>вероятный</td>
<td>mümkün olan, həqiqətə uyğun</td>
</tr>
<tr>
<td>pervasive</td>
<td>всюду проникающий</td>
<td>hər yerə yayılmış, yayan</td>
</tr>
<tr>
<td>spot</td>
<td>место</td>
<td>yer, məkan</td>
</tr>
<tr>
<td>composition</td>
<td>состав</td>
<td>heyyət, tərkib</td>
</tr>
<tr>
<td>charge</td>
<td>запросить</td>
<td>sorüşmaq, istəmək, tələb etmək</td>
</tr>
<tr>
<td>segment</td>
<td>сектор</td>
<td>sektor, bölmə</td>
</tr>
<tr>
<td>direct</td>
<td>направлять</td>
<td>istiqamətləndirmək, yönəltmək</td>
</tr>
</tbody>
</table>
Exercise 1. Answer the Questions

1. What can newspapers offer advertisers?
2. What may magazines be aimed at?
3. What may magazines offer the manufacturers?
4. What are the most pervasive media?
5. What and why can advertisers buy?
6. When are advertising spots broadcast?
7. What are facts the most important for advertisers?
8. What does the size of the audience determine?
9. What does the composition of the audience determine?
10. What do the other advertising media include?
11. Do you find advertising too intrusive?

Exercise 2. Agree or disagree with the following statements.

I) Newspapers can offer advertisers small circulations.
2) Newspapers can offer advertisers the opportunity to buy printing machines. 3) Magazines may help the manufacturers of products to foist their substandard goods upon their customers. 4) The most pervasive media are old wives' tales. 5) Advertisers can buy television and radio to promote their products or services. 6) The term "direct mail" means advertisements that are sent by post to many people. 7) Billboard is a large sign used for advertising. 8) Poster is a large printed notice, picture, or photograph, used to advertise something or as a decoration. 9) Audience is a group of people who watch and listen to someone speaking or performing in public. 10) Audience is the number or kind of people who regularly watch or listen to a
particular programme. 11) Target audience is the kind of people that a programme, advertisement etc. is supposed to attract.

Exercise 3. Translate the following questions from Russian or Azerbaijani into English

1. Почему размещать рекламу в газетах выгодно?
2. Журналы предлагают производителям установить контакты с потенциальными покупателями их товаров?
3. Телевидение и радио проникают повсюду?
4. Рекламу можно назвать «навязчивой»?
5. Реклама полезна всем?

1. Няяө görü qəzətdə reklam yerləşdirənək olverişlidir?
2. Jurnallar istehsalçıllara onların mallarını alan potensial alicilarla müməqələ bağlamağı təklif edir. 3. Televiziya və radio hər tərəfdə yayımlanır. 4. Reklamı zəhlə təkən adlandırmaq olar? 5. Reklam hamiya sərfəlidir?

Exercise 4. Complete the following statements. Choose one topic to speak about a) advertising in newspapers; b) advertising in magazines; c) advertising by television and radio; d) the other advertising media. Retell the text Advertising and its media.

1) Newspapers can offer ... 2) Magazines may be ... 3) Magazines may offer ... 4) The most pervasive media are ... 5) Advertisers can buy ... 6) Advertising spots are broadcast ... 7) For advertisers ... are ... 8) The size of the audience determines ... 9) The composition of the audience determines ... 10) The other advertising media include ... 11) Advertising on some occasions affects ... 12) ... is the kind of people that an advertisement is expected to attract. 13) ... is the number or kind of people who at regular times watch or listen to a peculiar
There is no serious disagreement over the power of advertising to inform consumers of what products are available (can easily be bought or found). In a free-market economy effective advertising is extremely important and necessary to a company's survival, for unless consumers know about a company's product they are unlikely to buy it. For an advertisement to be effective its production and placement must be based on a knowledge of the public and a skilled use of the media. A career in advertising is a difficult one. Good advertisers are in great demand. Advertising agencies serve to organize complex advertising campaigns. The effectiveness of advertising campaigns is based on research into consumer behaviour and demographic analysis of the market area. [Demography is the study of human populations and the ways in which they change.] Advertisers combine creativity in the production of the advertising messages with canny scheduling and placement, so that the messages are seen by, and will have an effect on, the people advertisers most want to address. Given a fixed budget, the advertiser faces a basic choice: he can have his message seen or heard by many people fewer times, or by fewer people many times.

Vocabulary

**power**  
способность  
qabiliyyat, istedad, bacarîq

**unless**  
пока не  
(bağlayıcı) ça,çə, kan,kən

**unlikely**  
вряд ли  
çətin (ki), güman etmirəm
Exercise 1. Answer the Questions

1. Does advertising gain its point or not?
2. Why is effective advertising extremely important and necessary to a company's survival?
3. What must done for an advertisement to be effective?
4. A career in advertising is a difficult one, isn't it?
5. Good advertisers are in great demand, aren't they?
6. What do advertising agencies do serve to?
7. What is the effectiveness of advertising campaigns based on?
8. Why advertisers do combine?
9. What budget is the advertiser given?
10. What does the advertiser face?

Exercise 2. Agree or disagree with the following statements.

1) There is no dispute over the power of advertising to inform consumers of what products are available. 2) Free market is a market in which prices are not controlled or limited in any way. 3) Effective advertising is essential to a company's survival. 4) Consumer is someone who buys and uses products and
services. 5) As soon as consumers know about a company's product they are likely to buy it. 6) A career in advertising is an easy one. 7) Good advertisers are in good demand. 8) Advertising agencies serve to organize whispering campaigns. 9) Whispering campaign is an attack on someone that is made by privately spreading criticism about them. 10) The effectiveness of advertising campaigns is based on research into consumer private life. 11) Advertisers have to be clever, careful, and not easily deceived, especially in business or politics. 12) Advertisers are given a permanent budget. 13) Advertisers play the fool with consumers.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English

Разногласия, служить, спрос, рекламное агентство, распространение ложных слухов про своего противника, частным образом, распространять, научное исследование, частная жизнь, обманывать, перманентный, валять дурака, рекламировать, информировать, потребитель, имеющийся в распоряжении, свободный рынок, цена, контролировать, ограничивать, эффективный, существенный.

Фикир айрылығы; хидмет етмек; тəлəбəт; реклам аэентлийи; öz рəqibлəри haqqında yalan şayiələr yayma; xüsusi qaydada; elmi tədqiqət araşdırma; şəxsι həyat; aldatmaq; fasıləsiz; özünü gəcliyə qoymaq; reklam etmək; məlumat vermək; istəhlakçı; sərəncamında/ tabeçiliyində olma; azad bazar; qiymət; nəzarət etmək; məhdudlaşdırmaq; təsirli / effektli; əhəmiyyətli/vacib.
Exercise 4. Translate the following questions from Russian or Azerbaijani into English


Exercise 4. Complete the following statements. Choose one topic to speak about a) effective advertising; b) advertisers; c) advertising agencies and campaigns. Retell the text Advertising and its effectiveness.

1) Effective advertising is ... 2) Unless consumers know ... 3) For an advertisement to be effective ... 4) A career in advertising is ... 5) Good advertisers are ... 6) Advertising agencies serve ... 7) The effectiveness of advertising campaigns is based on ... 8) Advertisers, combine ... so that ... 9) Advertisers are given ... 10) Advertisers face ...

UNIT 4

Advertising, its cost and its influence

In criticism of advertising it has been argued that the consumer must pay for the cost of advertising in the form of
higher prices for goods; against this point it is argued that advertising enables goods to be mass marketed, thereby bringing prices down. It has been argued that the cost of major advertising campaigns is such that few firms can afford (to have enough money to buy or pay for something) them, thus helping these firms to dominate (to have power and control over) the market; on the other hand, whereas smaller firms may not be able to compete (to try to be more successful) with larger ones at a national level, at the local level advertising enables them to hold their own. Finally, it has been argued that advertisers exercise an undue (more than is reasonable, suitable, or necessary) influence over the regular contents of the media they employ - the editorial stance (an opinion that is stated publicly) of a newspaper or the subject (the thing one is talking about or considering in a conversation, discussion, book, film etc.) of a television show. In response it has been pointed out that such influence is counteracted, at least in the case of financially strong media firms, by the advertiser's reliance on the media to convey his messages; any compromise (an agreement between two contracting parties that is achieved by both of them accepting less than they wanted at first) of the integrity of a media firm might result in a smaller audience (the persons reached by a publication, radio, TV, etc.) for his advertising.

Vocabulary

market  сбывать  ticaret, satış, satmaq
thereby  таким образом  beləlikə, demək
whereas  тогда как  halbuki, hərçənd ki, baxmayaraq
hold one's own  сохранять свои позиции  öz mövqeyni, vəziyyətinizi saxlamaq
exercise  использовать  istifadə etmək, işlətmək
Exercise 1. Answer the Questions

1. What is the first point at issue in criticism of advertising?
2. What is the second matter of dispute in criticism of advertising?
3. What is the third subject of controversy in criticism of advertising?

Exercise 2. Agree or disagree with the following statements.

1) The advertiser must pay for the cost of advertising.
2) Advertising enables goods to be mass marketed.
3) Advertising brings prices up.
4) The cost of major advertising campaigns is such that few firms can have enough money to pay for them.
5) Advertising helps only very large companies to
have power and control over the market. 6) Smaller firms are not successful in comparison with larger ones at a national level. 7) Advertising enables smaller firms to flourish at the local level. 8) Advertisers exercise an unreasonable influence over the editorial stance of a newspaper. 9) Advertisers exercise an excessive influence over the subject of a television show. 10) The advertiser's influence is neutralized by the advertiser's reliance on the media to convey his messages. 11) The media are completely subject to the advertiser's ill will.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English

Exercise 4. Translate the following questions from Russian or Azerbaijani into English

рекламе? 5. Какой товар может обойтись без рекламы? 6. Средства массовой информации бессильны перед злой волей рекламодателя?


Exercise 4. Complete the following statements. Choose one topic to speak about advertising a) its cost; b) its influence. Retell the text Advertising and its power.

1) The consumer must pay ... 2) Advertising enables ... 3) Few firms can afford ... 4) Advertising helps large companies to dominate ... 5) Small firms can't compete ... 6) Advertising enables small firms ... 7) Advertisers exercise ... 8) The advertiser's influence is counteracted by ... 9) Any compromise ... might... 10) an agreement between two parties achieved by both of them accepting less than they wanted at first.
Lesson IX INSURANCE

UNIT 1

Insurance, the insurer and the insured

To insure means to, buy insurance to protect yourself against something bad happening to you, your family or your possessions. The insurer is a person or company that provides insurance. The insured is the person or people who are insured. Insurance is a contract in writing between an insurance company and the insured, whereby the insurance company will pay the insured a stated sum of money on the happening of a stated event. [Frequently the word insurance and 'assurance' are used in the same way.] In return for a specified consideration, the insurer undertakes to pay the insured some specified amount in the event that the insured suffers loss through the occurrence of a contingent event covered by the insurance contract (insurance policy). By pooling the financial contributions of a large number of policyholders, the insurer is usually able to absorb losses incurred over any given period much more easily than would the uninsured individual. While the destruction of an automobile in a traffic accident imposes a heavy financial loss on an individual, for example, one such loss is of relatively small consequence to an insurer who is collecting sufficient premiums (insurance premium is the money that you pay regularly to an insurance company) on a large number of automobiles.

Vocabulary

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Azerbaijani</th>
</tr>
</thead>
<tbody>
<tr>
<td>insurance</td>
<td>страхование</td>
<td>sigorta</td>
</tr>
<tr>
<td>the insurer</td>
<td>страховщик</td>
<td>sigorta edən idarə</td>
</tr>
<tr>
<td>the insured</td>
<td>страхователь</td>
<td>sigorta, sigorta edən</td>
</tr>
<tr>
<td>insure</td>
<td>страховать(ся)</td>
<td>sigorta etmək (etdirmək)</td>
</tr>
</tbody>
</table>
Exercise 1. Restore the word order in the following statements.

1) To yourself against something bad happening to insure means to buy insurance to protect you. 2) The insurance insurer is a person who provides. 3) The who is insured insured is a person. 4) Insurance an insurance company and the is a contract in writing between insured.

Exercise 2. Agree or disagree with the following statements.

1) Insurance is a contract for reducing losses from accident incurred by an individual party through a distribution of the risk of such losses among a number of parties. 2) Insurance is an arrangement with a company in which you pay them money each year and they pay the costs if anything bad happens to you, such as an illness or an accident. 3) To insure means to sell insurance to protect yourself against something bad happening to you. 4) The insurer is a person who plays a confidence trick on you in order to get your money. 5) The insurer is someone who deceives people to gain money. 6) The insured is a victim of insurance fraud. 7) The insurer takes responsibility for paying the insured some specified amount when the insured incurs losses. 8) The insurer is able to make up losses much
more easily than would the uninsured individual. 9) To incur means to put yourself in an unpleasant situation by your own actions.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English

Postrodennoe ceo; ustanovlennyi; nevshastnyiy sluchaj; v obmen; tochno opelelyaet; brat na sebya obzhaltelstvo; v sluchae; oхватывать; obyedinyit v obshy fond; razrushenie; nalagat; otnoshitelno; posledstvie; dostatkochnyy; degoverya strakhovaniye; umenishche; strona v degoverore; raspredelenie; soglashenie; sluchatsya; zluapotreblenie derveriem; obmanivat; zaработать; zhertva; moshenничество pri strakhovaniye; ootvetstvennost'; terpete ubytki; vozместit' ubytki; nepriyatna situatsiya; strakhovaniye; strakhovщик; strakhovatel'; strakhovat'; izderzhki; kompensatsiya; proishhestviye; navelche na sebya; nepredvidennyiy; strakhovoy polis; vznos; amortizirовать; strakhovoy vznos.

Vasitəsilə (nəyinsə); quraşdırlımiş; bəddəxt hadisə; əvəzində/müqabilində; dəqiq müqəyyənləşdirək; əhdəliyi öz üzərinə götürmək; təsadüfən; əhatə etmək; birgə fondda birləşdirək; dağılma/viran edilə; qoymaq (cərimə); dair; nəticə; kifayət qədər; siğorta müqaviləsi; azaltmaq; müqaviləyə qoşulan tərəflər; bölüşdürümə; razılıq; baş vermək; inamdən sui-istifadə; aldatmaq; qazanmaq; qurban/tələfət; siğorta qabağı délədəzluq; məsuliyyət; itkiyə tab qətirmək; zərərin yerini doldurmaq; xoşagəlməz vəziyyət; siğorta; siğorta edən idarə; siğorta edən; siğorta etmək; məsarif/xərc; kompensasiya; hadisə/əhvalat; özünə qarşı; gözənlənmişən; siğorta polisi; ödəmə; amortizasiya etmək; siğorta haqqı.
Exercise 4. Complete the following statements. Choose one topic to speak about a) insurance contract; c) the insurer; c) insured. Retell the text Insurance, the insurer and the insured.

1) ... means to buy insurance to protect yourself against something bad happening to you. 2) ... is a person or company that provides insurance. 3) ... is the person or people who are insured. 4) ... is a contract in writing between an insurance company and the insured. 5) ... will pay the insured a stated sum of money on the happening of a stated event. 6) The insurer undertakes to pay ... in return for ... 7) The insurer is able ... by pooling ... 8) ... is the money that you pay regularly to an insurance company.

UNIT 2

The insurer and an insurable risk

Insurance relies heavily on the "law of large numbers." In large homogeneous groups of population it is possible to estimate the normal frequency of common events such as deaths and accidents. Losses can be predicted with reasonable accuracy, and this accuracy increases as the size of the group expands. From a theoretical standpoint, it is possible to eliminate all pure risk if an infinitely large group is selected. From the standpoint of the insurer, an insurable risk must meet the following requirements: 1. The objects to be insured must be numerous enough and homogeneous enough to allow a reasonably close calculation of the probable frequency and severity of losses. 2. The insured objects must not be subject to simultaneous destruction. For example, if all the buildings insured by one insurer are in an area subject to flood, and a flood occurs, the loss to this insurer may be catastrophic. 3. The possible loss
must be accidental in nature, and beyond the control of the insured. If the insured could cause the loss, the element of randomness and predictability would be destroyed. 4. There must be some way to determine whether a loss has occurred and how great that loss is. This is why insurance contracts specify very definitely what events must take place, what constitutes loss, and how it is to be measured.

Vocabulary

groups of population  слои общества  əhali, insan
təbəqəsi
reasonable  разумный  ağilli, şüurlu, ağlabatan
expand  расширяться  genişləndirmək
eliminate  исключить  çıxarmaq, kənar etmək, xaric etmə
infinitely  бесконечно  sonsuz (olaraq), son dərəcə
insurable risk  страховаемый риск  sığortalana bilən risk
insurable  могущий быть предметом страхования  sığortalana bilən şey
numerous  многочисленный  çox, çoxlu
homogeneous  однородный  həmcins, eyni, oxşar
severity  жестокость  rəhimsizlik, zalımlıq
severe losses  большие убытки  böyük, çoxlu itki
occur  происходить  baş vermək
catastrophic  катастрофический  fəlakəti, təcilli, ağır
catastrophic  случайный  təsadüfən, bilmədən
catastrophic  случайность  təsadüfilik, təsadüf
**Exercise 1. Restore the word order in the following statements.**

1) The and homogeneous enough to estimate the objects to be insured must be numerous enough normal frequency of common events. 2) The be subject to simultaneous insured objects must not destruction. 3) The be beyond the control of possible loss must the insured, 4) There to determine whether a must be some way loss has occurred and how great that loss is.

**Exercise 2. Agree or disagree with the following statements.**

1) The objects to be insured must be small in numbers and heterogeneous to estimate the probable frequency and severity of losses. 2) The insured objects must be subject to simultaneous destruction. 3) The possible loss must be non-random in nature. 4) The possible loss must be within the control of the insured. 5) If the insured could cause the loss, the element of randomness and predictability would be completely useless. 6) The insured must be morally, legally, or officially allowed to cause the loss. 7) If the insured causes the loss, he has to repair damage on his own account. 8) Insurance contracts state in an exact and detailed way what events must pass, what forms loss, and how it is to be estimated.
Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English

Слой общества; подверженный; одновременный; разрушение; наводнение; происходить; случайный; вне; вызывать; случайность; предсказуемый; определять; оценить; предсказывать; разумный; расширяться; исключить; бесконечно; страхуемый риск; могущий быть предметом страхования; точка зрения; требование; многочисленный; однородный; разумно; частота; большие убытки; точно определять; определенно; составлять; измерять.

Athali təbəqələri; meyilli; eyni vaxtda; dağıılma; daşqın; baş vermək; təsadüfən; kənar/xaric; səbəb olmaq; təsadüflik; qabaqcadan xəbər verilən; müəyyən etmək; qiymətləndirmək; qabaqcadan xəbər vermək; ağılı; genişləndirmək; istisna etmək; sonsuz; sığorta riski; sığorta oluna bilən şeylər; nöqtəyə nəzərdən; təlabat; çox/çoxlu; oxsar; uğurlu/məntiqli; sixliq; böyük itki; dəqiq müəyyənləşdirən; müəyyənləşmiş; tərtib etmək; ölçmək

Exercise 4. Complete the following statements. Choose one topic to speak about a) the “law of large numbers”; b) the first requirement an insurable risk must meet; c) the second requirement an insurable risk must meet; d) the third requirement an insurable risk must meet; e) the fourth requirement an insurable risk must meet. Retell the text the insurer and an insurable risk.

1) Insurance relies ... 2) It is possible to estimate ... 3) Losses can be ... 4) Reasonable accuracy increases ... 5) It is possible to eliminate ... 6) The objects to be insured must be ... to allow... 7) The insured objects must not be ... 8) The possible loss must be ... 9) The element of randomness
and predictability would be ... if ... 10) There must be some way ... 11) Insurance contracts specify very definitely ... 

UNIT 3

The insured and an insurable risk

From the viewpoint of the insured person, an insurable risk is one for which the probability of loss is not so high as to require excessive premiums (premium - the cost of insurance, especially the amount to pay each year). What is "excessive" depends on individual circumstances, including the insured's attitude toward risk. What is "excessive" stands upon insurance adjusters who are employed by an insurance company to decide how much to pay people who have had an accident. At the same time, the potential loss must be severe enough to cause financial hardship if it is not insured against. Insurable risks include losses to property resulting from fire, explosion, windstorm, burglary, etc.; losses of life or health; and the legal liability arising out of use of automobiles, occupancy of buildings, employment, or manufacture. Uninsurable risks include losses resulting from price changes and competitive conditions in the market. Political risks such as war, cabinet crisis, monetary crisis or deepening economic crisis are usually not insurable by private insurance companies but may be insurable by governmental institutions. Very often insurance contracts can be drawn in such a way that an "uninsurable risk" can be turned into an "insurable" one.

Vocabulary

excessive

чрезмерный

hədsiz, həddən artiq, sonsuz

premium

страховой взнос

siğorta haqqı
**insurance adjuster**  оценщик размера страхового убытка  
иткинин сіғорта  

darәәсіні тәңзімлөөң șәәс

**severe losses**  большие убытки  
бөyük иткі  

**financial hardship**  финансовые трудности  
maliyyә çәtinliyi

**windstorm**  буря  
tufan, boran, fұртіна  
(sәндәрмәкәлә), гегә  
oğurlүү

**burglary**  ночной краж со взломом  
(сыңдырмәлә), эәжә  
оьурлүү

**legal liability**  юридическая ответственность  
hүүқү мәсулиyyәт

**occupancy**  владение  
tорпаq, ыйәленә  
mүлк

**competitive**  конкурирующий  
рәәбәәет (әтмә)

**insurable**  могущий быть предметом страхования  
sіғорта олуна билян әүә, әүә  

**draw**  составлять  
tәәтәб етмәк

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**Exercise 1. Restore the word order in the following statements.**

1) Insurable property resulting from risks include losses to fire.  
2) Insurable health risks include losses of life or.  
3) Insurable include legal liability for risks damage or injury.  
4) Uninsurable from price changes in the risks include losses resulting market.  
5) Political by private parties risks are not insurable.  
6) Political may be insurable by risks governmental institutions.

**Exercise 2. Agree or disagree with the following statements.**

1) Risk is a person or business judged according to the danger involved in giving them insurance or lending them money.  
2) Risk is the possibility that something bad, unpleasant, or dangerous may happen.  
3) Risk management is a system to
prevent or reduce dangerous accidents or mistakes. 4) Loss adjuster is someone who is employed by an insurance company to decide how much should be paid to people who make claims on their insurance. 5) Insurable risks include losses to property resulting from debauchery. 6) Insurable risks include financial losses and fraud losses. 7) Insurable risks include legal responsibility for paying money that is owed, or for damage or injury. 8) Uninsurable risks include losses resulting from a violent and sudden event or change, such as a serious flood or earthquake. 9) Political risks include losses resulting from opinions, ideas, and actions that most people think are unreasonable and unacceptable.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English

Мцгавиля тэргэб экэн; бёюк итки; сёбэб олмаэ; малийя çәтәнлийи; нусуси мүлкійыөт; өртларыү; түфэн; хүуци мөсүллыйыөт; баш өрмүк/өмөлө өлмөк; нөкөтэйи нәзәрдөң; әйгөртә эдөң; әйгөртә риски; екимәл; зәрөр/зиған; тәлөб этөк; хәддидөң әртү; әйгөртә әхәтә; ағыллы; вәчиб; асли олмаэ; шәрайт/вәзиыйыөт; дәхил этөк; әхәттөңдә баарысиндө; әйгөртә
Exercise 4. Complete the following statements. Choose one topic to speak about a) an insurable risk from the viewpoint of the insured person; b) insurable risks; c) uninsurable risks; d) political risks. Retell the text the insured and an insurable risk.

1) An insurable risk is ... from the viewpoint of ... 2) What is "excessive" depends on ... 3) Insurance adjusters are ... 4) The potential loss must be ... to cause ... 5) Insurable risks include ... 6) Uninsurable risks include ... 7) Political risks are ... 8) Insurance contracts can be drawn ...

UNIT 2

Kinds of insurance

Life insurance is a contract in writing whereby the insured person will pay the insurance company stated premiums, so that he / she will receive a certain sum of money with or without bonuses on reaching a certain age or at death, whichever is the sooner. Property insurance is used to insure against loss from accidental destruction of property. Marine insurance contracts are written to cover (1) the vessel, (2) the cargo, (3) the freight revenue to be received by the ship owner, and (4) legal liability for negligence of the shipper or the carrier. There are at least four major types of liability insurance contracts: (1) liability arising out of the use of automobiles, (2) liability arising out of the conduct of a business,
liability arising from professional negligence (applicable to doctors, lawyers, etc.), and (4) personal liability. The insurance covers all acts of stealing. Aviation insurance covers physical damage to the aircraft and legal liability arising out of its ownership and operation. Workers' compensation insurance, sometimes called industrial injury insurance, compensates workers for losses suffered as a result of work-related injuries. Industrial injury insurance is a contract whereby payments are made regardless of negligence. Credit insurance covers the risk of bad debts from insolvency (that is, the inability of a person or company to pay their debts as they fall due), death, and disability. Also, credit insurance covers the risk of loss of savings from bank failure and the risk of loss from export credit because of war or other political causes.

**Vocabulary**

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<thead>
<tr>
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<th>Russian</th>
<th>Azerbaijan</th>
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<tr>
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<td>страховой взнос</td>
<td>сыйorta haqqı</td>
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<td>bonus</td>
<td>премиальная надбавка</td>
<td>өlavə pul mükafatı</td>
</tr>
<tr>
<td>whichever</td>
<td>какой бы ни</td>
<td>hansı olursa, nə olursa</td>
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<tr>
<td>accidental</td>
<td>случайный</td>
<td>təsadüf, təsadüfən</td>
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<td>marine</td>
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<td>выручка от перевозки грузов</td>
<td>yük daşımadan</td>
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<td>юридическая ответственность</td>
<td>qələn qəlir</td>
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<td>negligence</td>
<td>небрежность</td>
<td>hüquqi məsuliyyət</td>
</tr>
<tr>
<td>shipper</td>
<td>грузоотправитель</td>
<td>yük gündərən</td>
</tr>
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</table>
**Exercise 1. Restore the word order in the following statements.**

1) Life insurance regular payments so that when he dies his family will receive is a contract whereby someone makes money. 2) Property from accidental destruction of property insurance insures against loss. 3) Marine negligence of the shipper or the insurance covers legal liability for carrier. 4) Liability insurance personal liability covers. 5) Theft insurance all covers acts of stealing. 6) Aviation damage to the aircraft insurance covers physical. 7) Workers' compensation for losses suffered as a result of work-related injuries insurance compensates workers. 8) Credit of bad debts from insurance covers the risk insolvency.
Exercise 2. Agree or disagree with the following statements.

1) Life insurance is a type of insurance that someone makes regular payments into so that when they die their family will receive money. 2) Bonus is money added to someone's wages, especially as a reward for good work. 3) Property insurance is used to insure against loss from burglary. 4) Marine insurance covers personal liability for negligence of the shipper. 5) Liability insurance covers liability arising out of the use of motorcycles and bicycles. 6) Theft insurance covers all acts of cheating. 7) Aviation insurance covers aviation accidents. 8) Industrial injury insurance compensates workers for losses suffered as a result of lateness and non-attendance. 9) Credit insurance doesn't cover the risk of bad debts from disability.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English

Боржуну юдяйя билмяйян; габилиййятсиз; сыьорта щаггы; ялавя пул мцкафаты; йцк дашынмадан эяляр эялир; щцгуги мясулиййят; йцк эюндярян; йцк дашыма компанийасы; сыьорта етмя мясулиййят; чарясиз / юдяниля билмяйян борж; експорт / ихражат кредити; сыьорта щяйаты.

Неплатежеспособность; нетрудоспособность; страховой взнос; премиальная надбавка; выручка от перевозки грузов; юридическая ответственность; грузоотправитель; транспортная компания; страхование ответственности; безнадежный долг; экспортный кредит; страхование жизни.

Borcunu ödəyə bilməyən; qabiləyyətsiz; siqorta haqqı; əlavə pul mükafatı; yük daşınmadan gələr gəlir; hüquq qəsəbəliyyət; yük göndərən; yük daşma kompaniya; siqorta etmə məsəliyyəti; çarəsiz / ödənilə bilməyən borc; eksport / iərəcat krediti; siqorta həyatı.
Exercise 4. Complete the following statements. Choose one topic to speak about a) life insurance; b) property insurance; c) marine insurance; d) liability insurance; e) theft insurance; f) aviation insurance; g) workers' compensation insurance; h) credit insurance. Retell the text Kinds of insurance.

1) Life insurance is ... 2) Property insurance is used ... 3) Marine insurance covers ... 4) Liability insurance covers ... 5) Theft insurance covers ... 6) Aviation insurance covers ... 7) Industrial injury insurance compensates ... 8) Credit insurance covers ...
Lesson X  Marketing

UNIT 1

Marketing and its functions

Marketing is the ability to assess, by whatever means, the needs of the consumer, then using the available resources, design, produce, advertise, and deliver the goods at the right time and at the right place and price to the customer. Marketing's principal function is to promote and facilitate exchange. Through marketing, individuals and groups obtain what they need and want by exchanging products and services with other parties. Such a process can occur only when there are at least two parties, each of whom has something to offer. In addition, exchange cannot occur unless the parties are able to communicate about what they offer and to deliver what they offer. Marketing is not a coercive process: all parties must be free to accept or reject what others are offering. So defined, marketing is distinguished from other modes of obtaining desired goods, such as through self-production, begging, theft, or force. Marketing is not confined to any particular type of economy, because goods must be, exchanged and therefore marketed in all economies and societies except perhaps in the most primitive one. Furthermore, marketing is not a function that is limited to profit-oriented business; even such institutions as hospitals, schools, and museums engage in some forms of marketing.

Vocabulary

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<thead>
<tr>
<th>English</th>
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<tr>
<td>marketing</td>
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<td>marketinq</td>
</tr>
<tr>
<td>assess</td>
<td>оценивать</td>
<td>qiymətləndirmək</td>
</tr>
<tr>
<td>consumer</td>
<td>потребитель</td>
<td>istehlakçı</td>
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available  имеющийся в распоряжении  mövcud olan
occur  происходить  baş vermək
unless  если не  əgər (yox)
communicate  сообщать  xəbər vermək, məlumat vermək
coercive  принудительный  məcburi, icbari
mode  способ  üsul, qayda, tərz
begging  нищенство  dərəcə yoxsulluq
confine  ограничивать  məhdud etmək, məhdudlaşdırmaq
market  купить или продать на рынке  bazarda alib satmaq
furthermore  кроме того  bundan başqa
engage  вовлекать  çəkmək, çəlb etmək, daxil etmək

Exercise 1. Restore the word order in the following statements.

1) Marketing assess the needs of the is the ability to consumer.
2) Marketing the available resources is the ability to use.
3) Marketing goods is the ability to design the.
4) Marketing the goods is the ability to produce.
5) Marketing advertises the goods at the right time is the ability to and at the right place and price.
6) Marketing at the right place and price to the customer is the ability to deliver the goods at the right time and.

Exercise 2. Agree or disagree with the following statements.

1) Marketing is the sum of activities involved in directing the flow of goods and services from producers to consumers.
2) Marketing is the activity of trying to sell a company's products by advertising, using attractive packages etc.
3) Marketing helps exchange to develop
and be successful. 4) Marketing is to facilitate exchange. 5) Through marketing, individuals obtain needless and unwanted products. 6) Marketing is a compulsory process. 7) Through marketing, consumers obtain desired goods. 8) Museums do not take part in some forms of international marketing. 9) Hospitals become involved in some forms of marketing.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English

Marketinq; принять; отвергать; давать определение; проводить различие; способ; желать; изготовление для себя; нищенство; просить подаяния; кража; принуждение; ограничивать; особый тип экономики; следовательно; купить или продать на рынке; исключая; ориентированный на прибыль; бизнес; способность; оценивать; любые средства; потребности; потребитель; доступный; ресурсы; проектировать; производить; рекламировать; доставлять; товары; заказчик; содействовать; способствовать; обмен; приобретать; участвующее лицо; происходить; предложить; быть в состоянии; сообщать; принудительный; вовлекать.

Marketinq; qəbul etmək; rədd etmək; tərif vermək; dəyişikliklər tətbiq etmək; üsul/qayda; arzulamaq; özü üçün istehsal etmə/ hazırlama; son dərəc yoxsulluq; sədəqə istəmək; ölçülüq; məcbur etmə/məcburiyyət; məhdud etmək; iqtisadiyyatin əsas forması; bu şəbədən; bazarda alib-satmaq; müstasna olmaqla; məfəəələn yənəldilmiş; biznes; qəbiliyyət; qiymələndirmək; istənilən vəsait; tələbat; istehlakçı; mümkün; resurslar; layihəşədirmək; istehsal etmək; reklam etmək; çatdırmaq; mal; sifarişçi; yardım etmək / kömək etmək; imkan yaratmaq; mubahilə; almaq (pul ilə); istərəkçə; baş vermək; teklif etmək; imkan olmaq; xəbər vermək; məcburi; cəlb etmək.
Exercise 4. Complete the following statements. Choose one topic to speak about a) what marketing is; b) marketing's principal function; c) whether marketing is a coercive process; d) marketing and other modes of obtaining goods. Retell the text Marketing and its functions.

1) Marketing is ... 2) Marketing's principal function is ... 3) Through marketing, individuals obtain ... 4) Exchange of products and services can occur ... 5) Exchange of products and services cannot occur ... 6) Marketing is not... 7) Marketing is distinguished from ... 8) Marketing is not confined to ... 9) Marketing is not a function ... 10) Hospitals, schools, and museums engage in...

UNIT 2

Marketing strategy

The marketing process is divided into a strategic and a tactical phase. The strategic phase has three components segmentation, targeting, and positioning (STP). The organization must distinguish among different groups of customers in the market (segmentation) and choose which groups it can serve effectively (targeting). A key step in marketing strategy, known as positioning, involves creating and communicating a message that clearly positions the company or its brand in relation to competitors. Thus, Volvo (Sweden) has positioned its automobile as the "safest," and Daimler-Benz (Germany), manufacturer of Mercedes-Benz vehicles, has positioned its car as the best "engineered." Some products may be positioned as "outstanding" in two or more ways. However, claiming superiority along several dimensions may hurt a company's credibility because consumers will not believe that some company can do better than others in all dimensions.
Furthermore, although the company may communicate a particular position, customers may perceive a different image of the company as a result of their actual unpleasant experiences with the company's product or through word of mouth.

**Vocabulary**

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<td>məqsədin müəyyən olunması</td>
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<td>позиционирование</td>
<td>pozisiya</td>
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<td>сообщить</td>
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<td>layihə hazırlamaq, çəkmək</td>
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<td>превосходство</td>
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<td>правдивость</td>
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<td>Allahlıq iddiası</td>
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**Exercise 1. Restore the word order in the following statements.**

1) Segmentation different groups of customers in the is the act of distinguishing among market. 2) Targeting of customers the organization can serve is the act of choosing which groups effectively. 3) Positioning clearly positions the company in relation to competitors is the act of creating and communicating a message that.
Exercise 2. Agree or disagree with the following statements.

1) Strategy is a well-planned series of actions for achieving an aim, especially success against an opponent. 2) The marketing process is not divided into any phases. 3) The strategic phase has two components. 4) Segmentation is the act of dividing something into smaller parts. 5) Target is an object, person, or place that is deliberately chosen to be attacked. 6) Position is the place where someone or something is, especially in relation to other objects and places. 7) Credibility is the quality of deserving to be believed and trusted. 8) Claiming superiority along several dimensions may hurt a company's honesty because consumers will not believe that some company can exceed the rest in all dimensions. 9) Although the company may state a particular position, customers may receive a different image of the company as a result of their real experiences with the company's product or through word of mouth.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.

Маркетинг; конкурент; таким образом; проводить различие; воспринимать; отличающийся; лицо репутация; результат; самый безопасный; производитель; автотранспортное средство; проектировать; выдающийся; несмотря на это; предъявлять претензию; превосходство; измерение; повредить; правдивость; потребитель; стратегия; ход развития; делиться на; фаза; составная часть; сегментация; покупатель; рынок; выбирать; обслуживать; эффективно; включать в себя; создание; послать сообщение; недвусмысленно; занять позицию; фабричная марка; по отношению к; полагать; кроме того;
некоторый на то, что; определение цели; позиционирование; фактически существующий.

Marketing: rәqib; belәlіklә; фәрәләндәрмәк; дәрәk етмәк; фәрәләңән; şәкәй/saәn; нәтиә; әn тәhlүәкәзәзә, истәхсаçә; автонәqliyят вәәтиәә; ләйлиәләшдәрмәк, гәркәмлә; бүнә бәхмәрәазә; етәрәзәнән билдәрмәк; üstәнләк; өлçәү; зәдәләмәк/зиян етмәк; дүзгәнләк; истәхлақәçә; стратегия; инкишаф ыял; бөлүнмәк(ңәәсә); фаза; тәркәй бисәәси; сигментәсия; алици; бәзәр; сәчмәк; хөмәт етмәк; тәсирлә/эффектив; дәхәл етмәк; тәртәб етмә; әәбер гәнәрәмәк; бир мәналә; мөвәге түтмәк; фабрик нәшәни; бүнә бәхәмдән; зәнән етмәк; бүндән башка; бүнә бәхмәрәазә; мәәсәәдән мүәвыйән әдилмәсә; мөвәгей мүәвыйән етмәк; фактики мөөвүд әлән.

Exercise 4. Complete the following statements. Choose one topic to speak about speak about a) segmentation; b) targeting; c) positioning; d) company's superiority complex. Retell the text Marketing strategy.

1) The marketing process is divided into … 2) The strategic phase has … 3) Segmentation is … 4) Targeting is … 5) Positioning involves … 6) Some products may be positioned as … 7) Claiming superiority may … because … 8) Customers perceive … as a result of...

UNIT 3

Marketing tactics

Having developed a strategy, a company must then decide which tactics will be most effective in achieving strategy goals. Tactical marketing involves creating a marketing mix of three main components - product, price and place. Before assembling a
product, the marketer's role is to communicate customer desires to the engineers who design the product. This is in contrast to past practice, when engineers designed a product based on their own preferences, interests, or expertise and then expected marketers to find as many customers as possible to buy this product. The second marketing-mix element is price. A Mercedes-Benz vehicle is generally considered to be a high-quality automobile, and it therefore can command a high price in the marketplace. On the other hand, in order to gain market share, some companies have moved to "more for the same" or "the same for less" pricing, which means offering prices that are lower than those of their competitors. Place, or where the product is made available, is the third element of the marketing mix. When a product moves along its path from producer to consumer, it is said to be following a channel of distribution including, for example, food-processing plants, warehouses, wholesalers, and supermarkets. Because of this, some marketers may decide to skip steps in the channel and instead market directly to buyers through direct mail (advertisements that are sent by post to many people), telemarketing (a method of selling things in which you telephone people to see if they want to buy something), door-to-door selling (visiting each house in a street or area, to sell something), shopping via television, or factory outlets.

**Vocabulary**

<table>
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<td>goal</td>
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<td>sәtәci</td>
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<tr>
<td>preferences</td>
<td>üstәnlүк</td>
</tr>
<tr>
<td>expertise</td>
<td>тәәrәбә, bилик</td>
</tr>
<tr>
<td>expect</td>
<td>гөzәләмәк, нәзәрә</td>
</tr>
<tr>
<td></td>
<td>almaq, (hesәblәamaq)</td>
</tr>
</tbody>
</table>
Excerise 1. Restore the word order in the following statements.

1) Tactical deals marketing with product. 2) Tactical marketing with price deals. 3) Tactical marketing with deals place. 4) Engineers a product based on their own preferences, interests, or expertise design. 5) Marketers customer desires to the engineers who design the product are to communicate. 6) Engineers expect marketers as many customers as possible to buy to find their product.

Exercise 2. Agree or disagree with the following statements.

1) Salesmen employ all sorts of tricky and fraudulent tactics to try and persuade customers. 2) Tactical marketing creates intentionally false information about products and prices. 3) Marketers' role in the marketplace is to hide the truth or confuse people. 4) Marketers deliberately intend to deceive people. 5) Marketers are to express customer desires to the engineers who design the product. 6) Engineers should not design a product based on their own preferences, interests, or expertise. 7) Engineers expect marketers to find as many customers as possible to buy their product. 8) High-quality products can command a high price in the marketplace. 9) Companies have to offer lower prices than their competitors to gain market share.
Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.

Стратегия; создавать; главный; составной элемент; изделие; цена; место; собирать изделие; торговец; роль; сообщать; следовать; канал товародвижения; переработка; завод; товарный склад; универсам; перескакивать; вместо; сбывать; почта; рекламное объявление; продавать; посещение магазинов с целью покупки; тактика; развивать; решать; покупатель; желание; инженер; конструировать; контраст; предпочтение; интерес; знания; опыт; ожидать; находить; рассматривать; качество; следовательно; рынок; приобретать долю на рынке; предлагать; конкурент; доступный; эффективный; достигать цель; тактический; маркетинг; включать в себя; торговая точка.

Strateqiya; tərtib etmək; əsas; tərkib hissəsi (elementi); məmulat; qiymət; yer/ məkan; məmulat toplamaq; ticarətçi; rol; məlumat vermək; əməl etmək; mal daşınma kanalı; təkrar istehsal; zavod; mal anbarı; universam; aşmaq / keçmək; yerinə / əvəzinə; satış; poçt; elan; satmaq; alış-veriş etmək məqsədilə mağazaya baş çəkmək; taktika; inkişaf etdiromək; qərara almaq; aliç; istək; mühəndis; qurmaq; ziddiyyyət; üstün tutmaq; maraq; bilik, təcrübə; gözləmək; tapmaq; nəzərdən keçirmək; keyfiyyət; nəticə etibarilə; bazar; bazarda öz payını əldə etmək; təklif etmək; rəqib; mümkün, effektiv; nail olmaq / çatmaq; məqsəd; taktiki olaraq; marketing; daxil etmək; ticarət məntəqəsəsi;

Exercise 4. Complete the following statements. Choose one topic to speak about a) marketing & product; b) marketing & price; c) marketing & place; d) channels of distribution. Retell the text Marketing tactics.
1) Tactical marketing involves ... 2) Nowadays the marketer's role is ... 3) It is now a thing of the past, when engineers designed ... and then expected ... 4) The second marketing-mix element is ... 5) ... is generally considered to be ... 6) A Mercedes-Benz vehicle can command ... 7) In order to gain market share, some companies offer ... 8) Place is ... 9) Channels of distribution include ... 10) Direct mail is ... 11) Telemarketing is ... 12) Door-to-door selling is ... 13) Shopping via television is ... 14) Factory outlet is...

UNIT 4

Marketing, its customers, distributors, and facilitators

The elements that play a role in the marketing process can be divided into three groups: customers, distributors, and facilitators. In order to understand customers, certain questions must be answered: Who constitutes the market segment? What do they buy and why? And how, when, and where do they buy? Thus, a remotely situated wholesale store may use discounted prices to lure customers away from the more conveniently located shops. Customers can be divided into two categories: consumer customers, who purchase goods and services for use by themselves and by those with whom they live; and business customers, who purchase goods and services for use by the organization for which they work. Four major types of factors influence consumer buying behaviour: cultural, social, personal, and psychological. Many producers do not sell products or services directly to consumers and instead use marketing intermediaries, such as middlemen (wholesalers, retailers, agents, and brokers) and distributors. Distributor is a company or person that makes wholesale purchases from the producers of finished products to become available for people to buy. It is quite a
large company having its own warehouses and establishing active contractual relations with manufacturers. Because marketing functions require significant expertise, it is often both efficient and effective for an organization to use the assistance of independent marketing facilitators. These are organizations and consultants whose sole or primary responsibility is to handle marketing functions. There are four major types of marketing facilitators: advertising agencies, market research firms, transportation firms, and warehousing firms.

**Vocabulary**

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Uzbek</th>
</tr>
</thead>
<tbody>
<tr>
<td>distributor</td>
<td>фирма-дистрибьютор</td>
<td>firma, distributer</td>
</tr>
<tr>
<td>intermediary/middleman</td>
<td>посредник</td>
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</tr>
<tr>
<td>remotely</td>
<td>отдаленно</td>
<td>uzaqdan</td>
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<td>wholesale</td>
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<td>discounted price</td>
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<td>endirimло olan</td>
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<td>соблазнять</td>
<td>hовослайдирмак</td>
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<td>удобно</td>
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<td>консультант</td>
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<tr>
<td>sole</td>
<td>единственный</td>
<td>yegанә, тәк</td>
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</tbody>
</table>
Exercise 1. Restore the word order in the following statements.

1) Distributor supplies is a company that shops with goods. 2) Facilitator helps is someone who a process to take place effectively. 3) Middleman business deals for other helps to arrange people. 4) Agent represents is a person that another person in business. 5) Broker buys and sells is someone who shares for other people.

Exercise 2. Agree or disagree with the following statements.

1) Facilitators play a leading role in the marketing process. 2) Consumer customers purchase goods and services for use by the organization for which they work. 3) Business customers purchase goods and services for use by themselves and by those with whom they live. 4) Cultural and social factors influence consumer buying behaviour. 5) Personal and psychological factors don't influence consumer buying behaviour. 6) Many producers sell products or services directly to consumers. 7) Many producers use marketing intermediaries to sell products to consumers. 8) Wholesaler is someone who sells goods wholesale. 9) Retailer is someone who sells things in a shop. 10) Distributor is to establish active contractual relations with wholesalers. 11) Marketing facilitators are to handle marketing functions.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.

Расположенный; оптовая торговля; склад; цена со скидкой; располагать в определенном месте; потребитель; покупать; товары и услуги; оказывать влияние; поведение; производитель; продавать; маркетинг; покупатель; дистрибьютор; способствовать; посредник; оптовый
торговец; розничный торговец; знания опыт; управлять; рекламное агентство; готовая продукция; устанавливать деятельные контрактные отношения с промышленниками; исследование рынков сбыта.

Yerleşmiş; topdan satış; anbar; endirimli qiymət; müəyyən yerdə yerləşmək; istehlakçı; almaq; mal və xidmətlər; təsir etmək; davranış; istehsalçı; satmaq; marketing; alici; distribuyutor; vasitəsi; topdan satan; pərakəndə satici; bilik, təcrüba; idarə etmək; reklam agentliyi; hazır məhsul; istehlakçılarla işgüzər əlaqələr qurmaq; bazarın tədqiqi.

Exercise 4. Complete the following statements. Choose one topic to speak about a) customers; b) distributors; c) facilitators. Retell the text Marketing and its customers, distributors and facilitators.

1) The elements that play a role in the marketing process are ...
2) Consumer customers purchase ... for use by ...
3) Business customers purchase ... for use by ...
4) Consumer buying behaviour is influenced by ... factors.
5) Many producers do not sell... and instead use ...
6) Middlemen are ...
7) Distributor is ...
8) It is effective for an organization to use ...
9) Facilitators are ...
10) Marketing facilitators include ...
Lesson XI  
Contract

UNIT 1  
Contract law

Contract is a promise enforceable in law. The promise may be to do something or to refrain from doing something. The making of a contract requires the mutual assent of two or more persons, one of them usually making an offer and another accepting. If one of the parties fails to keep the promise, the other is entitled to legal recourse. The law of contracts considers such questions as whether a contract exists, what the meaning of it is, whether a contract has been broken, and what compensation is due the injured party. Contract law is the product of a business civilization. It will not be found, in any significant degree, in precommercial societies. Most primitive societies have other ways of enforcing the commitments of individuals; for example, through ties of kinship or by the authority of religion. In an economy based on barter (exchanging goods and services for other goods and services without using money), most transactions are self-enforcing because the transaction is complete on both sides at the same moment. Problems may arise if the goods exchanged are later found to be defective, but these problems will be handled through property law - with its penalties for taking or spoiling the property of another - rather than through contract law. Traditional contract law developed rules and principles controlling the voluntary assumption of obligations, regulating the performance of obligations so assumed, and providing sanctions for failure to perform.
<table>
<thead>
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<td>договорное право</td>
<td>müqavilə hüququ</td>
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<td>qanunda əks etdirilmiş</td>
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<td>refrain</td>
<td>воздерживаться</td>
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<td>mutual assent</td>
<td>обоюдное согласие</td>
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<td>провал</td>
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</table>
Exercise 1. Restore the word order in the following statements.

1) Contract in law is a promise enforceable. 2) The making of a the mutual assent of two or more contract requires persons. 3) Most a simple nature and involve contracts are of an offer and an acceptance and a consideration must pass between the two parties. 4) A contract verbally or in can be made writing.

Exercise 2. Agree or disagree with the following statements.

1) Contract is a formal written agreement between two or more people, which says what each person must do for the other. 2) To barter means to give anything but money in exchange for some other commodity. 3) Barter is a characteristic of a primitive community. 4) Today barter is accepted on an international scale to facilitate trading with countries of the Eastern bloc and others which are short of hard, convertible currencies. 5) Contract law governs the voluntary assumption of contractual obligations. 6) Contract law adjusts the performance of contractual obligations. 7) Contract law secures sanctions for a lack of success in performing contractual obligations. 8) Contract law is to enforce the commitments of individuals through ties of kinship. 9) Contract law is to enforce the commitments of individuals by the authority of religion.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.

Потерпеть неудачу; родство; сделки; законченный; регулировать; право собственности; обещание; принудительно применять; воздерживаться; требовать; общийное согласие; обычно; принимать; портить; добровольный; власть; принятие на себя; договорное право; принимать на себя; выполнение; обеспечить;
проверять; санкция; дефектный; возникать; рассматривать; цивилизованный мир; давать право; обращение в суд; существовать; потерпевшая сторона; контрактные обязательства; компенсация; могущий быть; принудительно осуществленным по закону.

Мувәффәqiyyәtsizliyә uğramaq; oxşarлыq; sövdәләшә; бәшә çatмиш; тәнзимләмәк; мүлkiyyәçилик һүкуку; вәд; мәчәүри тәтбиәt етәк; çәкиңмәк, özүнү сәxләмәq; тәләб етәк; икүрәфли рәзилашма; адәтән; qәbul етәк; xарәб етәк; көңүлү хәкимияят; үзәrinә ғәтәрмә; мүәвәлә һүкәу; өз үзәrinә ғәтәрмәк; ырәнә ыетирмә; тәмин етәк; iflas; ырәнә ыетирмәк; qадаҗә; xарәб; meydәna ғәлмәк; нәзәрдән кечиремәк; сивилл дүңә; иктийар ырәнәк; мәхкәәмәә мүриәәт етә; мөвкүд олымаq; зәрәрçәкмис тәрәf; муәвәлә өхдәлиyi; компенсация/гүзәшт; ыкунанә ғәрә мәчәүрән ырәнә ыетирәлә билиән.

Exercise 4. Complete the following statements. Choose one topic to speak about a) contract; b) contract law and primitive societies; c) traditional contract law. Retell the text Contract law.

1) Contract is ... 2) Contract may be ... 3) The making of a contract requires ... 4) If one of the parties fails ... the other is entitled ... 5) Contract law considers ... 6) Contract law is ... 7) Contract law will not be found in ... 8) Most primitive societies enforced ... through ... or by ... 9) Barter is a system of... 10) Contract law controls ... 11) Contract law regulates ... 12) Contract law provides...
UNIT 2

The assumption of contractual obligations

Much of the law of contract is concerned with ensuring that agreements are arrived at in a way that meets at least minimum standards respecting both parties' understanding of, and freedom to decide whether to enter into, the transactions. Such provisions include rules that void contracts made under duress (illegal or unfair threats) or that are unconscionable bargains. Contract law holds protection for minors and incompetents. [Minor is someone who is below the age at which they become legally responsible for their actions. Incompetent is someone not having the ability or skill to do their job properly.] Contract law contains formal requirements protecting against the ill-considered (have not been carefully thought about) assumption of obligation. Thus, section 138 of the German Civil Code considers void any contract "whereby a person profiting from the distress, irresponsibility, or inexperience of another" obtains a disproportionately advantageous bargain. [Distress is a feeling of extreme worry and unhappiness. Irresponsibility is the state of doing careless things without thinking or worrying about the possible bad results. Inexperience is lack of experience.] By the law of contract certain agreements are illegal, for example, an agreement to commit a civil wrong or the assumption of a legally binding obligation to confer a gift of money upon another. Contractual obligations must not include or encourage secret illicit services.

Vocabulary

| contractual | контрактные | müqavilədə |
| obligations concerned | обязательства | gösterilmiş |
| имеющий | öhdəliklər |
| отношение | aid olan, əlaqədar |
Exercise 1. Restore the word order in the following statements.

1) Contract law contracts made under voids duress. 2) Contract law unconscionable voids bargains. 3) Contract protects law minors. 4) Contract law incompetents protects. 5) Contract protects law against the ill-considered assumption of contractual obligation. 6) Contract voids contracts to commit a civil law wrong.
Exercise 2. Agree or disagree with the following statements.

1) Contract law annuls contracts made under compulsion.  
2) Contract law cancels contracts made under legal or fair threatening.  
3) Contract law encourages corrupt bargains.  
4) Contract law protects those who do a lot of complicated, often dishonest deals, especially in business or politics.  
5) Contract law protects double-dealers.  
6) Contract law requires protection against the deliberate assumption of obligation.  
7) Contract law considers legally valid any contract whereby a person profiting from the distress of another obtains a disproportionately advantageous bargain.  
8) Contract law forbids bribes.  
9) Contract law stimulates givers of bribes and takers of bribes.  
10) Minor is someone who is legally responsible for his or her actions.  
11) Incompetent is someone not having the ability or skill to do their job properly.  
12) Competence is a skill needed to do a particular job.  
13) Distress is the state of being happy.  
14) Responsibility is a duty to be in charge of or look after something, so that you make decisions and can be blamed if something bad happens.

Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.

Совершать; гражданский вред; юридически обязательный; даровать; контрактные обязательства; имеющий отношение к; обеспечивать; прийти к соглашению; уважать; положения; аннулировать; недействительный; несовершеннолетние подростки; некомпетентный; необдуманный; принятие на себя; посредством чего; получить прибыль; считать не имеющим силы; принуждение; незаконная сделка; несчастье;
безответственность; неопытность; получать; несоразмерно; выгодный; незаконный.

Баш вермяк; мүлки зийан; hüuqui öhdəlik; mükafatlandirmaq / bağışlamaq; müqavilə öhdəliyi; aid olmaq (nəyəsə); təmin etmə; razılaşma əlmək; hörət ətmək; vəziyyət; ləğv ətmək; etibarsız/haqi olmayan; həddi buluğa çatmamış yeniyetmələr; bacarıqsız təcrübəsiz; lazıminca düşünülməmiş; öz üzərində götürmək; nəyinsə nəticəsində; qəlir ələdə ətmək; məcburiyyət; qanunsuz sövdələşmə; bədbəxtlik / fəlakət; məsuliyyətsizlik; təcrübəsizlik; əldə etmək; qeyri – uyğun bir şəkildə; əlverişli; qanunsuz.

Exercise 4. Complete the following statements. Choose one topic to speak about a) what contracts contract law voids b) whom contract law protects. Retell the text The assumption of contractual obligations.

1) Contract law is concerned with ... 2) Contract law voids contracts ... 3) Contract law holds ... 4) Contract law contains ... 5) Contract law considers void ... 6) Contract law voids an agreement ... 7) Contract law voids the assumption of ... 8) Contractual obligations must not include or encourage ...

UNIT 3

The performance of contractual obligations

Contract law allows contractual relations to be adjusted when they have been thrown out of balance by unforeseen circumstances. The task of adjustment is relatively easy in cases in which both parties made a mistake. The problem of mistake becomes more intractable when the error is chargeable to only
one party. Catastrophic events such as inflation, political upheaval, or natural disasters may upset the economy of a contract. [Political upheaval is a very big change connected with the government or public affairs of a country that often causes problems.] In the case of natural catastrophes, relief is frequently available under theories of force majeure and "act of God". [Force majeure is an event that cannot be reasonably anticipated or controlled. Act of God is an event that is caused by natural forces, such as a storm, flood, or fire, which you cannot prevent or control.] When the circumstances are economic in their nature, as with severe inflation or deflation, a solution is difficult to find. [Inflation is an increase in the volume of money in circulation relative to available goods and services resulting in a continuing rise in the general price level. Deflation is the process of reducing the amount of money in circulation in order to lower or keep steady the prices of goods.] A party who benefits from inflation in one contractual relation may suffer from it in another. A general readjustment in contracts would be enormously complicated and time-consuming and would interject an undesirable element of uncertainty into business activity. Only under exceptional circumstances - usually in the form of special legislation - are contractual relations readjusted.

Vocabulary

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Azerbaijani</th>
</tr>
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<tbody>
<tr>
<td>performance</td>
<td>выполнение</td>
<td>yerinə yetirilmə</td>
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<td>договорный</td>
<td>müqavilədə</td>
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<td>вьвести из</td>
<td>müvazinətdən</td>
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<td>intractable</td>
<td>равновесия</td>
<td>çıxarmaq</td>
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<td>chargeable</td>
<td>неподатливый</td>
<td>gücçətməz, çətin</td>
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<td>natural disasters</td>
<td>относимый на счет</td>
<td>hesaba dair</td>
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<td>economy</td>
<td>стихийные бедствия</td>
<td>təbii fəlakət</td>
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<tr>
<td></td>
<td>структура</td>
<td>struktur, quruluş</td>
</tr>
</tbody>
</table>
Exercise 1. Restore the word order in the following statements.

1) Contractual obligations of balance by unforeseen may be thrown out circumstances. 2) Contract law contractual obligations to be allows readjusted. 3) Only are contractual obligations under exceptional circumstances readjusted. 4) Contractual obligations in the form of special legislation are usually readjusted.

Exercise 2. Agree or disagree with the following statements.

1) Contract law allows contractual relations to be adjusted when they have been overbalanced by unforeseen circumstances. 2) The task of adjustment is relatively difficult in cases in which both parties made a mistake. 3) The problem of mistake becomes more flexible when the error is chargeable to only one party. 4) Bad relationship between two parties may upset the economy of a contract. 5) When the circumstances are natural, a solution is difficult to find. 6) Only under usual circumstances are contractual relations readjusted.
Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.

Относимый на счет, непредвиденное обстоятельство, контрактные обязательства, сторона в договоре, политический переворот, стихийные бедствия, расстраивать, структура, доступный, форс-мажор, предвидеть, естественные силы, предотвращать, инфляция, освобождение от обязанностей, страдать от, переделка, отнимающий много времени, вставлять, нежелательный, неуверенность, контрактные отношения, денежное обращение, выполнение, договорный, приводить в порядок, вывести из равновесия, урегулирование, относительно, неподатливый, ошибка, деловая активность, исключительное обстоятельство, законодательство, переделывать, дефляция, решение, относительно, иметь своим результатом, продолжающийся рост, уровень цен, извлекать пользу.

Hesaba aid; gözənilməyən üzdəliklər; müqavilə üzdəlikləri; müqaviləyə qoşulan tərəflər; siyasi çevriliş; təbii fəlakət; pozmaq /dağıtmaq; struktur; mümkün; fəvqələdə vəziyyət; qabaqcadan görmək; təbii qüvvə/güç; qarşısını almaq (vaxtında); inflasiya; borçdan azad olma; zərər çəkmək (nədənsə) / ziyana düşmək; dəyişdirilmə /düzəltmə; çox vaxtını almaq; daxil etmək; arzu edilməz; inanmama; müqavilədə gəstərilmmiş əlaqələr; pul dövriyyəsi; yerinə yetirmə; müqavilədə gəstərilmmiş; qaydaya salmaq; əsbləşdirəmək/muğəzinətən çıxarmaq; tənzimləmə; dair / barəsində; güclətməq/sərt; səhv /yanlış; işgüzər faaliyyət; məstəsna hal; qanunvericilik; düzəltmək (təzədən); deflyasiya; qərar/həll etmə; dair; öz nəticəsi olmaq; inkişaf edən artım; qiymət səviyyəsi; mənfiət gətərmək.
Exercise 4. Complete the following statements. Choose one topic to speak about a) contractual obligations and the problem of mistake; b) contractual obligations and catastrophic events; c) contractual obligations and economic circumstances. Retell the text The performance of contractual obligations.

1) Contract law allows ... 2) The task of adjustment is ... 3) The problem of mistake becomes ... 4) Catastrophic events are ... 5) Catastrophic events may upset... 6) In the case of ... relief is ... 7) When the circumstances are ... a solution is ... 8) A party who benefits from ... 9) A general readjustment in contracts would be ... and would interject ... 10) Contractual relations are readjusted only under ... and in the form ...

UNIT 4

Sanctions for non-fulfillment of contractual obligations

Another branch of contract law deals with the sanctions that are made available to a contracting party when the other party fails to perform his contractual obligations. These sanctions usually take the form of money damages. In case of delay in the fulfillment of contractual obligations or erasure in the fulfillment of contractual obligations a damaged party can bring an action of damages against the responsible party. The court imposes damages as compensation in money for detriment sustained by a plaintiff. The purpose of damages is to place the person in the same position before the action occurred. Damages may be classified as nominal, where no actual damage has been suffered, or substantial which represents compensation for actual loss suffered. Damages can also be punitive. Punitive damages are damages imposed by the court as a punishment of
the defendant rather than compensating the plaintiff. Money damages are generally awarded under contract law. When one party to a contract fails to perform his obligation, the other can seek damages by two ways: (1) restitution, which restores to him whatever goods, services, or money he has given the breaching party, (2) expectancy, which rewards him as if the contract had been fully performed; expectancy includes profits anticipated on the contract. Contract law seeks a sanction against contracting parties for non-fulfillment of contractual obligations.

**Vocabulary**

<table>
<thead>
<tr>
<th>English</th>
<th>Кыргызча</th>
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</thead>
<tbody>
<tr>
<td>make available</td>
<td>предоставлять</td>
</tr>
<tr>
<td>fail to perform</td>
<td>не удаваться</td>
</tr>
<tr>
<td>money damage</td>
<td>денежная</td>
</tr>
<tr>
<td>erasure</td>
<td>уклонение</td>
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<tr>
<td>damages</td>
<td>компенсация за убытки</td>
</tr>
<tr>
<td>sustain detriment</td>
<td>понести ущерб</td>
</tr>
<tr>
<td>occur</td>
<td>происходить</td>
</tr>
<tr>
<td>punitive</td>
<td>карательный</td>
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<tr>
<td>award</td>
<td>присуждать</td>
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<tr>
<td>seek damages</td>
<td>требовать</td>
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<td>возмещения</td>
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<td>expectancy</td>
<td>ожидание</td>
</tr>
<tr>
<td>reward</td>
<td>вознаграждать</td>
</tr>
</tbody>
</table>

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Exercise 1. Restore the word order in the following statements.

1) Contract law with sanctions deals. 2) Sanctions the form of money take damages. 3) In case of delay an can bring action of in the fulfillment of contractual obligations a damaged party damages against the responsible. 4) In case of a damaged party party can bring an action of damages erasure in the fulfillment of contractual obligations against the responsible. 5) Restitution to the party damaged party money he has given the breaching restores. 6) Expectancy the damaged party as if the contract had been fully rewards performed.

Exercise 2. Agree or disagree with the following statements.

1) Contract law deals with damaged parties and responsible parties. 2) When one party to a contract fails to perform his obligation, the other is not to seek damages. 3) In case of delay in the fulfillment of contractual obligations a responsible party can bring an action of damages against the damaged party. 4) In case of erasure in the fulfillment of contractual obligations a responsible party can bring an action of damages against the damaged party. 5) Expectancy restores to the damaged party money he has given the breaching party. 6) Restitution rewards the damaged party as if the contract had been fully performed.
Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.

Потерпевшая сторона; предъявить иск за убытки; виновная сторона; компенсация за убытки; понести ущерб; истец; происходить; номинальные убытки; фактические убытки; карательный; ответчик; присуждать; договорное право; требовать возмещения убытков; рести туция; нарушать; ожидание; вознаграждать; предвидеть; требовать применения санкции; санкции за невыполнение контрактных обязательств; договаривающиеся стороны; денежная компенсация ущерба; задержка в выполнении контрактных обязательств; уклонение от выполнения контрактных обязательств.

Zərərçəkmiş tərəf; itkiyə görə iddia irəli sürmək; günahkar tərəf; itkiyə görə kompensasiya; zərər çəkmək; iddiaçı; baş vermək; nominal ziyən / itkic; həqiqi itki; cəza / cəzalandırıcı; cavabdeh; hökm vermək/kəsmək; müqavilədə göstərilmiş hüquq / ixtiyar; ziyənin avəzini ödəməyi tələb etmək; restitusiya (pozulmuş hüququ bərpa etmə və zərərələrini ödəmə; pozmaq; gözləmə; mükafatlandırmaq, qabaqcadan görəmək; sanksiya tətbiq etməyi tələb etmək; yerinə yetirilməyən müqavilə əhəndəliklərinə görə sanksiya; razılığa gələn tərəflər; ziyənin pulla kompensasiyası; müqavilə əhəndəliklərinin yerinə yetirilməsində gecikma; müqavilə əhəndəliklərinin yerinə yetirməkdən boyun qaçırmaq.

Exercise 4. Complete the following statements. Choose one topic to speak about a) damages; b) restitution; c) expectancy. Retell the text Sanctions for non-fulfilment of contractual obligations.

1) 1) Contract law deals with ... when ... 2) Sanction's usually take ... 3) In case of ... a damaged party can ... 4) The court
imposes ... 5) The purpose of damages is ... 6) Damages may be ... 7) Punitive damages are ... 8) Money damages are awarded under ... 9) When one party to a contract fails ... the other can ... 10) Restitution restores ... 11) Expectancy rewards ... 12) Expectancy includes... 13) Contract law seeks...
Lesson XII        PANIC

UNIT 1

Problems of capitalism

Panic - in economics, acute financial disturbance, such as widespread bank failures, feverish stock speculation followed by a market crash, or a climate of fear caused by economic crisis or the anticipation of such crisis. The term is applied only to the violent stage of financial convulsion and does not extend to the whole period of a decline in the business cycle. Until the 19th century, economic fluctuations were largely connected with shortages of goods, market expansion, and speculation, as in the incident known as the South Sea Bubble (1720), when stock speculation reached panic proportions in both France and England. Panics in the industrialized societies of the 19th and 20th centuries, however, have reflected the increasing complexity of advanced economies and the changed character of their instability. A financial panic has quite often been a prelude to a crisis that extended beyond commercial activities into sectors of consumption and capital goods. The Panic of 1857 in the United States, for example, was the outcome of the railroads' defaulting on their bonds, hence the decline in the value of rail securities. The Panic's effects were complex, including not only the closing of many banks but also a sharp increase in unemployment in the United States and a money-market panic on the European continent. The Panic of 1873, which began with financial crises in Vienna in June and in New York City in September, marked the end of the long-term economic expansion in the world economy that had begun in the late 1840s. The greatest panic, however, was the crisis in 1929, which rocked the U.S. economy, shattered world economic relations, and brought about the Great Depression.
Vocabulary

acute  острый  kəskin, iti, sört
anticipation  ожидание  gözənilmə, gözəmə
convulsion  потрясение  sarsıma, sarsılma, fəlakət
decline  спад  enmə, düşmə
cycle  цикл  dövr, dövriyyə
shortage  нехватка  qətləq, çatışmamazlıq
bubble  дутое предприятие  şişirdilmiş iş
prelude  прелюдия  başlanğıç, giriş
extend  простираться  genişənmək, genişləndirmək
capital goods  средства производства  istehsal etmə vəsitələri
default  невыполнение  vəzifənin, borçun yerinə yetirilməməsi
outcome  результат  nəticə
economic expansion  экономический рост  iqtisadi artım, inkişaf
rock  трясти  silkəlmək, titrətmək
shatter  разрушать  dağıtmaq, alt-üst etmək

Exercise 1. Agree or disagree with the following statements.

1) Business cycle is periodic fluctuation in the rate of economic activity, as measured by the levels of employment, prices, and production. 2) Panic is a sudden strong feeling of fear or nervousness that makes you unable to think clearly or behave sensibly. 3) Expansion is the act or process of making a
company or business larger by opening new shops and factories. 4) Bubble is something that lacks firmness or reality.

Exercise 2. Translate the following words and phrases from Russian or Azerbaijani into English.

Простираться; по ту сторону коммерческой деятельности; потребление; средства производства; невыполнение обязательств по отношению облигаций; получающийся в результате спад; стоимость ценных бумаг; денежный рынок; острые финансовые беспорядки; широко распространенный; банкротство банка; лихорадочная спекуляция акциями; крах фондовой биржи; экономический кризис; ожидание; интенсивная стадия; финансовое потрясение; экономические колебания; в значительной степени; дефицит товаров; расширение границ рынка; дутое предприятие; страны с передовой экономикой; цикл деловой активности; спад; экономический рост.

genişləndirmək; kommersiya fəaliyyəti istiqamətində; istehlak; istehlak vasitələri; isteqraz vərəqlərinin ödənilməsinə dair borcun yerinə yetirilməməsi; enmə nəticəsində əldə edilən; qiymətli kağızların dəyəri; pul bazarı; kəskin maliyyə həyəcanı/ iqtisadı; geniş yayılmış; bankın müflisləşməsi; səhmlərin qızgın alveri; fond birajasının iflası; iqtişadi böhran; gözləmə; intensiv/ gərgin mərhələ; maliyyə sarsıntısı; iqtişadi tərəyış (qiymətlərin enib-qalxması); nəxərə çarpanaq dərcədə; xarab məl; bazar hüdudunun genişlənməsi; külək müəssisəsi; qabaqcıl iqtişadiyyatı olan ölkələr; işgüzar fəaliyyət dövrü; enmə; iqtişadi artım.
Exercise 3. Translate the following statements from Russian or Azerbaijani into English.

1. Цикл деловой активности – это попеременное усиление или ослабление деловой активности. 2. Паника – это внезапный страх крушения национальной экономики. 3. Следствиями паники являются массовое изъятие банковских вкладов и массовые продажи акций. 4. Расширение границ рынка – это попытка фирмы увеличить сбыт за счет внедрения существующих товаров на новые рынки. 5. Дугое предприятие – это неустойчивое, не имевшее успеха и потерпевшее крах предприятие.

1. Ішгузар ғәлийят дөврү ишгузар ғәллігін нöвлөлі шәкіле гүцлөніб зәиғләмәсидир. 2. Panika (тәлаш) бейнәләхәл qиҭисацийытын ғөзлөнілмәэ ифлас ҕөрхүслү дур. 3. Буна гәрәдә паника банк өманәтләрләнин күтләві ҹыщарлашлы ва ҭәхмләрлән күтләві ҭатшидыр. 4. Bазар ҕүдүдләрләнин генишдәндәрдәрлөмәсi ҭирмәлар мөвкүд махалләр иңә бәзарларгә гәнәш әйымал артышы аларма тәшәббүсыйдир. 5. Күлк мүәсисәси уҕүрсүз вә ифласа ҹүраван дәыйшкән мүәсисәшдир.

Exercise 4. Complete the following statements. Choose one topic to speak about a) what panic means; b) what term “panic” is applied to; c) the Panic of 1720; d) the Panic of the 19th and 20th centuries; e) the panic of 1857; f) the Panic of 1873; g) the Panic of 1929. Retell the text Panic.

1) Panic in economics is ... 2) The term "panic" is applied to ... 3) Until ... economic fluctuations were ... 4) Panics in ... reflected ... 5) A financial panic has been a prelude to ... 6) The Panic of 1857 was the outcome of ... 7) The Panic of 1857 included ... 8) The Panic of 1873 began with ... 9) The Panic of 1873 marked ... 10) The greatest panic was ... 11) The greatest panic rocked ... shattered ... and brought...
UNIT 2
Depression and recession

**Depression** - in economics, a long period of decline in the business cycle that is characterized by sharply reduced industrial production, widespread unemployment, serious declines or cessations of growth in construction activity, and great reductions in international trade and capital movements. Unlike minor business contractions that may occur in one country independently of business cycles in other countries, severe depressions have usually been nearly worldwide in scope. The Great Depression beginning in 1929, for example, was the most severe and widespread economic decline in the 20th century. **Recession** - in economics, a downward trend in the business cycle characterized by a decline in production and employment, which in turn causes the incomes and spending of households to decline. Even though not all households and businesses experience actual declines in income, their expectations about "the future become less certain during a recession and cause them to delay making large purchases or investments. In recessions, the decline in output can be traced to a reduction in purchases of durable household goods by consumers and of machinery and equipment by businesses, and a reduction in additions of goods to inventories. The greatest effect is probably on inventories; businessmen stop adding to their inventories and become more willing to draw on them to fill production orders. The decline in inventories thus has a double impact on production volume. Whether a recession develops into a severe and prolonged depression depends on a number of circumstances. Among them are the extent and conditions of credit extended during the previous period of prosperity, the amount of speculation permitted, the ability of government monetary and fiscal policies to reverse the
downward trend, and the amount of excess productive capacity in existence.

**Vocabulary**

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Azerbaijani</th>
</tr>
</thead>
<tbody>
<tr>
<td>depression</td>
<td>депрессия</td>
<td>depressiya (iqtisadi tənəzzül)</td>
</tr>
<tr>
<td>recession/decline</td>
<td>спад, рецессия</td>
<td>enmə, aşağı düşmə</td>
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<tr>
<td>cessation</td>
<td>прекращение кəсəмə, кəсілмə</td>
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<tr>
<td>minor</td>
<td>незначительный</td>
<td>əHAMİYYƏTSIZ</td>
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<tr>
<td>contraction</td>
<td>сокращение</td>
<td>ixtisar</td>
</tr>
<tr>
<td>cycle</td>
<td>цикл</td>
<td>dövr, dövriyyə</td>
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<td>downward trend</td>
<td>тенденция к понижению</td>
<td>enməyə doğru meyl</td>
</tr>
<tr>
<td>household</td>
<td>семья; домашнее хозяйство</td>
<td>ailə, ailə təsərrüfatı</td>
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<tr>
<td>inventories</td>
<td>материально-производственные запасы</td>
<td>maddi-istehsal ehtiyağı</td>
</tr>
<tr>
<td>draw on</td>
<td>пользоваться</td>
<td>istifadə etmək</td>
</tr>
<tr>
<td>extent</td>
<td>размер</td>
<td>ölçü</td>
</tr>
<tr>
<td>extend</td>
<td>предоставлять</td>
<td>teqdim etmək</td>
</tr>
<tr>
<td>reverse</td>
<td>поворачивать в противоположном направлении</td>
<td>əKS İSTIQAMƏTƏ yönəltmək</td>
</tr>
<tr>
<td>excess</td>
<td>дополнительный</td>
<td>əlavə</td>
</tr>
</tbody>
</table>

**Exercise 1. Translate the following words and phrases from Russian or Azerbaijani into English.**

Депрессия; фирма; испытывать; откладывать; покупки; инвестиция; объем производства; прослеживать; товары длительного пользования; потребитель; машинное оборудование; дополнение; материально-производственные запасы; пользоваться; исполнить
производственный заказ; удар; объем производства; длительный; обстоятельства; размер и условия кредита; предшествующий период; сокращать; промышленное производство; широко распространенный; безработица; строительство; сокращение; международная торговля; движение капитала; в отличие от; незначительное сокращение деловой активности; цикл деловой активности; мировой масштаб; рецессия; тенденция к понижению; занятость; в свою очередь; вызывать; доходы; семейные расходы; процветание; поворачивать в противоположном направлении; дополнительный; производительная способность в наличии; спекуляция; валютная политика; фискальная политика.

Depressiya / тəнəzzarella; firma;  sinoqdan keçirmək; təxirə salmaq; bazarlıq / alma; investisiya; istehsal həcmə; təqib etmək / izləmək; istehlak malları; istehlak; maşın avadanlıgı; əlavə; maddi istehsal ehtiyatı; istifadə etmək; istehsal sifarisiini yerinə yetirmək; zərbə; istehsal həcmi; uzun müddətlə; şərait; kredit şartları və dərəçəsi; əvvəlki müddət; ixtisas etmək; istehsal sənayesi; geniş yayılmiş; ihsizlik; tikinti; ixtisas; bəynəlxalq ticarət; kapitalın artıb əskiləşə; fərqli olaraq; işgüzar ədaləyyətinin nəzərə çarpacaq dərəcdə azalması; işgüzar ədaləyyət dövrü; dünya miqyası; enma; enməyə doğru meyl; məşğuliyyət; öz növbəsinə; səbəb olmaq; ələr; ailə xərci; inkişaf; əks tərəfdə dönmək; əlavə; istehsal qabiliyyəti olmaq; alver; valyuta siyasəti; xəzində siyasəti;

Exercise 2. Translate the following statements from Russian or Azerbaijani into English.

1. Депрессия – это состояние экономики, когда деловая активность снижается в течение продолжительного времени, цены падают, покупательная способность
Exercise 3. Complete the following statements. Choose one topic to speak about a) depression in the business cycle; b) recession in the business cycle; c) recession and inventories; d) circumstances when a recession develops into a depression. Retell the text Depression and recession.

1) Depression is ... 2) Depression is characterized by ... 3) Unlike ... severe depressions have been ... 4) Recession is ... 5) Recession is characterized by ... 6) In recessions, the decline in production and employment causes ... 7) In recessions, the decline in output can be traced to ... 8) In recessions, the decline in inventories has ... 9) Whether a recession develops into a depression depends on...

UNIT 3

Globalization

In 2000 the media were full of references to globalization of the economy, communications—even politics and military affairs. Large crowds turned out to protest meetings such as that of the World Trade Organization (WTO) in Seattle, Wash., in 1999 or called attention to International Monetary Fund (IMF) policies in granting loans to states at war. What were these protests all
about? Globalization is a phenomenon involving the integration of economies, cultures, governmental policies, and political movements around the world. Internationalization is nothing new. Many of the large empires and religious movements represented forms of globalization. Trade and investment between countries have promoted interdependence of the world's economies for centuries. As early as 1962 the Canadian visionary Marshall McLuhan wrote that the electronic age was turning all humanity into a "global tribe," and the term *global village* is attributed to him. Nowadays, the larger corporations organize production on a worldwide scale. Each step in the value-added chain, from research and development to processing of raw materials, production of parts, assembly of components, and marketing of the final product, is carried out in the most advantageous geographic location, regardless of where corporate headquarters are located or where the final good is sold. The globalization of markets means increasingly that similar goods are sold around the world for similar prices. The BBC, CNN, and the Internet have accelerated the integration of global culture. Teenagers around the world watch the same videos, listen to the same music, and wear the same clothes. At the same time, television audiences in virtually all countries watch the same major events, listen to the same financial forecasts, and see the same three-minute glimpses of ecological disasters.

### Vocabulary

<table>
<thead>
<tr>
<th>English</th>
<th>Russian</th>
<th>Azerbaijani</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>reference</em></td>
<td>упоминание</td>
<td>xatırlatma</td>
</tr>
<tr>
<td><em>turn out</em></td>
<td>бастовать</td>
<td>çağırmaq (qarşı çıxmaq)</td>
</tr>
<tr>
<td><em>phenomenon</em></td>
<td>феномен</td>
<td>fenomen</td>
</tr>
<tr>
<td><em>empire</em></td>
<td>империя</td>
<td>imperiya</td>
</tr>
<tr>
<td><em>religious</em></td>
<td>религиозный</td>
<td>dini</td>
</tr>
<tr>
<td><em>visionary</em></td>
<td>фантазер</td>
<td>xəyalərəst</td>
</tr>
</tbody>
</table>
Exercise 1. Translate the following words and phrases from Russian or Azerbaijani into English.

Международный валютный фонд; предоставить заем; воюющее государство; объединение в одно целое; интеграционный процесс; культура; фантастер; электронный век; человечество; всемирный; племя; приписать кому-либо; крупные корпорации; мировой масштаб; добавленная стоимость; изыскание и разработка; капиталовложение; способствовать; взаимозависимость; показательный; ускорение; переработка сырья; производство деталей; невзирая на; главное управление корпорации; продавать; средства массовой информации; ускорять; упоминание; средства сообщения; политика; военные дела; торговля; протестовать; благоприятное географическое расположение; встреча; Всемирная торговая организация; привлекать внимание; представлять; отражать; интеграция мировой культуры; подросток; телезрители; фактически; сборка деталей; маркетинг конечного продукта; экономика; правительственная политика; политические течения; осуществлять; финансовый прогноз; интернационализация; империя; религиозное течение; нечто быстро промелькнувшее перед глазами; экологическое бедствие; глобализация рынков; интегрированный; финансовые и товарные рынки.

Beynəlxalq valyuta fondu; borc vermək; məharibə edən dövlət; bir məqsəddə birləşmə; inteqrasiya prosesi;
Exercise 2. Translate the following statements from Russian or Azerbaijani into English.

Глобализация — это высшая стадия интернационализации. Глобализация — это совокупность таких процессов и явлений, как трансграничные потoki товаров, услуг, капитала, технологии, информации и межстрановое перемещение людей, преобладание ориентации на мировой рынок в торговле, инвестировании и других трансакциях (на уровне фирм), территориальная и институциональная интеграция рынков, а также возникновение глобальных проблем типа экологической деградации или чрезмерного роста народонаселения, для решения которых необходимо всемирное сотрудничество.

Qlobalaşdırlma bəynəmələlləşdirənmənin ən yüksək pilləsidir. Ərzəq, xidmət, kapital, texnologiya, informasiyanın
Exercise 3. Complete the following statements. Choose one topic to speak about a) globalization, large crowds and the media; b) what globalization involves; c) globalization in economies and markets; d) globalization and communications.
Retell the text Globalization.

1) Globalization involves ... 2) Internationalization is ... 3) ... represented forms of globalization. 4) Trade and investment promoted ... 5) The electronic age turned all humanity into ... 6) Business activity is carried out ... regardless of ... 7) The globalization of markets means ... 8) The Internet accelerates ... 9) Teenagers watch ... listen to ... and wear ... 10) Television audiences watch ... listen to ... and see ...

UNIT 2

Globalization and its international institutions

As globalization proceeds, the economic welfare of individuals is increasingly impacted by global market forces beyond the control of nation states and international institutions outside the domestic political process. Institutions such as the WTO and the IMF have become the target of criticism and protests from all sides. Some believe that too many economic decisions have been delegated to these institutions; others believe they should
be given greater responsibility for solving the world's social and environmental problems. Some complain that they are secretive (keeping their thoughts, intentions or actions hidden from others) and unresponsive (not reacting to what people say to them) to civil society, while others worry about the loss of national sovereignty when citizen groups influence decision making in these institutions directly rather than indirectly through national governments. Clearly, the reality of globalization has outstripped the ability of the world population to understand its possible future effects or results and the ability of governments to cope with its consequences. At the same time, the ceding of economic power to global actors and international institutions has outstripped the development of appropriate global political structures. As a result, probably many more years of public confusion and unfocused protests can be expected as the stable new global world order takes shape.

**Vocabulary**

- **impact**: сжимать, s içmaq, s içilməq
- **secretive**: скрытный, gizli, məxfi
- **unresponsive**: не реагирующий, reaksiya verən
- **outstrip**: обгонять, ötüb keçmək
- **cope**: справиться, əhəsindən gəlmək
- **cede**: уступать, əzətə getmək
- **confusion**: смущение, karışma, çaşdirmə, yanıltma
- **focus**: сфокусировать, cəmləşdirmək
Exercise 1. Translate the following words and phrases from Russian or Azerbaijani into English.

Относящийся к окружающей среде; жаловаться; гражданское общество; беспокоиться; потеря национального суверенитета; влиять на принятие решений; очевидно; реальность глобализации; обгонять; способность; понять; возможный; справиться; последствия; уступка; соответствующий; политическое устройство; замещательство; продолжаться; экономическое благосостояние; физическое лицо; все больше и больше; мировые рыночные силы; вне контроля национального государства и международных институтов; за пределами внутреннего политического процесса; объект критики; полагать; решить проблему; ждать; устойчивый; принять определенную форму.

Exercise 2. Translate the following statements from Russian or Azerbaijani into English and from English into Russian or Azerbaijani.

Международный валютный фонд — это специализированное агентство ООН. МВФ был создан и начал действовать 1 марта 1947 г. для восстановления
The World Trade Organization (WTO) is an international organization designed to supervise and liberalize world trade. The WTO came into being on Jan. 1, 1995, with 104 countries as its founding members. The WTO is governed by a Ministerial Conference, which meets every two years; a General Council, which implements the conference's policy decisions and is responsible for day-to-day administration; and a director-general, who is appointed by the Ministerial Conference. The WTO's headquarters are in Geneva, Switz.

Exercise 3. Complete the following statements. Choose one topic to speak about a) globalization and individuals; b) what supporters speak about globalization; c) what opponents speak about globalization; d) globalization and its results. Retell the text Globalization and its international institutions.

1) The economic welfare of individuals is impacted by ...
2) ... have become the target of criticism and protests from all
sides. 3) ... believe that too many economic decisions have been delegated to the WTO and the IMF. 4) ... believe the WTO and the IMF should be given greater responsibility for solving the world's social and environmental problems. 5) ... complain that the WTO and the IMF are secretive and unresponsive to civil society. 6) ... worry about the loss of national sovereignty when citizen groups influence decision making in these institutions directly rather than indirectly through national governments. 7) The reality of globalization has outstripped the ability of the world population to understand ... 8) The reality of globalization has outstripped the ability of governments to cope ... 9) The ceding of economic power to international institutions has outstripped ... 10) Globalization causes public ... and unfocused ...

TESTS FOR BUSINESS ENGLISH

• Match each word or phrase on the left with the appropriate word or phrase on the right

Money

1. waste money - без наличных денег, нэгд пул
2. draw on an account – брать деньги из банка, bankдан pul götürmek
3. draw on a bank – брать деньги со счета, hesabdan pul götürmek
4. out of cash – бросать деньги на ветер, pulu havaya sovurmaq
5. place money- бумажные деньги, kağız pullar
6. deposit money with a bank- вернуть деньги обратно,
7. paper money — вкладывать деньги, pul yatırtmaq, qoymaq
8. recover money — внести деньги в банк, banka pul köçürmək
9. provide reimbursement — вносить деньги в депозит, depozitə pul qoymaq
10. place money on deposit — возместить израсходованные деньги, xərclənmiş pulları yerinə qoymaq
11. borrow money at high interest — вымогать деньги, pul qopartmaq
12. squeeze money — занимать деньги под большие проценты, yüksək faizlə pul götürmək
13. pocket money — золотое обеспечение денег, pulun qızılla təminatı
14. money supply — изымать деньги из обращения, pulları dövrıyyədən çıxarmaq
15. gold backing of currency — карманные деньги, cib xərcliyi
16. withdraw money — количество денег в обращении, dövrıyyədə olan pulun miqdarı
17. ready cash — мелкие деньги, xırda pullar
18. petty cash — наличные деньги, nəğd pullar
19. make money — жениться на деньгах, pula evlənmək
20. marry a fortune — зарабатывать деньги, pul qazanmaq

Credit

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1. allow credit – кредитная карточка, kredit kartı
2. come out of a difficult situation with credit – кредитоспособность, kreditə qabiliyyyətlilik
3. credit card – предоставить кредит, kredit təqdim etmək
4. credit worthiness – с честью выйти из трудного положения, çətin vəziyyətdən şərəflə çıxmaq
5. letter of credit – репутация, ad, san, şöhrət
6. on credit – банк взаимного кредита, qarşılıqlı kredit fondu
7. credit bank – в кредит, kreditə
8. credit of one's name – аккредитив, akkreditiv
9. credit payment – долгосрочный кредит, uzun müddətlə kredit
10. credit purchase – продажа в кредит, kreditlə satış
11. credit sale – покупка в кредит, kreditlə alış-veriş
12. long term credit – оплата в кредит, kredit ödənişi
13. mortgage credit – кредитный счет, kredit hesabı
14. credit account – ипотечный кредит, hipoteka krediti
15. credit against the guarantee of a bank – система проверки кредитоспособности, kreditödəmə qabiliyyətini yoxlama sistemi
16. credit authorizing system – кредит под гарантию банка, bank zəmanəti əsasında kredit
17. credit for capital investments – кредит на льготных условиях, güzəštli şərtlərlə kredit
18. credit on easy terms – кредит на капитальные вложения, kapital qoyuluşuna verilən kredit
19. credit payments period – оценка кредитоспособности,
Match each word or phrase on the left with the correct definition on the right.

Bank

1. bank - the business of a bank.
2. bank account - a day during the week when banks are closed by law.
3. bank balance - someone who works in a bank in an important position.
4. bank book - a credit card provided by your bank.
5. bank card - a book in which a record is kept of the money you put into and take out of your bank account.
6. banker - the amount of money someone has in their bank account.
7. bank holiday - an arrangement between a bank and a customer that allows the customer to pay in and take out money.
8. banking - a business that keeps and lends money and provides other financial services.
9. bank manager - someone who has officially said that they cannot pay their debts.
10. bank note - the rate of interest decided by a country's main bank.
11. bank rate - a piece of paper money of a particular value that you use to buy things.
12. bankrupt - someone who is in charge of a local bank.
13. bankruptcy - a document sent regularly by a bank to a customer that lists the amounts of money taken out of and
paid into their bank account.

14. **bank statement** - the state of being unable to pay your debts.

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**Exchange**

1. **exchange** - a former British government office where people went to find jobs.
2. **labour exchange** - a large building in a town, that was used in the past for buying and selling corn, wool etc.
3. **stock exchange** - a place where commodities are bought and sold.
4. **commodity exchange** - a place where shares and bonds are bought and sold.
5. **share** - an official document promising that a government or company will pay back money that it has borrowed, often with interest.
6. **bond** - one of the equal parts into which the ownership of a company is divided.
7. **share offer** - an official and public list of share prices.
8. **shareholder** - a product that can be sold to make a profit.
9. **share index** - a time when shares in a company are sold or begin to be sold.

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**Taxation**

1. **tax** - the system of charging taxes.
2. **taxation** - an amount of money that you must pay to the government according to your income, property, goods etc that is used to pay for public services.
3. **direct taxation** - the taxing of the things people buy
4. **indirect taxation** - the taxing of income.
5. **income tax** - a tax based on the value of someone's house.
6. **property tax** - tax paid on the money that you earn.
7. **sales tax** - a tax paid by companies on their profits.
8. **corporation tax** - a tax that you have to pay in addition to the cost of something you are buying.
9. **tax burden** - a special reduction in taxes that the government allows for a particular purpose.
10. **tax avoidance** - illegal ways of paying less tax.
11. **tax evasion** - legal ways of paying less tax.
12. **tax break** - the total amount of tax paid by an average person.
13. **tax exile** - a place where people go to live to avoid paying high taxes in their own country.
14. **tax haven** - someone who lives abroad in order to avoid paying high taxes in their own country.

**Agree or disagree with the following statements**

**Accounting**

1. Joint account is an arrangement that you have with a bank to pay in or take out money.
2. Account is one that is shared by two people.
3. Deposit account is a bank account that you can take money out of at any time.
4. Current account is a bank account that pays interest on condition that you keep money there for a particular length of time.
5. Savings account is a financial statement showing a company's income, spending, and profit over a particular period.

6. Profit and loss account is a bank account that pays interest on the money you have in it.

7. Accountancy is someone whose job is to keep and check financial accounts.

8. Accountant is the profession or work of keeping or checking financial accounts.

**Advertising**

1. Advertisement is the activity or business of advertising things on television, in newspapers etc.

2. Advertising agency is a company that designs and makes advertisements for other companies.

3. Advertising is a picture, set of words, a film etc that is used to advertise a product or service.

4. To advertise means to tell people publicly about a product or service in order to persuade them to buy it.

**Entrepreneurship**

1. Company secretary is someone who starts a company, arranges business deals, and takes risks in order to make a profit.

2. Company is an organization that makes or sells goods or services in order to get money.

3. Holding company is a company that offers its shares for sale on the stock exchange.
4. Company law is the area of law that concerns how businesses operate and what their duties are to each other, to customers, and to governments.

5. Entrepreneur is a member of a company who deals with money, legal matters etc.

6. Public company is a company that holds a controlling number of the shares in other companies.

**Insurance**

1. Insurance is an arrangement with a company in which you pay them money each year and they pay the costs if anything bad happens to you, such as an illness or an accident.

2. Life insurance is so that your family receives money if you die.

3. Insurance policy is the money that you pay regularly to an insurance company.

4. Insurance premium is a written agreement with an insurance company.

5. Insurance broker is someone who is employed by an insurance company to decide how much to pay people who have had an accident, had something stolen etc.

6. Insurance adjuster is someone who arranges and sells insurance as their job.

7. Insurer is the person or people who are insured.

8. The insured is a person or company that provides insurance.

**Marketing and Contract**

1. Market research is the activity of trying to sell a company's
products by advertising, using attractive packages etc.

2. Marketing is a business activity which involves collecting information about what goods people buy and why.

3. Distributor is someone who buys goods or services from a shop, company etc.

4. Customer is a company or person that supplies shops and companies with goods.

5. Contract is a formal written agreement between two or more people, which says what each person must do for the other.

6. Contractor is a person or company that makes an agreement to do work or provide goods in large amounts for another company.
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