



**Современный  
Гуманитарный  
Университет**

**Дистанционное образование**

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Рабочий учебник

Фамилия, имя, отчество \_\_\_\_\_

Факультет \_\_\_\_\_

Номер контракта \_\_\_\_\_

**ПРАКТИЧЕСКИЙ КУРС ОСНОВНОГО  
ИНОСТРАННОГО ЯЗЫКА**

**АНГЛИЙСКИЙ ЯЗЫК  
ПРОФЕССИОНАЛЬНЫЙ КУРС  
ДЕЛОВОЙ**

ЮНИТА 8

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студентов высших учебных заведений

# **ПРАКТИЧЕСКИЙ КУРС ОСНОВНОГО ИНОСТРАННОГО ЯЗЫКА**

## **АНГЛИЙСКИЙ ЯЗЫК ПРОФЕССИОНАЛЬНЫЙ КУРС ДЕЛОВОЙ**

ЮНИТЫ 1–3: Основные понятия и структура англо-американской системы права. Основные понятия и структура мировой экономики. Повторение основных правил грамматики. Различные виды речевой коммуникации.

ЮНИТЫ 4–6: Финансовый английский. Англо-американское коммерческое право. Деловая корреспонденция.

ЮНИТЫ 7–9: Маркетинг. Банковская система. Страхование, контрактное право. Составление письменных эссе.

### **ЮНИТА 8**

В учебном пособии предлагаются для изучения и повторения пройденного курса оригинальные тексты из учебной литературы и периодики для перевода и написания письменного эссе, тренинги, задания по переводу с русского на английский язык. Все учебные тексты и газетные статьи записаны на пленку.

Для студентов факультета лингвистики СГУ

Юнита соответствуют профессиональной образовательной программе №3

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\* Глоссарий расположен в середине учебного пособия и предназначен для самостоятельного заучивания новых понятий.

## ТЕМАТИЧЕСКИЙ ПЛАН

**Лексика.** Маркетинг. Рынки. Реклама. Ярмарки. Выставки. Бюджет. Доходы. Страхование, финансовый риск. Чистый риск. Основные типы страхования. Собственность. Ответственность. Поручитель. Неуплата.

**Письменная практика.** Реферирование, перевод и написание письменных эссе по оригинальным текстам на английском языке. Составление резюме.

# **ЛИТЕРАТУРА**

## **Базовый учебник**

1. Федотова И.Г., Цыганкова Н.Н. Коммерция и право. М.: МГИМО, 1991.

## **Дополнительная литература:**

2. Miller Steven. European Unification. 1991.

3. Reavis, Marshall. Handbook of Insurance Terms and Concepts. 1993.

4. Пайл М., Муньюс М. Пособие для подготовки к экзаменам по английскому языку для иностранцев (TOEFL). М.: МП "Поликон", СП "Маркетинг XXI", 1991.

5. АССА: Англорусский словарь по аудиту, бухучету и финансам. М., 1995.

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Примечание. Знаком (\*) отмечены работы, на основе которых составлен научный обзор.

# ПЕРЕЧЕНЬ УМЕНИЙ / МЕТОДИКА КУРСА

## Методика работы с текстами

Целью методики является отработка грамматических явлений и новой лексики по специальности. Работа с текстом идет поэтапно в течение пяти дней самостоятельной работы.

**День 1:** Вы читаете текст и прослушиваете его запись на пленке. Вы выделяете для себя основные идеи и понятия текста.

**День 2:** Вы переводите текст с английского на русский и изучаете словарь новых слов.

**Дни 3–4:** Вы выполняете упражнения с использованием новых слов (подстановка слов в нужной форме, составление фраз с новыми словами). Помимо этого Вы выполняете задание "Working on the information". В этом задании от Вас требуется:

а) дать заголовок каждому абзацу (параграфу текста),

б) составить логическую схему по тексту. Вам дан начальный набросок этой схемы, в который Вам надо вписать недостающие понятия и с помощью стрелок показать взаимосвязь понятий. Эта схема схожа с *Cluster Outline*, данной в разделе **The Written Test TOEFL**. Затем выполняется перевод с русского на английский предложений, включающих в себя лексику урока.

**День 5:** Отводится на подготовку к аудиторному занятию. Повторяя материал урока, Вы готовитесь к проведению ролевой игры (дискуссии) по предлагаемой ситуации.

**День 6:** Аудиторное занятие. На аудиторном занятии тьютор проверит выполнение упражнений по работе с текстом, затем под его руководством проводится ролевая игра.

**Уроки 2, 4** посвящены работе со статьями из американских газет и журналов по проблемам бизнеса и права. Задача этих уроков – усвоение новой лексики из периодической печати и развитие навыков написания письменных эссе.

**Дни 1–2:** Вы читаете, слушаете на пленке и переводите всю (либо часть – по выбору) статью из газеты либо журнала.

**Дни 3–5** отводятся на написание письменного эссе по методике, изложенной в разделе **The Written Test TOEFL**. Эта методика обеспечивает развитие письменной речи и мышления на английском языке.

На аудиторной занятии тьютор проверяет выполнение задания у всех студентов, затем проводится обсуждение основных тем статьи. Темы для обсуждения называются студентами, а не определяются заранее тьютором. В некоторых уроках предлагаются несколько статей для написания эссе на выбор (по усмотрению тьютора).

**Урок 6** отводится на повторение пройденного материала юниты.

Соответственно:

**День 1:** Повторяется Урок 1 юниты.

**День 2:** Урок 2.

**День 3:** Урок 3.

**День 4:** Урок 4.

**День 5:** Урок 5.

**День 6:** тест по юните.

## **THE WRITING TEST TOEFL**

The writing test will appear on some administrations of TOEFL beginning with the July, 1986, administration. If you take the TOEFL at an administration where the writing test is offered, you must take that portion of the test as well. The writing test is scored by two separate readers on a scale of 1 to 6, with 1 being the poorest score and 6 being the best. If the scores given by the two readers differ by more than one point, a third reader also reviews the paper. The scores are based upon the essay as a whole; such items as vocabulary, grammar, use of examples, and organization are not scored separately. The score is reported as a separate number on the TOEFL score report.

### ***Ability Tested***

The writing test analyzes your ability to respond to an essay question under time constraints. A topic will be presented, and the student must use proper organization, grammar, vocabulary, and spelling and must provide sufficient examples.

### ***Basic Skills Necessary***

You must be able to organize and write an effective essay, using correct grammar and spelling.

### ***General Information***

The TOEFL Bulletin indicates that during the writing test, students will have the opportunity to write an essay of 200 to 300 words in 30 minutes. Examinees will not need specific or detailed knowledge of the topic presented. A lined page will be attached to the answer sheet for writing the essay. Additional paper will be provided for making notes before writing the actual essay.

In order to score well on the writing test, you should keep the following points in mind:

1. Address the assigned topic completely, being sure to answer all parts of the question asked.
2. Write a good introductory paragraph and conclusion.
3. Organize your thoughts before beginning writing and organize your paragraphs well.
4. Use correct grammar, vocabulary, and spelling. Use vocabulary and grammatical constructions that you are sure of. It is better to write simply and correctly than to try to write eloquently but make errors.
5. Keep your essay to no more than 200 or 300 words.
6. Allow enough time to write the essay well. Don't take so much time organizing your thoughts that you do not have time left to write.
7. Use specific details and avoid too many generalizations.

## **PLANNING YOUR ESSAY**

If you have learned in composition classes a good way to organize your thoughts quickly, use the method that you already know. You should use a standard outline, a cluster outline, or some other method to organize your thoughts before you begin to write. An essay that is not properly planned will not be organized sufficiently to receive a good score. You should spend no more than 10 minutes organizing so that you have at least 20 minutes to write the essay. You will not be required to turn in your outline or other planning format, so you may use whatever is useful for you.

There are various methods of planning, and you should use the method that works best for you. The most common method is the standard outline. Each major category will be a paragraph in the essay. Study the following sample question and outline:

Some people purchase a home and others rent. Describe one or two benefits of owning a home and one or two benefits of renting. Compare the two options and explain which you think might be better for someone your age and in your situation.

*Questions that must be addressed:*

1. What are the benefits of owning?
2. What are the benefits of renting?
3. Which is the best for someone your age and in your situation?

## **STANDARD OUTLINE**

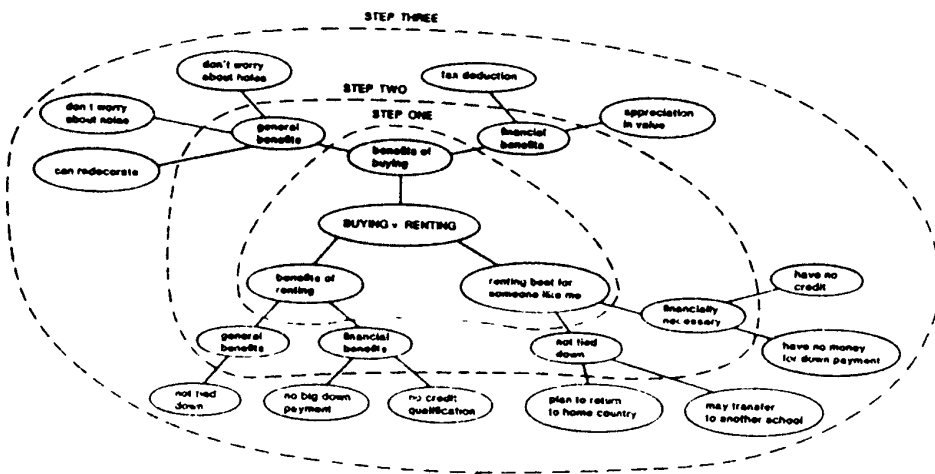
- I. Benefits of owning
  - A. It is yours and you can do what you want



1. Do not have to worry too much about noise
  2. Can redecorate without worrying about losing the deposit
- B. Financial reasons
1. Interest is tax deductible
  2. Home appreciates in value
- II. Benefits of renting
- A. Not tied down—if need to move, just have to worry about lease
- B. Financial reasons
1. Do not have to come up with down payment
  2. Do not have to qualify for credit
- III. Renting better for foreign student in early 90s
- A. Not tied down
1. May transfer to another school
  2. Will return to own country after school
- B. Financial reasons
1. Cannot afford to buy
  2. No credit

Another way of planning such an essay is with the "cluster outline." Study the following example:

### **CLUSTER OUTLINE**



### **Introductory Paragraph**

Every good essay has a strong opening paragraph. One method that is useful for constructing an opening paragraph is the *Generalize-Focus-Survey* structure. This is a three- or four-sentence paragraph in which the first

sentence makes a generalization about the topic, the second sentence focuses on what will be discussed, and the last one or two sentences survey the details you will present in the body of the essay. Consider the following examples on the topic presented in the preceding pages:

*1. Generalize:*

Many find it advantageous to purchase a home, but others find renting more suited to their needs.

*2. Focus:*

While there are advantages for both options, renting is generally the best choice for young foreign students.

*3. Survey:*

Foreign students often do not have good credit histories or enough money to buy a home and need to know that it will not be necessary to find a buyer for the home if they decide to transfer to another school or return home.

***Body***

The body of the essay should follow the form of your outline with separate paragraphs for each major topic. Try to avoid very short paragraphs or very long paragraphs.

***Conclusion***

The conclusion should sufficiently restate, but not simply repeat, the major points that you have stated in the body of the essay. Consider the following example:

At various times of their lives, people have different needs. While purchasing a home is often the best choice for somebody with an adequate income and roots in a community, for the reasons discussed, it is often not the most feasible choice for young foreign students.

## **SAMPLE ESSAYS**

### ***SAMPLE ESSAY I***

***Introduction***

Many find it advantageous to purchase a home, but others find renting more suited to their needs.

While there are advantages for both options, renting is generally the best choice for young foreign students. Foreign students often do not have good credit histories or enough money to buy a home and need to know that it will not be necessary to find a buyer for the home if they decide to transfer to another school or return home.

***Body Paragraph 1:  
Benefits of owning home***

Owning a home provides a number of benefits. For example, a homeowner can make more noise than someone who lives in an apartment without having to worry that every small noise might disturb neighbors. Unlike apartment dwellers, homeowners can also put holes in walls and redecorate without being concerned about losing part or all of a security deposit. Owning is also an advantage because the interest on mortgage payments can be deducted on their income tax. In addition, real estate generally appreciates in value over the years.

***Body Paragraph 2:  
Benefits of renting***

There are also benefits to renting. A renter is tied down only by the terms of the rental agreement or lease. If a renter wants to move, it is not necessary to find a buyer. In addition, a renter does not have to provide a large down payment as does a home owner and does not have to have a good credit history.

***Body Paragraph 3:  
Best choice for one in student's situation***

A foreign student who plans to return home after college or who wishes to transfer to another school often cannot be tied down to a house. The foreign student often does not have enough money for a down payment or a credit history sufficient to borrow money to purchase a home. Consequently, renting is the answer for most young foreign students.

## Conclusion

At various times of their lives, people have different needs. While purchasing a home is often the best choice for somebody with an adequate income and roots in a community, for the reasons discussed, it is often not the most feasible choice for young foreign students.

## Topic

A writer has accused teachers and parents of causing children to develop *calcuholism* – a reliance on calculators and resulting loss of mathematical ability. Describe what you believe the writer means by *calcuholism* and what you believe causes it. Also state what you believe can be done to alleviate the problem.

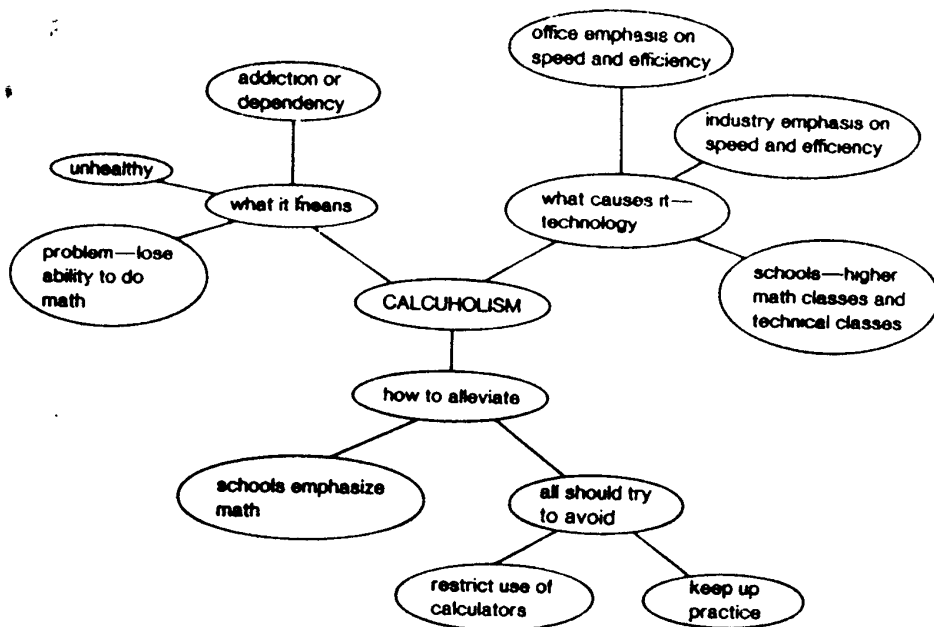
## Questions to Answer

1. What is *calcuholism*?
2. What causes it?
3. What can be done to alleviate it?

## Standard Outline

- I. What the writer means by *calcuholism*
  - A. The term indicates an addiction or dependency
  - B. Generally such a dependency is unhealthy
  - C. Problem—if children rely too much on calculators, they lose ability to do mathematics easily without it
- II. What causes it—more technology
  - A. Emphasis in schools on more advanced math and technical classes that require calculators
  - B. Emphasis in offices on speed and efficiency—word processors and computers
  - C. Emphasis in industry on technologically advanced machines
- III. What can be done to alleviate it
  - A. Schools should avoid causing students to rely on calculators
  - B. All should avoid becoming too dependent on the calculator
    1. Restrict use of calculators
    2. Keep up practice with actual math

## CLUSTER OUTLINE



### **Introductory Paragraph**

The type of introductory paragraph used in this essay, instead of one using the *Generalize-Focus-Survey* method, is one which follows the form of the outline in a general way.

- I. It has been said that many people are victims of *calcuholism*, a dependence on the use of calculators, causing a diminished ability to do mathematics on one's own.
- II. Technology in schools, offices, and industry has resulted in an unfortunate overdependence on all types of modern devices, but particularly on calculators.
- III. Calcuholism can be avoided if schools and individuals concentrate on using the mind to do mathematics rather than relying on calculators for simple tasks.

### **Conclusion**

Calcuholism has increased in recent years and will continue to increase due to advances in technology. To avoid dependency, we must do mathematics with our minds from time to time rather than with a machine.

# **Complete Essay**

## **Introduction**

It has been said that many people are victims of *calcuholism*, a dependence on the use of calculators, causing a diminished ability to do mathematics on one's own. Technology in schools, offices, and industry has resulted in an unfortunate overdependence on all types of modern devices, but particularly on calculators. Calcuholism can be avoided if schools and individuals concentrate on using the mind to do mathematics rather than relying on calculators for simple tasks.

## **Body Paragraph 1: What is it?**

Obviously the term *calcuholism* has been coined with the intent to compare it to other addictions such as alcoholism. While it is not nearly as serious as alcoholism, dependence on the calculator can be harmful. Abuse of something normally beneficial may lead to a harmful reliance on it. It is not that calculators are harmful, but that overuse may cause harm by causing people to forget how to do mathematics with their own minds.

## **Body Paragraph 2: What causes it?**

The problem arises from modern technological advances. In schools, classes become more complicated because of the technology for which students must be prepared when they graduate. Calculators are permitted and essential in many such classes. In offices, calculators, computers, and word processing systems are commonplace because they increase speed and improve efficiency. Business people may spend hours working with numbers and rarely calculate mentally. In industry as well, the emphasis on advanced machines results in individuals' solving fewer mathematical problems on their own.

**Body Paragraph 3:**  
**What can be done to alleviate?**

To alleviate the problem, schools should avoid allowing students to use calculators too early and should require sufficient inclass work without them. All of us should restrict our use of calculators and strive to do math on our own so that we will not lose our basic math skills.

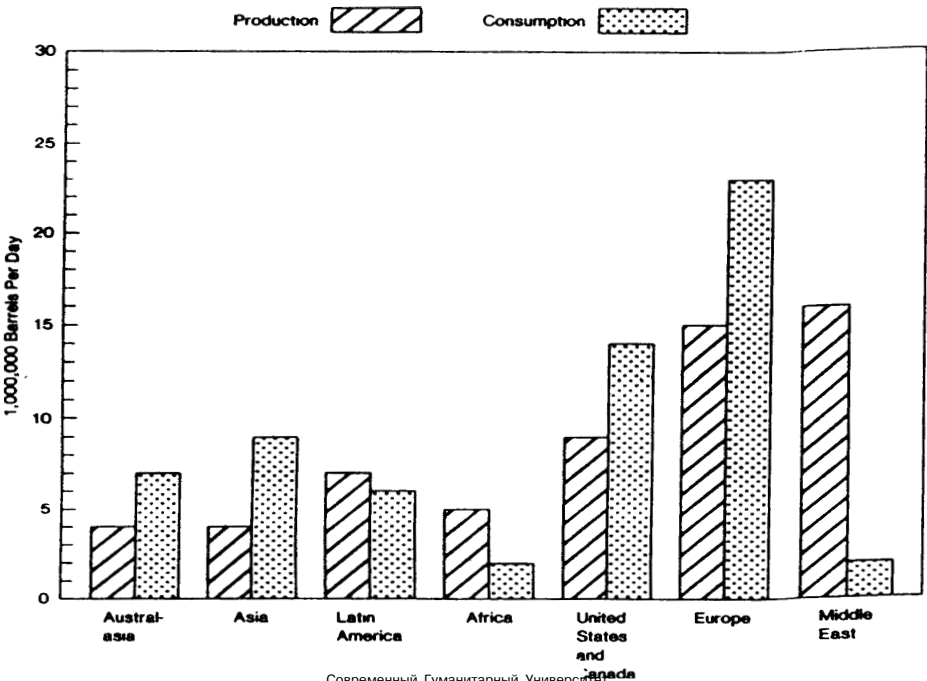
**Conclusion**

Calcuholism has increased in recent years and will continue to increase due to advances in technology. To avoid dependency, we must do mathematics with our minds from time to time rather than with a machine.

**SAMPLE ESSAY 3**

**Topic**

The chart below shows the number of barrels of oil produced and the number consumed by various regions of the world. What does the chart tell you? Write one or more paragraphs that convey the information displayed in the chart.



(This chart is not a completely accurate reflection of fact, but is a close representation for illustration purposes.)

### ***Standard Outline***

- I. Regions that use more than they produce
  - A. Australasia and Asia—each uses about 50% more than produced
  - B. Europe
    - 1. Uses about 75% more than produced
    - 2. Almost the largest producer, but also the largest user
  - C. U.S. and Canada
    - 1. Produce 3/5 of what is used
    - 2. Produce twice what many other regions produce, but use the most with exception of Europe
- II. Regions that produce more than they use.
  - A. Latin America
    - 1. Uses 6/7 of what it produces
    - 2. Biggest user of the regions that produce more than they use
  - B. Africa
    - 1. Produces more than twice what it uses
    - 2. It and Middle East use less than any other region on chart
  - C. Middle East
    - 1. Produces more than any other region
    - 2. Tied with Africa for using smallest amount
- III. Possible explanations and results
  - A. Regions that use a lot more than produce — U.S. and Europe
    - 1. Both produce a significant amount, but use much more than produce
    - 2. A lot of industry and vehicles
  - B. Regions that produce a lot more than they use — Africa and Middle East
    - 1. Little industry and few vehicles using petroleum products
  - C. Regions that produce more than they use can make a profit selling to countries that consume more than they produce

### ***Introductory Paragraph***

#### ***Generalize:***

A graph of world petroleum consumption compared to petroleum use shows a tremendous difference among regions.



### *Focus*

Some use more than they produce, while others produce more than they use

### *Survey*

Certain regions have large petroleum production but lack the industry and transportation to utilize it. They are able to make a profit by selling to regions that need it.

### ***Conclusion***

As the chart describes, certain regions produce more petroleum than they consume, and others consume more than they produce. Those with a surplus can profit by selling it to the large consumers that cannot produce all that they need.

## ***Complete Essay***

### ***Introduction***

A graph of world petroleum consumption compared to petroleum use shows a tremendous difference among regions. Some use more than they produce, while others produce more than they use. Certain regions have large petroleum production but lack the industry and transportation to utilize it. They are able to make a profit by selling to regions that need it.

### ***Body Paragraph I: Regions that use more***

Four regions shown consume more petroleum than they produce. Both Australasia and Asia consume about fifty percent more than they produce. Europe consumes about seventy-five percent more than it produces. It is one of the largest producers but also is the largest consumer of all the regions. The United States and Canada together produce about three-fifths of what they consume; while they produce more than twice as much as many other regions. they consume the most with the exception of Europe.

**Body Paragraph 2:*****Regions that use less than they produce***

Three regions shown on the chart produce more than they consume. Latin America produces approximately ten percent more than it consumes. It is the biggest consumer among the regions that produce more than they consume. Africa produces more than twice what it consumes, and the Middle East is the biggest producer of all. However, those two regions are tied for consuming the smallest amount.

**Body Paragraph 3:*****Possible explanation***

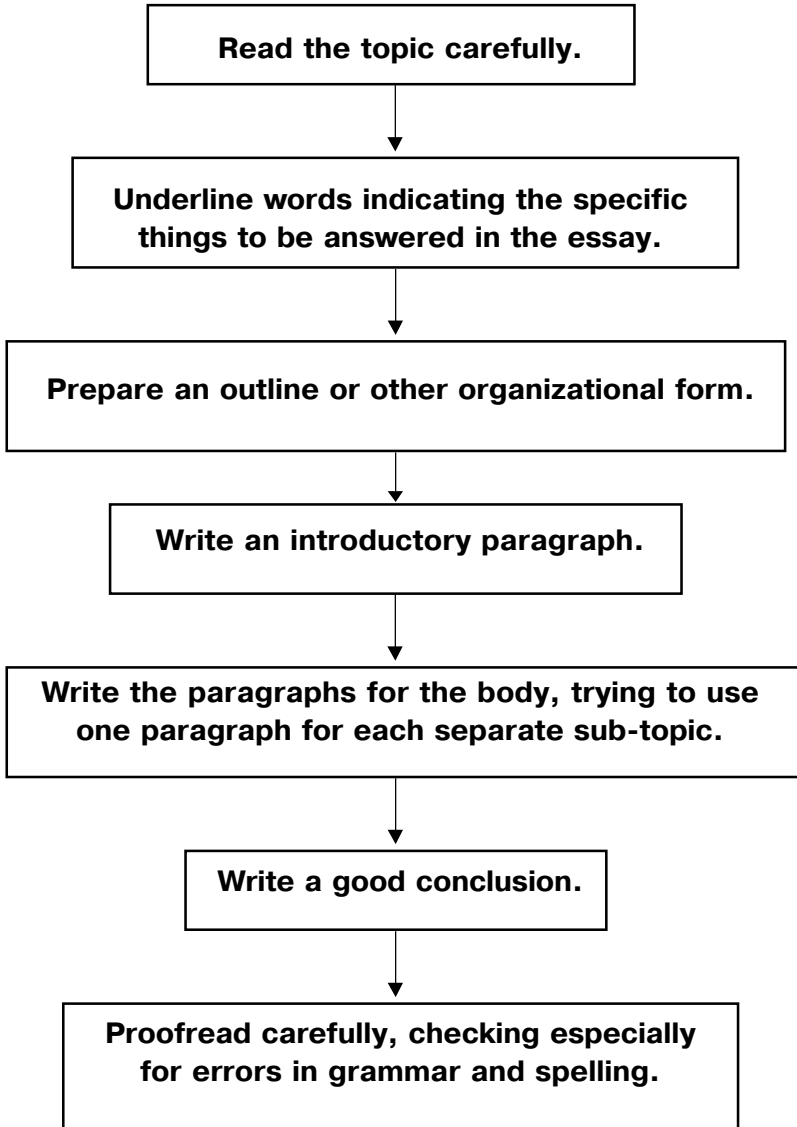
The United States, Canada, and Europe use a great deal more than they produce, but each produces a considerable amount. The high usage probably results from their industrial and transportation requirements. On the other hand, Africa and the Middle East produce much more than they use, which probably indicates low petroleum needs in industry and transportation.

**Conclusion**

As the chart describes, certain regions produce more petroleum than they consume, and others consume more than they produce. Those with a surplus can profit by selling it to the large consumers that cannot produce all that they need.

# **A PATTERNED PLAN OF ATTACK**

## ***Essay Writing***



# LESSON 1

# УРОК 1

## DAYS 1–2

## ДНИ 1–2

### MARKETING

1. The word marketing has a broad meaning including both the market research concerning the goods which are going to be produced and the advertisement of already existing ones.

2. If you want to introduce a new product and find a ready market for it you should know the market situation in detail. When there is a business boom people have generally more money on luxury items. When there is a slack and unemployment tends to increase one can sell products, which are not necessary for life, even in big quantities, but only if their price is as low as possible. This is only one arbitrary example of the way to consider the general market situation. Particular market situation deals more with the tastes and fashions of the present and near future. For instance while aerobics is in fashion producing "bodywear" is not risky since the demand is sufficient. So it is the duty of market research to figure out things like that by means of sales statistics (e.g. consumer reports in the US), general inquiries and personal interviews.

3. If the merchandise you produce sells well for a considerable period of time and you want to go on manufacturing it, you should not count on long-lasting thriving sales. Fashion and consumers' tastes and needs are constantly changing. So market research should promptly find out such changes. This was the case with the increase in price of fuel oil when wood and coal for heaters became popular again. Those who were prepared for this change in the market did a great business. Thus customers' wishes should be foreseen and satisfied.

4. Of course market research may not disregard any existing or probable competition. To sell a similar product in the market successfully a manufacturer should make sure whether the demand is sufficient. Then he should either improve the quality or offer lower prices.

5. Advertisement is a very important branch of marketing which develops with the development of mass media. It is a well-known fact that more and more money is spent on advertisement every year. Apparently it pays off and it is not always true that the consumer has to pay more for the goods he buys because of the commercials being so expensive. Actually if an ad gives rise to an exceedingly high sales rate of a product its production cost can even become lower. Besides newspapers and magazines would be much more expensive but for advertisement covering most of the publishing costs.

6. The most efficient ad is the so called directly addressed ad. This kind of advertisement addresses some certain sector of the society, taking into account the values the people of this particular group appreciate. It is essential to choose the right media, the most popular source of information among this group of people. For instance the notorious "Bildzeitung" in Germany has a readership totally different from that of the weekly newspaper "DIE ZEIT" subscribed to mostly by liberal structures. An effective commercial should fulfill four requirements. In America this rule is called "AIDA" which means that a good ad creates attention, interest and desire and leads to action.

7. One of the oldest means of advertisement is a fair. Fairs date back to early middle ages and have proved to be really efficient ever since. At that time sovereigns could give their towns a privilege of conducting an event like that. Every year over 60 fairs and exhibitions take place in the Federal Republic of Germany. The biggest and most well known one is organized in Hannover, where more than 4500 home and foreign companies have the chance to display their products.

### ***NEW VOCABULARY:***

- 1 market research — исследование рынка  
advertisement — реклама
- 2 unemployment — безработица  
luxury item — предмет роскоши  
arbitrary — произвольный  
in detail — в деталях  
business boom — подъем рынка  
slack (market recession) — спад в экономике  
manufacturer — производитель
- 3 promptly — быстро  
fuel — горючее  
oil — 1. масло  
          2. нефть  
coal — каменный уголь  
to foresee — предвидеть  
to satisfy — удовлетворять
- 4 disregard — оставлять без внимания  
competition — конкуренция  
to last — длиться, продолжаться  
similar — похожий  
successfully — успешно  
to make sure — убедиться

sufficient — достаточный

**5** apparently — очевидно

smth pays off — что-либо окупается

commercial — реклама, рекламный ролик

production cost — себестоимость

**6** efficient — эффективный

ad = advertisement

society — общество

to appreciate — ценить

readership — круг читателей

requirement — требование

**7** fair — ярмарка

to date back to — уходить корнями к какому-либо времени

sovereign — правитель

to conduct — проводить

exhibition — выставка

to display — выставить, продемонстрировать

**DAY 3**

**ДЕНЬ 3**

**USE NEW VOCABULARY:**

**Fill with the words in the blanks:**

1. During \_\_\_\_\_ expensive \_\_\_\_\_  
do not sell well. (спад рынка, предмет роскоши)
2. There is no way you can be a success in business without knowing  
the market situation \_\_\_\_\_. (в деталях)
3. As long as aerobics is \_\_\_\_\_ "bodywear" is going to  
sell well. (в моде)
4. Manufacturing new products can mean a big \_\_\_\_\_.  
(риск)
5. A manufacturer should not count on a high sales rate to  
\_\_\_\_\_ long. (продолжаться)
6. The main duty of \_\_\_\_\_ is to find out the  
\_\_\_\_\_ in consumers taste. (исследование,  
изменения)
7. Those who were \_\_\_\_\_ did a great business.  
(подготовлены)
8. Market research should not \_\_\_\_\_ any existing or  
possible \_\_\_\_\_. (оставлять без внимания,  
конкуренция)

9. Apparently advertisement \_\_\_\_\_. (окупается)
10. The most \_\_\_\_\_ ad is the so called \_\_\_\_\_ ad. (эффективная, специально направленная)
11. An effective commercial should fulfill four \_\_\_\_\_. (требование)
12. "AIDA" stands for \_\_\_\_\_.

**Familiar words. Make up a short example with each of the given words.**

budget

influence

market

account

fair

privilege

agressive

separate

special

customary

efficient

retail

to advertise

to sell

to overdraw

to debit

to deposit

trade

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

## EXERCISES

**WORKING ON THE INFORMATION**

The Duties of Marketing  
\_\_\_\_\_ advertisement

Successful Advertisement Should Consider  
general market situation \_\_\_\_\_ foreseeable market  
changes competition = \_\_\_\_\_ = fashions = a product should = \_\_\_\_\_  
not necessarily \_\_\_\_\_  
be popular right now

An Effective Commercial Creates  
attention interest \_\_\_\_\_  
and leads to  
\_\_\_\_\_

**Translate the following sentences into English:**

1. Я бы хотел открыть новый счет в вашем банке.  
\_\_\_\_\_
2. Он не сумел расплатиться по счету.  
\_\_\_\_\_
3. Наша фирма не представила свою продукцию на ярмарке.  
\_\_\_\_\_
4. Товар должен быть хорошо упакован.  
\_\_\_\_\_
5. Им не разрешили платить в рассрочку.  
\_\_\_\_\_
6. Мода и вкусы постоянно меняются.  
\_\_\_\_\_
7. Невозможно экспериментировать без риска.  
\_\_\_\_\_
8. Если ты подготовлен к новым изменениям в моде, ты  
добьешься успеха в бизнесе.  
\_\_\_\_\_
9. Без рекламы газеты и журналы были бы гораздо дороже.  
\_\_\_\_\_
10. Хорошая реклама должна обращать на себя внимание людей.  
\_\_\_\_\_



**ROLE PLAY**

Try your hand in advertising business. One of you makes a short ad. You are free to choose the product or the service you want to advertise. The other one is a specialist in marketing. Express your professional point of view on the commercial you've just heard. What is good about it? What is its weak point? Who does it address to, etc.? Then change your roles.

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**LESSON 2****УРОК 2****DAYS 1–5****ДНИ 1–5**

Read the text and write an essay.

**THE UNLIKELY MOGUL**

***Can Jerry Levin keep a grip on Time Warner?  
Don't count him out***

As the Atlanta Braves edged the Cleveland Indians to win the chilly first game of this year's World Series, TV cameras panned in on media mogul Ted Turner in the warm embrace of actress Jane Fonda. No surprise there: The dashing Braves' owner and his beautiful wife are baseball's equivalent of the Royal Family. More puzzling, though, was the slight, graying man standing next to them in a dowdy ski jacket and a brand-new baseball cap. Ted and Jane's guest that evening looked more like the winner of a "Sit in the Owner's Box" sweepstakes than what he was: Turner's potential boss and head of Time Warner Inc.

Gerald M. Levin has never looked or acted like a media mogul. He rarely even tries. That wouldn't matter except that his relative lack of

charisma is often linked to Time Warner's sagging stock price. Ever since early 1993, when he took over Time Warner's chairmanship from the late Steven J. Ross, Levin has been dogged by the notion that he is inappropriate for the job. His capital as chairman and CEO has sagged to the point where calls for his removal hardly raise an eyebrow.

But Levin is very much the CEO of Time Warner, and one morning in mid-November he proved it. He ushered one of his best-respected lieutenants into a room atop Time Warner's Rockefeller Center headquarters and fired him without warning. Michael J. Fuchs, the longtime chairman of Home Box Office Inc., had only six months earlier been assigned to clean up a messy set of executive mutinies at Warner Music Group Inc. Now, to pave the way for a broad corporate restructuring, he was being sacrificed for his inability to get along with rivals Robert A. Daly and Terry S. Semel, co-GEOS of the Warner Bros. Inc. studio.

**CLEAN BREAK.** A week earlier, in the same room, Time Warner's much-maligned chairman had concluded a series of interviews in which he described a six-year crusade to impose his vision on the company he helped create. It began in 1989 with the tumultuous merger of Time Inc. and Warner Communications Inc. It continues today with Levin's proposed \$7.5 billion all-stock purchase of Turner Broadcasting System Inc. Levin insists there is logic to the chaos that swirls around Time Warner—a necessary tearing down before the real building can begin. "I finally want to make as clear a break as possible into the future," says the 56-year-old executive. "It will never be the old Warner Communications or the old Time Inc. again. It is going to be something totally different, as it must be."

Levin is attempting nothing short of a corporate revolution. As such, it could easily blow up in his face. The Turner deal will confront big obstacles in Washington, in part because of the prominent role it gives Tele-Communications Inc. CEO John C. Malone, who owns 22% of Turner. Time Warner's valuable studio, HBO unit, and cable systems, meanwhile, are currently being held hostage by U S West Inc., which owns 25.5% of those assets and is suing to block the transaction. Even if the deal does get done and Levin can restructure the U S West partnership, he faces the biggest management challenge of his life: integrating two complex companies crawling with big egos. He has yet to prove he can truly lead a company with so many moving parts. "I think this thing is really going to test Jerry," cautions one worried Time Warner director.

Levin has precious little time. Many investors are still mad at him for leading the Time Inc. team that forged the debt-laden Warner transaction instead of accepting a \$200-a-share buyout offer from Paramount Communications Inc. Chairman Martin S. Davis in 1989. Since then, the stock has split 4 for 1, but it has missed history's greatest bull market entirely, creeping along at a compounded annual growth rate of 3.8%, compared to

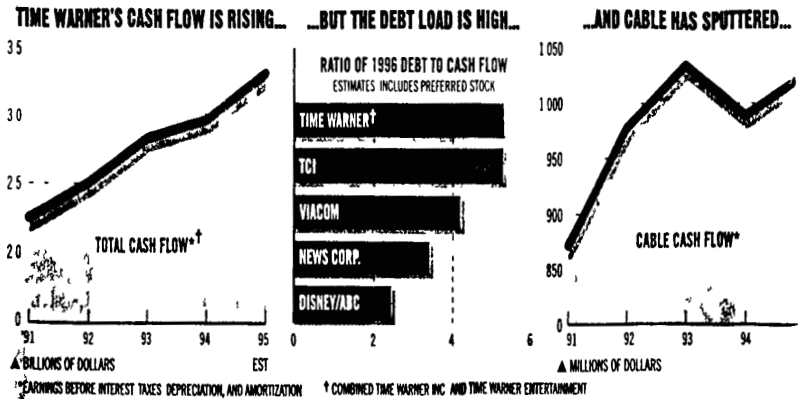
10.5% for the Standard & Poor's 500-stock index (charts). It doesn't help that the Turner deal dilutes the stock by 32%. "It's obscene," says Travelers Group Senior Vice-President for Investments Harvey P. Eisen. "I'm a simple guy. I want the stock to go up."

What Levin has done, however, is use the Turner deal to buy what might be his last chance to prove himself. He has doubled the bet on media concentration he placed in 1989 and convinced a broad group of constituents to trust him for at least a little longer.

Indeed, Levin is in a much stronger position than is commonly believed. If the deal closes in its current form, he will get direct voting control over the 9% of Time Warner that Malone would inherit in the stock swap. And for now, at least, Turner has pledged to vote his 10% with the board, which is largely friendly to Levin. Additional chunks of the stock are held by large investors such as Capital Group's Gordon Crawford or cable magnate Alan Gerry, who quietly support Levin's agenda. All told, 35% of the stock would end up in sympathetic hands.

Many investors grudgingly admit that Levin has assembled an impressive array of assets and that the operating results are improving steadily. They also think he's getting tougher. Wall Street responded vigorously to the Fuchs news by bidding the stock up almost two points, to 40, on Nov. 17. "Jerry's job has been in jeopardy since the day he took it," says one large institutional investor. "But shareholders like the direction he's moving."

Jerry  
Levin's  
Problem  
With  
The  
Street



As Time Warner's biggest cable competitor, Malone had to relinquish his vote to comply with ownership rules. But he did not have to give it to Levin. He did so to give the Time Warner chairman precisely the kind of clout he used against Fuchs. Malone contends it is essential to empower Levin with at least some of the authority enjoyed by moguls such as Viacom Inc.

Chairman Sumner M. Redstone or News Corp. founder Rupert Murdoch. They own large, unassailable chunks of their companies and can therefore act freely. "What Jerry is lacking is real power," says Malone. "And real power, as Mao said, flows from the muzzle of a gun. Jerry is a strong leader—he just hasn't had the power to exercise that leadership."

Malone, of course, is slippery. Just ask Barry Diller, who counted on the TCI chiefs support for his 1993 Paramount bid, only to see Malone bolt in the middle. He could similarly foul up this deal. Turner is also mercurial. His pledge to vote with the board expires if he leaves Time Warner's employ—something he doesn't rule out. He notes that former Blockbuster Entertainment Corp. Chairman H. Wayne Huizenga became vice-chairman of Viacom after he sold out to Redstone in 1994, only to leave this fall. "I'll be vice-chairman, too," says Turner. "I could be [at Time Warner] a long time, or the same thing could happen to me."

Levin is clearly in a precarious situation. But the fact is, it is easiest for everyone if he succeeds. While it is often posited that Turner and Malone might gang up to sink Levin, the legal and logistical complications there are mind-boggling. If Levin succeeds and drives the stock to, say, 60, both Malone and Turner would be sitting on stakes worth \$3 billion, tax free. Levin's unruly employees, many of them major shareholders, would also benefit. "What we need and want," says Semel, "is a strong Jerry Levin in New York."

**GOOD FIT.** Levin, who this summer had planned to sell his 18% Turner stake to address mounting shareholder concerns over Time Warner's \$18 billion in debt, has been criticized for swinging this way, then that, on strategy. To many, this deal looks expedient — a temporary lifesaver for Levin.

Maybe. But on paper, it makes plenty of sense. Already it has given Levin the excuse to restructure the company to eliminate Time Warner's self-destructive fiefdoms. And it would provide enough girth in entertainment to satisfy shareholders irritated by Levin's persistent investments in cable telecommunications and interactivity. It would also dilute his most acerbic shareholder, Seagram Co.'s Edgar Bronfman Jr., who owns a 15% stake, while welcoming Turner and Malone, who are both cable boosters. Bronfman declined to comment.

Investors, who tend to look forward, are mostly just pleased Levin is taking action. They applauded Fuchs's ouster largely because it signaled a restructuring that will fundamentally alter the company, no matter what happens with the deal. It allowed Levin to fold the sprawling music company into the studio to create a single, \$10 billion entertainment division that will be run by Daly and Semel. The removal of Fuchs, one of Time Warner's strongest executives, rocked the company and sent a shiver through a boardroom reeling from bad news. But it also ended a destructive feud

between Fuchs and the two studio heads as Time Warner moved to swallow Turner.

Levin plans to break the company into three major units: Entertainment, News and Information, and Telecommunications (the cable business). The idea is to encourage the kinds of synergies that have always eluded the current Time Warner. Levin insists that the Turner assets are such a good fit that they will "compel a kind of teamwork" among Time Warner's famously fractious managers. Distributing Turner's New Line films through Warner Bros. is a no-brainer, he says. Ditto for putting Warner's new cartoons on Turner's Cartoon Network or *Lois and Clark* reruns on TNT.

Segregating the entertainment and journalism properties into their own divisions, Levin says, will force top managers to encourage teamwork below them. Instead of battling HBO, the movie studio will work with it — if only because they will have the same boss. To help that along, Levin has reworked executive pay so that incentives encourage managers to beat Wall Street's expectations while rewarding teamwork rather than just divisional performance.

All of that is much easier said than done, of course, and before investors will bid up Time Warner stock. Levin will have to finish his plan to spin the highly regulated, capital-intensive cable systems into a self-financing entity. The idea is to take the hefty cable leverage off Time Warner's debt-soaked balance sheet. That will require Levin to cut a new deal with U.S. West, which is threatening to use its stakes in the studio, HBO, and the cable systems to thwart all of his grand plans. Most analysts expect Levin will do it. But given U.S. West's leverage, it will likely end up with a sweet deal to run half of the separate cable entity.

Whether Levin is up to the task is the \$7.5 billion question. Reviewing his career for clues to future performance leads to the conclusion that he has often promised more than he has delivered. A private, inscrutable man, even among friends, Levin's true motivations are hard to cipher. But for certain, despite his popular image, Levin hasn't survived Time Warner's jungles this long by hiding in a bunker. He is an inveterate risk-taker, with deceptive tenacity and an unusually strong sense of self-confidence. His great challenge will be shifting from jungle survivor to corporate leader.

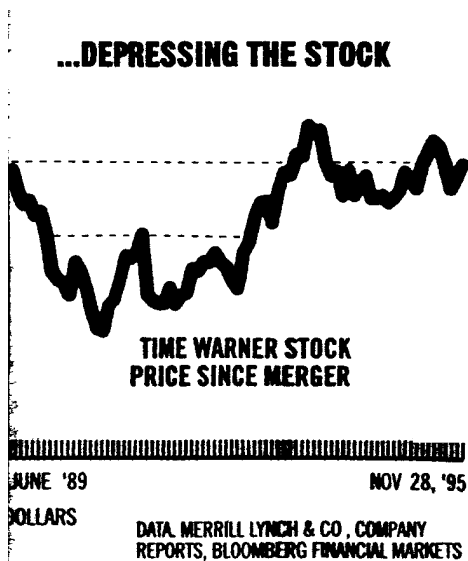
It's not that Levin can't get Time Warner's operations to perform. Cash flow has grown at a steady, if unspectacular, 10%, compounded annually, since Levin took over. Levin has also moved decisively to install new management at the publishing division, which has paid off in a 43% spike in cash flow since 1992. Wall Street's biggest beef has been Levin's stubborn insistence on adding more debt to build up Time Warner's cable business in the face of government-mandated rate cuts. Investors also distrust Levin's ability to lead, having watched him lurch from crisis to crisis.

Some of the heat Levin gets is unwarranted. The troublesome divisional structure, after all, was Ross's, and it was loaded from the start with ego-driven executives who would not have listened to anybody but the late chairman. Those executives have caused Levin no end of headaches by pushing their own agendas. And disciplining them is complicated by their strong individual results.

**CABLE CASH.** As for the cable strategy, consider this: Levin inherited the second-biggest cable company in the world. Selling it didn't make sense. It does require a lot of capital, but it also generates 31% of Time Warner's cash flow. When values were depressed during the doldrums of rate rollbacks, Levin bought 4 million more subscribers at bargain prices. Now, cable cash flows are coming back, and the industry might soon be deregulated. Rupert Murdoch, who doesn't have to worry much about his stock price, has become a billionaire using just such contrarian investing.

That said, Levin's history raises serious questions about his ability to guide a ship as big as time Warner. While he shares Murdoch's penchant for taking big risks, his track record on rewards is spotty. For one thing, Levin clearly should have moved faster to address shareholder concerns about debt. After Viacom's Redstone bought Paramount in 1994, he moved swiftly to jettison its valuable Madison Square Garden assets and its much smaller set of cable systems. To pare his debt, Levin sold stakes in the studio, HBO, and cable to U S West in 1993 for \$2.5 billion. At the time, it looked as if the Baby Bell might help Time Warner get into the telephone business. But the benefits have been few, the entanglements many.

Levin has also yet to prove that he can command the respect of the corporation. The recent blowup in the record business might have been inevitable given the volatile egos involved. But when Atlantic Records chief Doug Morris assembled a team of managers and threatened to leave en masse unless Levin fired Morris' boss — Warner Music chief Bob Morgado — it was clear the chairman was lacking political clout. And even though Levin brought the matter under control by placing music under Semel and Daly, the turmoil has been damaging. "People are starting



to ask whether there is going to be stability," says Ramon Lopez, head of Warner Music International.

Malone likens recent history at Time Warner to a feudal state. Speaking to analysts after the deal was announced, he said: "It's kind of like medieval England, where the barons really have all the power, the king is almost titular, and the subjects — i.e., the shareholders — don't even come into the equation." Malone suggests that with his new power base, Levin will be able to enforce his will upon the corporation. That, he figures, will in turn benefit shareholders.

But even Levin admits this is simplistic. He politely scoffs at the idea that his power might flow through TCI'S wily chief executive. "Empowerment," he says. "comes when you believe in your ideas and have the force of your convictions." Levin thinks the Turner deal can earn him the respect he needs inside and outside the company: "I don't care what anybody says. It is a very good idea for both companies."

Discovering how to lead will be crucial. But Levin rejects outright the notion that a media mogul must be flamboyant or charismatic. And he has plenty of supporters there. "He hasn't said he's going to start wearing lifts in his shoes or get a nose job," says longtime director Lawrence B. Bittenweiser, a Ross hire. "He's not fabulously attractive to the press. But that, in the final analysis, is not what counts."

What has counted in Levin's case is a tenacious belief in his own ideas. He has made up for his lack of charisma with stubbornness and staying power. He has a vast ability to absorb huge amounts of information and marshal facts to his cause. This has helped him sway his board to stick with his controversial cable strategy.

**PRECOCIOUS.** Levin's staunch self-confidence comes as a surprise to those used to his cranky, defensive public image. But it is almost as old as he is. "When I met Jerry, he was 16 going on 47," says Carol Levin, his first wife. (They divorced in 1970.) "He had this maturity and sense of self. But you could have a close conversation with him and still not know what was really on his mind."

Levin grew up in suburban Philadelphia. His grandparents on both sides were Jew's who had fled persecution in Eastern Europe. Jerry's father ran the family's butter-and-egg business. His mother taught piano. Jerry was smart and precocious from the start. He happily went to sleep-over camp when he was 5. Before he was 10, he knew enough Hebrew to conduct a service at the local synagogue when the cantor failed to show up one Saturday. He won a public-speaking contest in junior high and starred in high school plays.

It has been widely reported that Levin was a "biblical studies" major at Haverford College, and therefore quite religious. In fact, Haverford caused him to question his strict Jewish upbringing. He majored in biblical literature

and became fascinated with the nexus between the Old and New Testaments. Since there was such a close connection, he couldn't understand the animosity between the cultures. "My thesis was on the continuity between the Judaic and Christian traditions," Levin says. "I made a complete transformation through college, coming out very spiritual, but areligious."

Levin was valedictorian at Haverford and won honors for his thesis. On principle, though, he rejected the honors and burned all of his papers to make a philosophical statement that the work counted more. Despite such intellectual grandstanding, he was not considered arrogant. "He was very jolly and gregarious for at least part of the day," says a roommate, Brownlow Speer. "But at 8 p.m. or so he'd start studying, and you wouldn't see him."

Levin's personal discipline is legendary among colleagues. So is his appetite for information. He was the kind of kid who could recite batting averages of members I of the Philadelphia Athletics. A movie lover, he can still tell you which film won the Best Picture Oscar for any year.

Each morning, after a half-hour jog at dawn. Levin reads five newspapers, then moves on to the various media and entertainment trade journals, and finally turns to several newsletters and the wires. He sees every movie that comes out of Warner Bros. and most of its TV shows. It's not unusual for him and his second wife, Barbara, to devote an entire weekend to movie-watching. He reads fiction before bed, getting by on four or five hours of sleep a night.

Levin is also an awkward fixture at the countless events in New York and Hollywood that swirl around top entertainment executives. One HBO exec still giggles about the book party for *Sex*, Madonna's controversial celebration of everything but the missionary position. On arriving, the executive remembers turning to see one actress bent over to receive a tattoo on her buttocks. Up on pedestals, transvestites gyrated in leather corsets. Madonna herself was being led around on a leash. In the middle of it all, she bumped into Jerry Levin, alone and looking vaguely bewildered. He had slipped into a Warner Bros. baseball jacket for the occasion.

Levin turns all this information into ideas, and ideas into strategies. His most notable accomplishment at Time Inc., for instance, was his decision in 1975 to put the fledgling HBO on a satellite. Nobody else had thought of it, and the move revolutionized cable network distribution. It also assured HBO's survival and earned Levin the in-house nickname "resident genius."

But Levin's greatest bugaboo has been fighting the persistent charge that he's a better strategist than manager. It began at Time Inc. during the 1980s, when several high-profile, Levin-sponsored projects bombed: Teletext, a service designed to deliver on-demand news to TV via cable, ate up \$35 million before Time killed it. Subscription TV lost as much as \$100 million. Worse was a movie-development deal with Tri-Star Pictures that left



the amount of Time investment in the films uncapped. No matter how much a film ran over budget, Time was on the hook for a third of the cost.

**MISSION.** For those and other reasons, Levin lost a prolonged battle for CEO of Time Inc. to Nicholas J. Nicholas Jr. And by the time the Warner deal came along in 1988, he was a lame-duck corporate strategist. Many wondered why he stuck around. Levin says that while he was indeed frustrated, he also felt that Time was on the brink of change and that he could influence it. "I had a sense of mission about Time Inc.," he says. "It was the kind of business that I thought had meaning, that satisfied my soul. I believed with a kind of messianic zeal that I could figure out what it needed. But I didn't need to run the company to do that."

What came next is testament to Levin's arrogant sense of self. Davis' \$200 offer sent Time into turmoil. Chairman J. Richard Munroe had already signed off on an attractive all-stock deal to purchase Warner. Davis' offer threatened to plunder it. "It was living each day with the survival of your company at stake," Levin says. "And I came to believe in my heart that I was basically in charge. No one else could handle the pressure particularly well. They were bouncing back and forth about what to do. I realized I had another facet to my complex personality, and it had to do with being steely in the face of pressure. I didn't translate it into, 'Ultimately, I'm gonna run this thing.' But it gave me significant reinforcement that I had to play an essential role going forward."

Nobody ever guessed Levin's role would expand as far as it did. But he insists this sense of manifest destiny informed a string of controversial moves that landed him in the chairmans seat. He participated (with Ross and Fuchs) in the ouster of Nicholas as co-CEO in 1991. And as Ross lay dying of prostate cancer in 1992, Levin forced the resignations of nine board members, adding several of his own. The news was announced the same day Ross died. "Changing the board was maybe the toughest experience of my life," Levin says. "Why is it O.K. to evaluate CEOs and fire them but you can't evaluate board members? People say this is roaring ambition and handpicking boards. But that's not me. You don't have to believe that, but I know who I am and why I did it. We had to get our blue-chip status back."

Levin's tendency to explain his actions in broad philosophical terms puzzles colleagues. He doesn't revel in power or show it off, so friends try to believe him when he says his ambition has a higher purpose. But they still wonder. "He doesn't open up. He doesn't show his hand," says one person who worked closely with Levin until recently. "Sometimes I think he's not political at all, other times I think he's so political you just can't tell."

In the final analysis, Levin's motives don't much matter as long as he produces. But can he turn his strategic vision for Turner from rhetoric to reality?

It will take more than friendly, like minded shareholders. And it will require a brand of leadership that depends less on terror and more on inspiring a large, complex organization.

It's hard to forget that Levin has presided over a period in which the highly profitable record group lost several industry legends, including Mo Ostin and Bob Krasnow. You can't gloss over the fact he has paid nearly \$100 million in severance to these and other executives, or promised \$100 million in a pay package to Turner, or gave John Malone a sweetheart deal to buy into the Turner transaction. Levin explains all that as the unfortunate byproduct of thieving a greater good. Transforming Time Warner is simply a dirty job.

It's unlikely shareholders will buy such logic for long. It doesn't take an MBA to know mergers rarely "compel" anything but headaches. It takes hard

## Levin's New, Improved Time Warner

*What Time Warner and Turner combined will look like:*

### ENTERTAINMENT

#### ► WARNER BROS.

Movies, video, cartoons, television, DC Comics

#### ► WARNER MUSIC GROUP

#### ► HOME BOX OFFICE

#### ► TBS

#### ► TURNER NETWORK TELEVISION

#### ► CARTOON NETWORK

#### ► CASTLE ROCK ENTERTAINMENT

#### ► NEW LINE CINEMA

#### ► HANNA-BARBERA CARTOONS

#### ► ATLANTA BRAVES, HAWKS

Total revenue \*\$13.8 BILLION

Operating cash flow \*\$1.96 BILLION



### NEWS

#### ► CABLE NEWS NETWORK

#### ► TIME INC.

Magazines including *Time*, *Sports Illustrated*, *People*; Books

Total revenue \*\$4.45 BILLION

Operating cash flow \*\$745 MILLION

### CABLE

#### ► TIME WARNER CABLE

11 million subscribers

Total revenue \*\$2.3 BILLION

Operating cash flow \*\$1 BILLION

work, tough discipline, and deft management skill to cure them. Levin says there's already a new attitude at Time Warner, but what about this: The company's publishing division and its cable unit recently created an Internet service that could be sold over cable modems. Since its selling point would be high-speed delivery of Internet fare, they thought to call the service Road Runner, after the Warner Bros. cartoon bird. But Warner Bros. owns that copyright and wouldn't give it up. So the new consortium had to resort to a lame Line Runner.

Such foolishness at Time Warner has to end. Given Levin's stubborn track record, he may yet be the one to end it. But he's still a long way from home.

## Essay

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# LESSON 3

# УРОК 3

## DAYS 1–2

## ДНИ 1–2

Read and translate the text:

### INSURANCE

Insurance, a mechanism for reducing financial risk and spreading financial loss, is a major social institution that is essential to the functioning of virtually any type of economy. In the United States, where one active company dates from before the Revolutionary War, some 6,000 insurance companies collect well in excess of \$200 billion in annual premiums, employ more than 2 million people, and hold assets valued at close to \$800 billion.

### **ACTUARIAL THEORY**

Insurance lends itself only to the treatment of pure risk. Pure risk involves uncertainty only as to loss (an automobile owner, for example, might or might not lose the automobile through a collision, fire, or other calamity), without affording any possibility of gain. Under the concept of indemnity, which is central to insurance, insurance is merely to cover a financial loss. The insured person is not to be placed in a better economic position than he or she occupied before the insured loss occurred.

An insurable pure risk must satisfy the following conditions (1) the risk must have a sufficiently large number of homogeneous units of exposure (preferably thousands) to permit actuaries – the statisticians who work out insurance risks and costs mathematically – to predict the number and average size of insured losses for a given period, (2) if the risk produces one or more losses, each loss must be identifiable in time and space and must be measurable (that is, the insurer has to know when and where an insured loss has occurred and how much to pay), (3) the premium charged on the risk must be low enough to attract a sufficient number of insured people, yet high enough to support the numbers of probable losses, and (4) the risk must be free of any potential catastrophe that could produce loss in excess of the ability of the insurer to respond. Condition (4) implies that the homogeneous units must be independently exposed to loss. That is, a loss of one should not lead to a loss of another. For this reason insuring of separated dwellings may be practical, whereas strike insurance covering employees subject to industry wide collective bargaining may not.

## **BASIC TYPES OF INSURANCE**

One useful way of classifying insurance is by major categories: life, health, and property-liability (also called property-casualty). LIFE INSURANCE includes promises of the insurer to pay the policy proceeds when the insured dies or attains a given age. Life insurance also normally is deemed to include annuities, which are the promise of the insurer to make periodic payments to an individual for life or for a certain period. HEALTH INSURANCE carries the promise of the insurer to pay specified health-care costs, such as hospital charges or doctor bills, or to make periodic payments to an individual who meets the policy's definition of disability. Property-liability includes all the insurance that does not fit under either of the other two categories. Examples include insurance on a school building, automobiles and FIRE INSURANCE, ocean marine insurance, and legal liability insurance. (Another classification system divides insurance into group and individual policies. A group policy might be the contract purchased by an employer to provide health care to employees and their families, or the contract to provide life insurance for each eligible employee. At least one-third of all insurance premiums relate to group insurance.)

Within the three basic categories of insurance one can find several hundred different lines of insurance, with new lines being created and marketed each year as the need for the new insurance arises. For example, insurance has recently been made available to cover the loss of communication satellites during launching, space travel, or reentry.

One type of financial contract sold by some insurers and often confused with insurance is a surety bond. Suretyship, unlike insurance, is a three-way relationship in which one party (the surety) agrees to reimburse another party (the obligee) for loss from the defaults of still a third party (the principal). If the principal defaults and the surety incurs expenses on behalf of the obligee, the surety can attempt to recover such amounts from the principal. Suretyship is used, for example, where a builder (the principal) is required to post a bond (obtained from a surety) whereby the surety agrees to pay up to a specified limit any losses the prospective building owner (the obligee) might suffer because of defaults of the builder.

### **NEW VOCABULARY:**

insurance — страховка  
to employ — давать работу  
to reduce — уменьшать, снижать  
virtually — фактически  
excess — излишек, избыток  
in excess of — свыше  
annual — годовой, ежегодный

whereby — посредством чего

4. If your \_\_\_\_\_ income exceeds \$ 6000 in this country you can be considered a rich man.
5. The concept of \_\_\_\_\_, which is central to insurance, only implies that it is to cover the financial loss. (гарантия возмещения убытков)
6. We can not \_\_\_\_\_ what consequences the action may induce. (предсказать)
7. I mortgaged all my \_\_\_\_\_ but still could not get the required amount of money. (имущество)
8. GmbH means a limited \_\_\_\_\_ corporation in German. (ответственность)
9. One is not allowed to purchase liquor in the US before he or she \_\_\_\_\_ the age of 21. (достичь)
10. \_\_\_\_\_ agrees to reimburse the obligee for loss from the defaults of the principal. (поручитель)

## DAY 4

## ДЕНЬ 4

### **WORKING ON THE INFORMATION:**

basic types of insurance

life insurance \_\_\_\_\_

parties involved in suretyship

\_\_\_\_\_

## DAY 5

## ДЕНЬ 5

### **Translate into English:**

1. В США в страховых компаниях работает (дают работу) более 2 млн. человек.  
\_\_\_\_\_
2. Если ваша собственность застрахована даже на небольшую сумму, финансовые убытки в случае ее потери снизятся.  
\_\_\_\_\_
3. Активы этой компании оцениваются в сумму свыше \$ 300.000.  
\_\_\_\_\_
4. Человек, застраховавший свою жизнь, получает ежегодную ренту от страховой компании.  
\_\_\_\_\_



5. В наши дни даже искусственный спутник может быть застрахован.

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6. Поручительская облигация — форма финансового контракта, которую часто путают со страховкой.

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7. Поручитель обязуется возместить заказчику ущерб от невыполнения подрядчиком (contractor) своих обязательств.

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## LESSON 4

## УРОК 4

### DAYS 1–5

### ДНИ 1–5

Read the text and write an essay.

### TAIWAN: ISLAND OF MIRACLES

Given its small size, Taiwan's development of economic might and its growing presence on the international arena has captured the imagination of people worldwide.

Taiwan, or the Republic of China, has a land mass equal to about the size of Lake Michigan and a population of only about 21-million people. But despite its meager resources, this island ranks as one of the world's most powerful economies: last year, the world's 14th largest trading nation traded goods worth US\$180 billion. Taiwan's foreign exchange reserves bit US\$91.5 billion in October, according to Taiwan's Central Bank.

In the five decades since the end of World War II, Taiwan has evolved from an island of rice paddies and sleepy fishing villages, and into state-of-the-art science parks and the world's Number One supplier of advanced computer and electronic components. The average annual income of its citizens has risen from less than US\$100 to approximately \$12,000 — creating one of the most dynamic consumer-driven societies in the world.

Taipei-based company, Acer, is one of the top PC manufacturers in the world, and an excellent example of some of the high quality products now produced in Taiwan.

Good economic fundamentals helped Taiwan weather the recent recession. Its annual growth rate has stayed above five percent, and exports have been growing at above 20 percent a year. Taiwan is America's sixth-largest trading partner: in the first eight months of this year Taiwan exported US\$17.2 billion worth of goods to the US.

The Economist Intelligence Unit predicts Taiwan's GDP growth will hit 6.9% this year, while annual average GDP growth during 1996-2000 will generally exceed 6%, except in 1997.

All in all, not a bad performance for an island with almost no natural resources and which had to start from an economy shattered by World War II.

### ***AN IMPRESSIVE MARCH TOWARDS DEMOCRACY***

Alongside this economic transformation, Taiwan has been maturing politically. There is little doubt that Taiwan can legitimately take credit for what President Lee Teng-hui calls "ushering in the most liberal era in Chinese history."

Indeed, the days of martial law, press censorship and banned political parties are all things of the past. Old KMT officials have been nudged into retirement, and replaced by an energetic corps of savvy politicians. The spirited debates in the Legislative Yuan have attracted attention worldwide. Transparency in government is increasing, with officials frequently called upon to account for their actions.

The second island-wide elections for the Legislative Yuan were recently conducted, with the ruling Kuomintang holding on to its majority, and the first direct presidential elections will take place on March 23, 1996. President Lee will run, with Premier Lien Chan as the vice-presidential candidate.

China has reacted aggressively to these developments, fearing the island is moving closer towards independence. But as recent events have shown, the march towards greater democratization has proceeded at a remarkably calm pace.

### ***ENTERING THE INTERNATIONAL ARENA***

Yet despite its political and economic achievements, Taiwan continues to receive the cold shoulder from many countries, and it's treated as a pariah overseas. Fear of offending mainland China, which sees Taiwan as a renegade province, explains the attitude of the international community. This situation has eased somewhat in recent months, with the United States and other countries adopting a more liberal attitude towards contacts with Taiwan.

Improvement in ties with the United States has been reflected in the visit earlier this year of President Lee to his alma mater Cornell University. Bilateral ties have also been boosted after Taiwan made remarkable progress in reducing its trade imbalance with the United States.

There are many reasons why there has been a change in attitude towards Taiwan among the world's governments. "We are a viable, international economic actor," said chief government spokesman Jason Hu.

"And we are now a very open, democratic society: people tend to welcome and receive us with warmth and endorsement. And the fact that we are pragmatic."

Though the people of Taiwan say they will not feel full-fledged members of the international community until their representatives are permitted to sit in the United Nations, or enjoy full membership in such organizations as the Asia-Pacific Economic Co-operation forum and the Organization for Economic Cooperation and Development. Taiwan Government officials say they will not be able to participate fully in such international organizations as Interpol without UN membership.

"Ultimately, the world will realize that the Republic of China on Taiwan is a friendly and capable partner for progress," President Lee said in his Cornell speech.

Companies and business people the world over are not prepared to wait for the international community to receive Taiwan: Instead, they have gone ahead and forged their own private links with this dynamic economy. Foreign firms have found Taiwan companies excellent partners with which to exploit opportunities elsewhere in the region.

Although no official relations exist between Taiwan and China, nearly 10,000 Taiwan firms have invested more than US\$20 billion on the mainland, mainly in Fujian province.

Such an entrepreneurial spirit has led to Taiwan becoming the second largest investor in Asia, employing thousands of people in factories stretching from mainland China to Vietnam and Malaysia. Taiwan's outward expansion into Southeast Asia has been fuelled by an official policy to reduce dependence on mainland China, and of course by rising land and labor costs on the island.

Taiwan's participation in the international arena goes beyond business investments. Through the US\$1.2 billion International Economic Cooperation Development Fund, desperately needed money is funnelled to less developed countries. A parallel Humanitarian relief Fund has funded important projects in such places as Kuwait, Eastern Europe and Rwanda.

### ***OPENING UP TO FOREIGN BUSINESS***

Recently, Taiwan has been taking impressive steps to facilitate foreign trade and investment. While complaints of bureaucratic red tape and cumbersome procedures are still common, the foreign investment climate has unproved dramatically. This year alone saw caps on foreign investment scrapped and a relaxation of investment rules in the manufacturing sector.

And in November a blueprint for developing Taiwan into a regional financial hub was unveiled; it included steps to ease restrictions on offshore banking operations and gradually liberalize domestic financial markets and services. In addition, there was a further opening of the local insurance and stock markets to foreign investors.

Soon to be liberalized are wireless telecommunication services, including so-called CT-2 services.

Many of the new policies have been introduced with a view towards developing Taiwan as an Asia-Pacific regional operations center and positioning the island for entry into the World Trade Organization (WTO).

For example, last August, the Executive Yuan reduced the number of industries in which foreign investment is prohibited by 25 percent. Also shortened was the list of industries requiring government approval for investment. With the changes, such areas as real estate, construction and retail sales of petroleum are open to foreign investment.

There are sensitive areas — such as telecommunications, finance and agriculture — which are still not fully accessible to foreign firms. But foreign firms are advised to be patient, says Hu.

"We would like to see more foreign investment. We understand that we are living in a world which is more open, more liberal, and more international," he said. "I believe that with the project to create an Asia-Pacific Regional Operations Center and that with the world opening up, things will change. We cannot work on such a project with a closed mind."

On the face of it, Taiwan is wellpositioned to become a regional operations center. The concept, to be implemented between now and 2000, is meant to bring about a freer flow of goods and services, funds, information and human capital— through integration of regional economies and the facilitation world trade. Taiwan will be repositioned to become a hub for regional manufacturing, finances, telecommunications, sea and air transport and media. In all, some 40 laws and 110 regulations will be amended or enacted.

For foreign firms which select Taiwan as their Asia-Pacific regional headquarters, five year tax holidays and other incentives are available. General Motor's AC Delco has announced plans to move its Asia-Pacific headquarters from Singapore to Taiwan. Federal Express Corp. is also said to be considering Taiwan for a new regional hub.

Aside from possessing substantial abundant economic resources, Taiwan is valued for its strategic geographical location in the heart of Asia, cultural bonds with mainland China and other important Asian markets, and high quality manpower resources. A keen entrepreneurial spirit, high education and competitive skills are familiar hallmarks of Taiwan's workforce.

"We offer a good supply of engineers and managers", said the president of one of the island's largest semiconductor firms. "The outflow of skilled people has been much less recently, and many Taiwan-born engineers are returning from the United States."

Said an official from the Industrial Development and Investment Center: "Taiwan has more abundant supplies of outstanding high-tech personnel than the neighboring countries of southeast Asia."

For foreign investors, Taiwan offers a host of incentives, said Pin-Kung Chiang, the minister of economic affairs.

In its 1994 report. Business Environment Risk Assessment S.A. ranked Taiwan, along with Singapore, in second place in terms of profit opportunity recommendation. And, the Economist Intelligence Unit rated Taipei's operating costs lower than Hong Kong and Singapore. Cheaper costs were found in hiring managers, buying land, and renting a house or office.

### **INFRASTRUCTURE DEVELOPMENT PLAN**

Visitors to Taipei and other major centers will be struck by the rapid pace of construction on key infrastructure projects. New subways and rapid transit system are being built in Taipei and Kaohsiung to alleviate traffic congestion.

All this is part of an ambitious national development plan designed to modernize Taiwan. More than 600 projects costing more than US\$200 billion have been slated. Close to 100 projects have already been completed in sectors of energy, manufacturing industries, transportation, telecommunications, science and technology, environmental protection and culture and education.

US officials say plenty of opportunities exist for US firms to get involved. As always, a visible and genuine presence in Taiwan is strongly urged for those wanting to successfully bid for contracts.

### **AN ATTRACTIVE DESTINATION**

Until recently, foreign arrivals to Taipei's international airport was limited mostly to visiting business people — who in the past, would typically complete their business meeting and leave for home immediately.

But now, leisure and business travellers alike are beginning to discover that there is more to the island than the skyscrapers and congested streets of Taipei. International-standard golf courses, breathtaking expanses of clean beaches, soaring mountains, bamboo forest, and pristine lakes are all within an easy drive of the capital. Little wonder that 16th century explorers described Taiwan as "Ilha Formosa" or "beautiful island".

Attractions such as these, along with the easing of visa restrictions, will bring almost 300,000 American visitors to Taiwan this year.

Business travellers to Taiwan will likely feel at home the moment they arrive in the island's bustling capital, Taipei. American hotel chains and restaurants are in great abundance, and English-speaking clerks and office workers are appearing in increasing numbers. The island is widely regarded as safe and getting around is easy whether by bus, rail or air.

Though most of the international chains are here, many foreign business travellers are finding that they can enjoy international-level service at some of the locally-owned and operated hotels. "In terms of facilities, the

hotels in Taiwan are very, very competitive," said Hunter Eu of the Tourism Bureau.

A good example of the growth of the local hotel industry is the Howard Investment Group, which owns and operates several business and resort hotels on the island.

"They are all designed to meet the needs of a variety of travellers, but are all based upon the same principals of sound management," said Howard spokesman Alex Jen.

The flagship property is the venerable Howard Plaza Hotel, located on a scenic, tree-lined boulevard — near the financial district, government offices and many major shopping areas. The Taipei World Trade Center, major tourist attractions and domestic airport are all within easy reach.

Though it turned 10 years old recently, the Howard Plaza has kept up with the times-providing its guests with such modern amenities as state-of-the-art telecommunications facilities, a well-equipped business center and ample entertainment facilities.

At the same time, however, the hotel has managed to retain a distinct character, emphasizing Chinese tradition and hospitality. The 606 guest rooms are enhanced with traditional Chinese rosewood, and its food and beverage outlets offer a wide array of the Chinese cuisine which has made Taiwan a gourmet's paradise.

Aside from fine dining, hotel guests can find many ways to unwind at the Howard Plaza. A well-equipped health center, swimming pool and shopping arcade are popular places. Foreign businessmen have declared the hotel's tailor shop as one of the best places in Asia for tailor-made dress shirts.

Also in Taipei is the Howard Garden Suites — for long-stay visitors to Taipei who desire the convenience of apartment living with deluxe hotel amenities. The Howard Green Garden is a boutique hotel, also for long-stay guest, which offers a wide array modern facilities specifically designed for international business executives.

Next year, the Howard Group's Taipei portfolio of hotels will be joined by the Howard Prince Hotel in Taipei's financial district.

In Taichung, the group recently launched the 168-room Howard Prince Hotel. It is located close to the city's airport, harbour and industrial parks. Each room offers spectacular mountain or city views. Three floors have been dedicated for the exclusive Rosewood Club.

Due to open next year is the 300-room Howard Plaza Hotel in Kaohsiung, conveniently located in the heart of Taiwan's second largest city.

Also open this year is the Howard Resort-Green Bay — a 140 room beach resort hotel on the idyllic Pacific coastline of Northeastern Taiwan. Jen said the property will be ideal for holiday-makers and conventions.

Finally, in 1997, the group will open a 250-room beach resort hotel in the southern holiday destination of Kenting.

## **MAKING THE MOVE TO HIGH-TECH**

One of the most breathtaking developments in Taiwan has been the progress made towards developing its high-tech sector. The island is now a world leader in the manufacture and export of computer motherboards, semiconductors, desktop personal computers, monitors, and mice. In the near future, Taiwan is projected to become the world's number one maker of notebook computers.

According to the Institute for Information Industry, the island had an incredible 80 percent share of the world market in motherboards and mice. The worldwide share of monitors and scanners were 56 percent and 61 percent respectively.

Why such great prospects? Says Ming Chien, chairman of Taiwan's First International Computer Inc.: "One of the reasons for the success of Taiwan's PC industry is our ability to design and develop new products quickly and efficiently."

On the software side, Taiwan has lagged behind but is gradually making a name for itself in Chinese and Japanese language products. Taiwan now boasts about 600 local software companies, and export sales jumped by some 70 percent last year.

Around the world, Taiwan-made products are finding wider acceptance from consumers. Once an exporter of cheap radios and umbrellas, Taiwan has been making a name for itself in computers, sports equipment, wide screen digital televisions — even satellite telephones and finger-print verifiers. According to government estimates, Taiwan sold 1.4 million desktop PCs, and almost 1 million laptops to North America last year. Sales of Taiwan-made computer hardware products topped US\$11.5 billion.

Acer Inc. of Taipei, with about US\$3 billion in annual sales, ranks as the 7th largest producer in the world of own brand personal computers. It has 8,200 employees working in some 70 subsidiaries in 27 countries.

"You would certainly be wrong if you still entertain the notion that Taiwan is the manufacturing land of toys, sport shoes and umbrellas," said a senior Government official. "According to statistics, there are at least 15 products for which Taiwan ranked as the world's top producer."

### **HSINCHU SCIENCE PARK**

Much of the success Taiwan has had in the high-tech industry can be traced to the Science-based industrial Park in Hsinchu. The government-run park was established to attract investment in high-tech companies and spur the growth of high-tech industry in Taiwan. This year at the Hsinchu Science-

based Industrial Park, the 180 companies based there expect to record revenues of US\$10.25 billion, an increase of 60 percent over the previous year.

Adding to the success of the park is the growing number of Taiwanese professionals returning to the island after obtaining advanced degrees in the United States as well as several years experience with such multinationals as IBM and AT&T. "These people bring a lot of technical and managerial expertise back with them," said the head of one of the companies based in the science park.

There are myriad success stories in the park. One of the tenants — Taiwan Semiconductor Manufacturing Company — ranks as the world's number one integrated circuit foundry in the world. Last year, it produced almost a quarter of the world's IC foundry market.

TSMC Chairman Morris Chang said his firm expects to grow about 30-40 percent a year — so great is the demand for semiconductors. The firm's next step is, through its Vanguard International Semiconductor Corp., also located in the Hsinchu Science Park, to go after a piece of the \$22.44 billion business for dynamic random access memory (DRAM) chips, data storage devices used mainly in personal computers.

The bulk of the companies in the park focus on integrated circuits, optoelectronics, computers and peripherals, telecommunications, precision machinery and material and biotechnology. So successful is the park concept, that plans have been approved for an expansion plus a new park in southern Taiwan, which will focus on integrated circuits. By the year 2003, park companies are expected to record combined sales of US\$50 billion and employ about 80,000 people.

Steve Hsieh, director general of the park administration, said that demand for space in the park is so great that some companies put up their factories before the land is completely ready.

He said the success rate of companies located in the park has been astonishing. "Many of these firms will eventually become multinationals, with their headquarters in Taiwan. In five years time, we expect to see some of them in the Fortune 500 list."

"Our quality can be compared with most other products in the world," said Chiang of First International Computer Inc., which designs and manufactures leadingedge motherboards, PC systems, notebooks and peripherals.

### ***VERY WELL MADE IN TAIWAN***

With Taiwan companies developing so many competitive products, a need arose to promote excellence and help manufacturers promote their products overseas.



The campaign to boost the image of Taiwan products appears to be working. Aside from greater sales, there are signs of greater recognition. A recent survey shows that 82 percent of respondents recognized Taiwan products as world class products using innovative technology. "Our firms are spending more money on upgrading the quality and image of their products," said Tom Lin of CETRA.

## Essay

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This image shows a full page of blank, lined paper. It features approximately 30 evenly spaced horizontal grey lines across its entire width, providing a guide for handwriting or typing. The paper itself is white and has no other markings, text, or illustrations.

# LESSON 5

# УРОК 5

## DAYS 1–5

## ДНИ 1–5

### CV (Curriculum Vitae)

Your Name  
Street Address  
City, Prov/State, Postal Code  
Phone Number

#### OBJECTIVE

In this section describe the job you are applying for, your employment goals, your personal strengths and reasons why you feel qualified for the position.

**WORK HISTORY** Describe your last job (the company, your position, responsibilities, etc.). Type the beginning and ending dates, tell about your work and accomplishments. Describe all your previous jobs, type the beginning and ending dates. Tell about your work and accomplishments.

**EDUCATION:** latest Certificate or degree, name of school and accomplishments, framing before that, name of school and accomplishments.

#### AWARDS / COMMUNITY SERVICE

Describe personal accomplishments in community clubs, church, service groups, etc. Other personal accomplishments.

#### Useful Words and Word Combinations:

to apply for a job — подать заявление о приеме на работу

to be qualified for a position — быть пригодным (соответствовать)  
для какого-либо места

objective — цель

responsibilities — обязанности

accomplishment — 1. достижение

2. умение

certificate — свидетельство (об окончании учебного заведения)

degree — (ученая) степень

**Try to write a resume of your own. You may consult the given sample.**

**Anton I. Voznesenskii**

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235-45-18

Dept of German & Russian  
Colby College  
Waterville, ME 04901 USA  
872 3624 (W)877 4203(H)

**OBJECTIVE**

The Russian Teacher's Assistant position in Bates College for the 1995–1996 academic year

**PROFESSIONAL EMPLOYMENT**

September, 1994 to present RUSSIAN TEACHER'S ASSISTANT, COLBY COLLEGE. Currently providing assistance in teaching Russian language courses and organizing extracurricular activities.

July, 1994 to present MANAGER, INTERNATIONAL TRADING AND CLEARING HOUSE MEKOM. Finding partners and establishing business contacts between MEKOM and other companies, in order to carry out commodity clearing.

January, 1992 to June, 1994 ENGLISH–RUSSIAN INTERPRETER, INTERNATIONAL COMMERCIAL UNION (MKS PLUS). Making English-Russian, Russian-English oral and written translations.

Additional employment as a high school; teacher of English

**EDUCATION**

1992–present Moscow State Teacher Training University, Moscow, Russia Education, English, German

B. Ed. expected 1997

1990–1992 High School #45 of South-West District of Moscow, Moscow, Russia

1994–1995 Colby College, Waterville, ME, U.S.A. (Russian Teacher's Assistant)

Courses elected: Japanese (intermediate/advanced), German (intermediate/advanced)

## PERSONAL SKILLS AND INTERESTS

**Foreign Language** – Proficient in spoken and written English, familiar with Japanese and German.

**Sports** – karate (green belt), boxing (Moscow Championship of Trade Unions (junior class) II place.

- some familiarity with BASIC and Pascal, proficient with Macintosh word processing.

- operating and repairing almost all brands of Russian and some foreign cars.

References available upon request.

CV:

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**ПРАКТИЧЕСКИЙ КУРС ОСНОВНОГО ИНОСТРАННОГО ЯЗЫКА**  
**Английский язык. Профессиональный курс. Деловой**

## ЮНИТА 8

Редакторы: Е.Пилипенко, В.А.Саломатин  
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