Subject: economic English

Teacher: Djabelkhir.M

Level: Master 1/ 2

Department of Economics

***The nature of commerce:***

When we speak of production, we mean any human activity which results in the creation of utilities, i.e., goods or services which satisfy people’s wants. But the satisfaction of even the most elementary want involves a complex organization in which many persons are concerned. Farmers and miners provide raw material, manufacturers turn the raw material into finished goods. Both, however, are dependent on commercial workers. Commerce means the distribution of the world’s goods, so as to satisfy the needs of the people. Commercial occupations include (1) trade, (2) transport, (3) warehousing, (4) insurance and (5) banking.

1. Trade: Of all commercial activities the most important is Trade, the buying and selling of goods. Traders are the prime movers of production, giving orders for goods which set manufacturers to work.
2. Transport: Traders, however, could not carry on their work without the help of other bodies of commercial workers. Raw materials must be moved from primary producing countries to manufacturing countries. Goods may be sent by rail, road, river or air.
3. Warehousing: A warehouse is a shed where goods are stored. Warehousing takes place when raw materials have been transported of the country of manufacture but are not needed immediately; or when commodities such as wine and tobacco need to mature.
4. Insurance: Both when goods are being transported from place to place , and when they are warehoused , it is advisable that they should be insured against loss by fire, perils of the sea, burglary, and a host of other risks.
5. Banking: Trade, in a money economy such as ours, cannot take place without some means of payment. Banks provide this. Their main purpose is to collect the current cash of the community to meet the demand of industry and commerce for working capital and so banks are often said to “lubricate the wheels of Commerce”.

Activity 01: Comprehension questions.

1) What is meant by production?

2) What is the difference between trade and commerce?

Activity 02: Give synonyms to these words.

Large= big, vast, wide

Make = produce

Rise = growth, increase

Grammar: The Present Simple/ Present Continuous:

\_\_\_\_\_\_\_\_Use the Present Simple for:

a) Habits/routines: everyday

b) Things that are always true/permanent: the water boils at 100°C.

c) Describing a state: economics is the science that studies economy.

\_\_\_\_\_\_\_\_Use the Present Continuous for:

a) Things that are happening now at this precise moment: I am teaching at the moment.

b)Temporary situations that are happening around now: I am reading a really great book.

Activity 01: Complete the sentences with the verbs from the box below in simple present or present continuous.

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| Involve- take part- meet -learn- be- call- not- want- speak- invest- sell- target- work |

1) Our sales rep is very stubborn. He doesn’t want (not) to accept our new conditions.

2) They are taking part in a temporary project.

3) My job usually involves emailing our customers.

4) We are meeting a new consultant tonight

5) Listen! That man is speaking Spanish.

6) Brabara speaking. Who is calling, please?

7) My colleagues are learning how to make interactive activities right now.

8) Dell and HP sell computers around the world.