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English for Business Studies

A course for Business Studies
and Economics students

Student's Book

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	Listening (and vocabulary, comprehension, discussion)
	Discussion
	Case study
	Role play
	Writing

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(English – French – German – Italian – Spanish)

Unit 1 | The three sectors of the economy

1 The economic infrastructure

1a Vocabulary

Identify the most prominent features in this photograph, which illustrates various important elements of the infrastructure of a modern industrialized country.



1b Reading

In this extract from David Lodge's novel *Nice Work*, Robyn Penrose, a university English lecturer, is accompanying Vic Wilcox, the managing director of a manufacturing company, on a business trip to Germany. She looks out of the aeroplane window, and begins to think about the essentially English act of making a cup of tea.

What is the key point that this extract is making about economies?

Sunlight flooded the cabin as the plane changed course. It was a bright, clear morning. Robyn looked out of the window as England slid slowly by beneath them: cities and towns, their street plans like printed circuits, scattered over a mosaic of tiny fields, connected by the thin wires of railways and motorways. Hard to imagine at this height all the noise and commotion going on down there. Factories, shops, offices, schools, beginning the working day. People crammed into rush hour buses and trains, or sitting at the wheels of their cars in traffic jams, or washing up breakfast things in the kitchens of pebble-dashed semis. All inhabiting their own little worlds, oblivious of how they fitted into the total picture. The housewife, switching on her electric kettle to make another cup of tea, gave no thought to the immense complex of operations that made that simple action possible: the building and maintenance of the power station that produced the electricity, the mining of coal or pumping of oil to fuel the generators, the laying of miles of cable to carry the current to her house, the digging and smelting and milling of ore or bauxite into sheets of steel or aluminium, the cutting and pressing and welding of the metal into the kettle's shell, spout and handle, the assembling of these parts with scores of other components – coils, screws, nuts, bolts, washers, rivets, wires, springs, rubber insulation, plastic trimmings; then the packaging of the kettle, the advertising of the kettle, the marketing of the kettle to wholesale and retail outlets, the transportation of the kettle to warehouses and shops, the calculation of its price, and the distribution of its added value between all the myriad people and agencies concerned in its production. The housewife gave no thought to all this as she switched on her kettle. Neither had Robyn until this moment, and it would never have occurred to her to do so before she met Vic Wilcox.

(David Lodge: *Nice Work*)

1c Comprehension

We generally describe the economy as consisting of three sectors:

- the **primary sector**: agriculture, and the extraction of raw materials from the earth;
- the **secondary sector**: manufacturing industry, in which raw materials are turned into finished products (although of course many of the people working for manufacturing companies do not actually *make* anything, but provide a service – administration, law, finance, marketing, selling, computing, personnel, and so on);
- the **tertiary sector**: the commercial services that help industry produce and distribute goods to the final consumers, as well as activities such as education, health care, leisure, tourism, and so on.



- 1 In lines 4–7, Robyn sees examples of all three. What are they?
- 2 The long sentence in lines 11–28 lists a large number of operations belonging to the different sectors of the economy. Classify the 18 activities from the passage according to which sector they belong to:

advertising products
calculating prices
distributing added value
marketing products
packaging products
smelting iron

assembling
cutting metal
laying cables
milling metal
pressing metal
transportation

building
digging iron ore
maintenance
mining coal
pumping oil
welding metal

- 3 Can you think of *three* important activities to add to each list (not necessarily in relation to the kettle)?

1d Discussion

Which sector do you intend to work in or do you already work in? How do you ‘fit into the total picture’?

How many people in the tertiary sector have you already spoken to today (travelling to college or work, shopping, eating, and so on)? What about people in the other two sectors? When did you last talk to someone who grew or produced food, for example?

2 Manufacturing and services



► Agricultural labour, represented by Jules Breton ('The Gleaners', 1855)

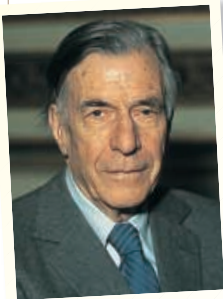
Two hundred years ago, the vast majority of the population of virtually every country lived in the countryside and worked in agriculture. Today, in what many people call 'the advanced industrialized countries', only 2–3% of the population earn their living from agriculture. But some people already talk about 'the post-industrial countries', because of the growth of service industries, and the decline of manufacturing, which is moving to 'the developing countries'.

Is manufacturing industry important? Is its decline in the 'advanced' countries inevitable? Will services adequately replace it? Two opinions about this follow.

2a Reading

Read this extract from an interview with the well-known Canadian economist, John Kenneth Galbraith, and answer the questions.

- 1 Why do people worry about the decline of manufacturing?
- 2 Which activities are as important as the production of goods?
- 3 Should people worry about this state of affairs?



► The economist
J.K. Galbraith

We worry about unemployment and the loss of manufacturing industry in the advanced industrial countries only because we don't look at the larger social developments. The US, for example, no longer depends on heavy industry for employment to the extent that it once did.

This is related to a larger fact that has attracted very little discussion. After a country's people are supplied with the physical objects of consumption, they go on to concern about their design. They go on to an enormous industry persuading

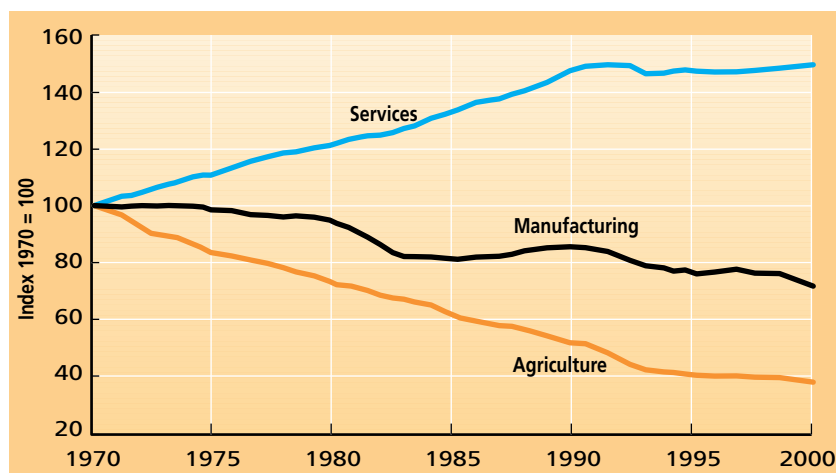
people they should buy these goods; they go on to the arts, entertainment, music, amusement – these become the further, later stages of employment. And these are things that are extremely important.

Paris, London, New York and so on do not live on manufacturing; they live on design and entertainment. We do not want to consider that this is the solid substance of economics, but it is.

I don't think it is possible to stop this progressive change in the patterns of human consumption. It is inevitable.

(J.K. Galbraith in conversation with Steve Platt, *New Statesman and Society*)

2b Listening



► Employment in the European Union 1970–2000

Listen to a short interview with Denis MacShane, a British Member of Parliament for the Labour Party. Does he hold the same view as J.K. Galbraith?

Now listen again and answer the following questions.

- Why does MacShane think that manufacturing has a future?
- Why does MacShane think that manufacturing has a future *in the advanced countries*?
- Why, however, is this manufacturing unlikely to solve the problem of unemployment?
- What does MacShane mean by 'in theory there should be no more manufacturing' in Switzerland? (It is this theory that makes many people argue that manufacturing must move to 'less-developed' countries.)
- Why does he say it is surprising for a *British* company to be buying Swiss goods?
- What is the reason he gives for the United States still being the richest nation in the world?
- Match up the following expressions and definitions:

1 to convert itself	A manual work
2 to serve needs	B to change from one thing to another
3 labour input	C to be uncertain, disbelieving
4 to stumble on	D to satisfy people's desires or requirements
5 to be dubious	E to discover something by accident



► British Member of Parliament, Denis MacShane

2c Writing

Summarize both Galbraith's and MacShane's arguments in a short paragraph of fewer than 50 words.

2d Discussion

Do you agree with either of these views?