

Economy and economics – Worksheet 1

1.1 Reading

ECONOMICS AND ECONOMY

ECONOMICS is a social **science** which is **focused** on **laws** of economic life, the ways of **satisfying** people's **requirements** and needs, the question of **producing** enough **commodities** or how to **transfer** them **to** domestic or foreign **consumers**.

Economics asks the following key questions: **how**, **what** and **for whom** to **produce**. Also, it is concerned with the task how to ensure stability of economic development.

Economics is divided into two branches:

- **MACROECONOMICS** – looks at **economy as a whole** (e. g. regional, national, global economy), tries to understand how the whole economy functions and focuses on topics such as inflation, unemployment, recession, economic stability, prosperity and others.
- **MICROECONOMICS** – looks at **single elements** of economy e. g. business companies, households, markets, consumers and how their relationships influence prices.

ECONOMY is a **set of activities** and subjects **focused** on the **production**, **distribution**, **exchange** and **consumption** of goods in a certain area. There exist **three sectors** of economic activities – primary, secondary and tertiary.

1.2 Translate.

- 1 hospodářství
- 2 spotřebitel
- 3 věda
- 4 ekon. rozvoj
- 5 obor
- 6 celek
- 7 inflace
- 8 jednotlivé prvky
- 9 směna
- 10 sada činností
- 11 domácnost
- 12 výroba
- 13 ekonomie
- 14 spotřeba
- 15 mikroekonomie

1.4 Translate the verbs.

- 1 uspokojit
- 2 přepravit
- 3 zaměřit se na
- 4 zabývat se.....
- 5 vyrobit.....
- 6 zajistit.....
- 7 zeptat se.....
- 8 rozdělit na
- 9 ovlivnit
- 10 podívat se na

1.3 Complete prepositions.

FOR, OF, ON, AT, WITH (2x), AS, INTO, ABOUT, TO

- 1 look economy as a whole
- 2 transfer commodities consumers
- 3 we speak micro- and macroeconomics
- 4 a set activities
- 5 to focus laws of economic life
- 6 it is concerned the stability of development
- 7 economics is divided two branches
- 8 to answer the question whom to produce
- 9 topics such inflation, unemployment, recession
- 10 macroeconomics deals economy as a whole

1.5 Answer the questions.

- 1 What is the definition of economics?
- 2 What key questions does economics try to answer?
- 3 What branches does economics divide into?
- 4 What is the difference between macroeconomics and microeconomics?
- 5 What is the definition of economy?

Economy and economics – Worksheet 2

2.1 Reading

SECTORS AND INDUSTRIES

SECTORS are **large segments** of the national economy, an area where business share the same or related business activity, product, or service e.g., agriculture, transport, trade, etc.

INDUSTRY is a term used for a **group of companies** that have similar business activities; industries are grouped into larger categories called sectors.

- **PRIMARY SECTOR** – **extracting raw materials** and harvesting natural products or **production of semi-products** (agriculture, mining, forestry, fishing, etc.)
- **SECONDARY SECTOR** – **processing raw materials, manufacturing final products** in factories, mills, enterprises, and **construction** (automobile production, textile, chemical engineering, shipbuilding, etc.)
- **TERTIARY SECTOR** – **services** (transport, health, restaurants, retail, entertainment, financial organizations, insurance and banking, legal services)
- **QUATERNARY SECTOR** – intellectual activities and services (science, research and development, IT, education, consulting services)

2.2 Find the words in the text.

- zemědělství
- polotovar
- služby
- průmysl
- suroviny
- továrna
- maloobchod
- hornictví, těžba
- konečný výrobek
- kvartérní
- podnik
- zdraví

2.3 Divide the words into the correct column.

ACCOMMODATION	MACHINES	FORESTRY
PUBLIC TRANSPORT	INSURANCE	FISHING
EXTRACTION OF NATURAL GAS		EDUCATION
AGRICULTURE	CARS	FURNITURE
HEALTH	BANKING	FOOD
EXTRACTION OF OIL	IT	SHIPBUILDING
MANUFACTURING COSMETICS		RESEARCH
CLOTHES PRODUCTION	CONSULTING SERVICES	

PRIMARY SECTOR

SECONDARY SECTOR

TERTIARY SECTOR

QUATERNARY SECTOR

.....
.....
.....
.....
.....

2.4 Translate the sentences.

1 Hospodářství se dělí na sektory: primární, sekundární, terciární a kvartérní.

.....

2 Do primárního sektoru patří získávání surovin (těžba, sklizeň) a výroba polotovarů.

.....

3 Do sekundárního sektoru patří zpracování surovin, stavebnictví a výroba konečných výrobků.

.....

4 Do terciárního sektoru patří služby, například bankovníctví, pojišťovnictví, zdravotnictví, doprava atd.

.....

5 Do kvartérního sektoru patří intelektuální aktivity jako je věda a výzkum, vzdělávání, poradenství atd.

.....

Economy and economics – Worksheet 3

3.1 Reading

ECONOMIC SYSTEMS

I TRADITIONAL ECONOMY

It is the **oldest** economic system. **People make** things which they need for life **and then** they **exchange** them. Trade is carried out **according to habits**, religion or beliefs. This economy system is still used in some parts of **Africa** and **South America**.

II COMMAND ECONOMY (CENTRALLY PLANNED ECONOMY)

This system is **typical for socialistic** countries, such as **North Korea** or **Cuba**. All economic **decisions** are made **by the government** – what will be produced, where and how, the price of goods, selling the goods, etc. **Negative** sides of this system are: **a shortage** of some goods that people want and on the other hand an **excess** of unsalable goods there is little or no demand for.

III FREE MARKET ECONOMY

The system functions according to the **law of demand and supply** (Adam Smith, the theory of the “Invisible hand” of the market). Prices are made according to the relation between the demand and the supply of the present market. **Decisions** are made **by individuals**, not the government.

IV MIXED ECONOMY

Combines pure market and command economic systems. The government regulates some parts of the economic life, but at the same time market laws influence the production.

V TRANSITION ECONOMY

It is an economic system which is in the process of **being changed** from the command economy into a free market economy. Many **changes** take place such as **in laws**, in **ownership** (e. g. the process of privatization of business companies), in the **function** of the government (it stops controlling some parts of economic life), the process of **liberalization** of prices. This system is used in countries of the **former Soviet Union**, post-communist countries in central Europe such as the **Czech Republic**.

3.2 Translate. Use the text.

1 nedostatek	8 přechodová ekonomika
2 změny v zákonech	9 podle zvyklostí
3 nadbytek	10 poptávka
4 nabídka	11 rozhodnutí
5 socialistické země	12 vláda
6 příkazová ekonomie	13 liberalizace cen
7 vlastnictví	14 tržní ekonomika
	15 smíšená ekonomika

3.3 True or false?

- 1 Traditional economy is used in well-developed countries; especially of Western Europe.
- 2 Command economy is ideal for democratic countries because it supports private enterprises.
- 3 Free market economy depends on the relationship between the demand and supply.
- 4 Transition economy helps the country to make necessary changes to become a country with free market economy.
- 5 The Czech lands used to have command economy but now the Czech Republic has mixed economy.