

Workshop One : Basic Notions

Download and listen to the following words spoken in English. Definitions have been given for the words highlighted in pink. Short versions of the definitions have also been made into a podcast so that you can hear the expressions in context. All words and definitions should be learnt for workshop one.

Macroeconomics	macroéconomie
Microeconomics	microéconomie
Planned economy	économie planifiée / dirigée
Free market	économie libérale / de marché
Mixed economy	économie mixte
Choice	choix
Constraint	constraint
Scarcity	rareté
Opportunity cost	coût de substitution
Wants	besoins
Needs	besoins
alternatives	alternatives
Consumer goods	biens de consommation
Free goods	biens libres ; biens qui ne sont pas économiques
	biens durables / biens non durables
Capital	capital
Capital goods	biens d'équipement ; biens de production
Land	terre / terrain / ressources naturelles
Labour	Travail / main d'œuvre
Factors of production	facteurs de production
Entrepreneur	entrepreneur
Private sector	secteur privé
Public sector	secteur public
Primary sector	secteur primaire : agriculture ; pêche
Secondary sector	secteur secondaire : activités industrielles
Tertiary sector	secteur tertiaire : toutes les autres activités
Consumer	consommateur, -trice
Product	produit
Service	service
Market	marché
Supply	offre
Demand	demande

curve (on a graph)	courbe (sur un graphique)
Price	prix
Quantity	quantité
Supplier	fournisseur
Buyer	acheteur, -trice
Tastes	goûts
Income	revenu
Population	population
Complements	produits complémentaires / de complément
Substitutes	produits de substitution
Equilibrium point	équilibre du marché
Elasticity	élasticité

Définitions

Macroeconomics - *la macroéconomie* is the branch of economics concerned with the economy as a whole and dealing with broader economic concepts - *concepts économiques plus larges/généraux* on a national, rather than on a company-related level. The economic aggregates - *agrégats économiques* (i.e. the sum totals of various economic activities) covered by the term include amongst others, national income - *le revenu national*, total production, foreign trade, consumption - *la consommation* and employment levels. For this reason, macroeconomics is sometimes also termed aggregate analysis.

Macroeconomics is the branch of economics concerned with the economy as a whole and dealing with broader economic concepts on a national, rather than on a company-related level.

Microeconomics - *la microéconomie* is the branch of economics dealing with the market relationship between individual businesses and consumers as reflected in - *comme cela se reflète dans* the type and price of goods, production technology, distribution and marketing techniques. The study of companies and businesses as separate economic units - *unités économiques* as opposed to private households or consumers is termed business administration or business studies - *l'administration de commerce; les études commerciales*.

Microeconomics is the branch of economics dealing with the market relationship between individual businesses and consumers as reflected in the type and price of goods, production technology, distribution and marketing techniques.

A planned economy or command economy - *une économie planifiée/dirigée* is a state-controlled economic system where the allocation - *l'affectation* of resources is determined centrally by planning decisions rather than by the price mechanism - *le mécanisme des prix*.

A planned economy or command economy is a state-controlled economic system where the allocation of resources is determined centrally by planning decisions rather than by the price mechanism.

A mixed market economy - *une économie mixte* is a system combining private enterprise with some degree of central control. Most modern economies are mixed, but the degree - *la*

mesure of central control differs from country to country. In a mixed economy, prices are fixed by the interaction of supply and demand *l'interaction de l'offre et de la demande*.

A mixed market economy is a system combining private enterprise with some degree of central control. Most modern economies are mixed, but the degree of central control differs from country to country.

The opportunity cost or value cost or alternative cost - *le coût de substitution* is the value or cost of an alternative action which could have been taken but has been rejected. Opportunity costs arise when a producer chooses to manufacture one article rather than another with the available factors of production. Opportunity costs influence decision-making, since the cost of the article produced may be expressed as the possible cost of production of the alternative article, eg. if a manufacturer opts for - *choisit/opte pour qch.* the production of civilian vehicles rather than tanks, the opportunity cost of the decision is the cost of tank production.

The opportunity cost or value cost or alternative cost is the value or cost of an alternative action which could have been taken but has been rejected.

Free enterprise or a free market economy - *une économie libérale/de marché* is a form of economy where the market forces - *les forces/tendances du marché* of supply and demand are allowed to operate largely unrestrained - *sans contraintes* by government legislation. Although the decision-making process - *la prise de décision* is decentralized and mainly in the hands of individuals, free market economies can exist with a degree of government or social control.

Free enterprise or a free market economy is a form of economy where the market forces of supply and demand are allowed to operate largely unrestrained by government legislation.

Economic sectors - *les secteurs de l'économie* are parts or branches of the economy seen from an economic or political angle.

From a political angle, the economic sectors include the corporate sector - *le secteur de l'entreprise* - the public sector - *le secteur public* - Economic sectors include the corporate sector - *le secteur de l'entreprise ou secteur privé*, the public sector - *le secteur public*, - and the financial sector - *le secteur financier* (banks and the providers of funds). Some sectors may overlap.

From an economic angle, the economic sectors include (classification de Colin Clark)

The primary sector : *le secteur primaire concerne l'agriculture, la pêche, la sylviculture et toutes les activités liées directement à la transformation du milieu naturel.*

The secondary sector or manufacturing sector : *le secteur secondaire concerne toutes les activités industrielles : industries lourdes et industries légères* which include branches such as electronics or *industries alimentaires*.

The secondary sector or manufacturing sector is the processing of natural materials into finished goods, eg. machinery, canned food, furniture.

The tertiary sector or service sector - *les services ; le secteur tertiaire* is a sector that creates an intangible product - *un produit incorporel* which is often consumed at the point of

production. Service industries are usually labour-intensive industries that include banking, tourism, catering and many others. The knowledge-driven information technology industries and services are sometimes described as the fourth sector - *le secteur de l'informatique/la télématique*.

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Consumer goods - *les biens de consommation* are goods supplied to satisfy a demand, rather than to produce other goods. *On distingue les biens de consommation durables - biens dont la consommation s'étend sur une période assez longue (ex : un réfrigérateur) – et les biens de consommation non durables- biens détruits dès l'utilisation (ex : le pain).*

Consumer goods are goods supplied to satisfy a demand, rather than to produce other goods.

Capital goods or producer goods - *les biens d'équipement; biens de production* are **production facilities** - *les moyens de production ; l'installation industrielle* needed for the production of other goods. The term plant can mean both the place of production - *usines et bâtiments* as well as the equipment and machinery - *les machines ; le matériel* needed for production.

Capital goods or producer goods are **production facilities** needed for the production of other goods.

Supply and demand - *l'offre et la demande* is the flow of goods and services into a market and the willingness and ability to purchase these goods and services with money. The law of supply and demand - *la loi de l'offre et de la demande* states that the price level of a product is dependent on both the amount being offered (i.e. price will tend to decrease with increasing supply) and on the demand (i.e. price will tend to increase with increasing demand).

Supply and demand is the flow of goods and services into a market and the willingness and ability to purchase these goods and services with money.

The factors of production *les facteurs de production* are the resources employed by a firm to create goods and services - usually described as land, labour and capital, but allowing subdivisions of these categories, such as natural resources or entrepreneurial talent (entrepreneurship) - *le don/sens des affaires* (managerial skill in taking commercial risks). *Il est accordé de plus en plus d'importance au "capital intellectuel" (connaissance, capacité d'innover).* The factors of production determine the location - *l'emplacement* of the company.

The factors of production are the resources employed by a firm to create goods and services - usually described as land, labour and capital, but allowing subdivisions of these categories, such as natural resources or entrepreneurial talent (entrepreneurship) (managerial skill in taking commercial risks).

Complementary goods - *les produits complémentaires/de complément* are goods or services that are required together, eg. knives and forks. The demand for a product as the

result of the demand for its complement is described as a complementary demand (or a joint demand). The demand for hotel accommodation is a complementary/joint demand of the demand for travel. Do not confuse joint demand with joint product.

Complementary goods: goods or services that are required together, eg. knives and forks

Produits ou biens intermédiaires : *produits qui sont consommés au cours du processus de production.*

Market: *lieu défini (espace, temps et objet) de rencontre de l'offre et de la demande afin de réaliser un échange de produits, de services ou de capitaux.*

Market forces - *les tendances du marché* are the interaction of supply and demand which determines the **market price** - *le prix du marché* and quantity of goods or services traded.

Market forces are the interaction of supply and demand which determines the market price and quantity of goods or services traded.

Market equilibrium - *l'équilibre du marché* is a balanced market situation where economic aggregates such as supply, demand and price etc. are balanced and exhibit no tendency to change. The resulting price in this stable situation where supply equals demand is called the equilibrium price *le prix d'équilibre*.

Market equilibrium is a balanced market situation where economic aggregates such as supply, demand and price etc. are balanced and exhibit no tendency to change.

The price elasticity of supply - *l'élasticité de l'offre par rapport au prix* is the sensitivity of the quantity of goods supplied to a change in the price. When a small price increase or decrease produces a larger change in the supply of goods, the supply is described as an elastic supply - *une offre élastique*. Where the response to price change is weak or negligible, the supply is said to be inelastic - *inélastique*.

The price elasticity of supply is the sensitivity of the quantity of goods supplied to a change in the price.

The price elasticity of demand - *l'élasticité de la demande par rapport au prix* is the sensitivity of the aggregate demand (i.e. the total value of all planned expenditures) to a change in price. When there is a large change in the demand for goods as a response to a price increase or decrease, the demand is described as an elastic demand.

The price elasticity of demand is the sensitivity of the aggregate demand (i.e. the total value of all planned expenditures) to a change in price.

The income elasticity of demand - *l'élasticité de la demande par rapport au revenu* is the sensitivity of demand to a change in income. With increasing income, the demand for luxury goods is elastic while remaining inelastic for goods of necessity.

The income elasticity of demand is the sensitivity of demand to a change in income.

Workshop Two : Economic Performance Indicators

Download and listen to the following words spoken in English. Definitions have been given for the words highlighted in pink. Short versions of the definitions have also been made into a podcast so that you can hear the expressions in context. All words and definitions should be learnt for workshop two.

Output	production
Unemployment	chômage
Employment	emploi
Balance of payments	balance des paiements
Inflation	inflation
steady	stable
Gross National Product (GNP)	Produit national brut (P.N.B.)
Gross Domestic Product (GDP)	Produit intérieur brut (P.I.B.)
Economies of scale	économies d'échelle
Expenditure	dépenses
interest rates	taux d'intérêt
Direct taxation	imposition directe
Indirect taxation	imposition indirecte
Income tax	imposition sur le revenu
An economic upturn	amélioration de la conjoncture
A depression	crise économique; un marasme
A boom	période d'expansion économique
Overheating	surchauffe
A trade cycle or business cycle	cycle économique
Keynesian economics	économie keynes/enne
Monetarism	monetarisme
Supply-side economics	théorie de l'offre
Trickle-down	théorie selon laquelle l'argent dépense par les riches finira par profiter aux plus demunis
An economic downturn	recul de l'économie ; une récession
A slump	forte baisse; une débâcle

Definitions

The inflation rate - *le taux d'inflation* is the long-term rate at which the price of all goods and services rises, causing the real value of money to fall (eg. 6% a year). In general, monetary inflation - *l'inflation monetaire* occurs when the quantity of money in circulation exceeds the supply of goods. Those individual price rises which trigger off - *declenchent* a series of other price rises and so contribute to inflation, are described as inflationary price rises *augmentations de prix inflationnistes*, eg. an increase in the price of basic fuels or electricity

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The gross domestic product (G.D.P.) - *le Produit interieur brut (P.I.B.)* is a measure of the total goods and services valued at market prices - *aux prix du marche* (i.e. the prices marked on the goods in the shops) produced by an economy over a period of one year.

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The gross national product (G.N.P.) - *le Produit national brut (P.N.B.)* is equivalent to the G.D.P. - *equivaut au P.I.B.* (above) plus the income accruing - *qui court/s'accumule* to the domestic economy from investment abroad, and minus the investment income earned by foreigners abroad from investments in the domestic market.

The gross national product (G.N.P.) is equivalent to the G.D.P. (above) plus the income accruing to the domestic economy from investment abroad, and minus the investment income earned by foreigners abroad from investments in the domestic market.

Economies of scale or increasing returns to scale - *les economies d'echelle* are the reduction in the unit cost - *le cout unitaire* (the cost per unit of production) or in the cost of factors (eg. labour) that is obtained by large-scale, rather than small-scale output. The critical mass *la masse critique* of a company is the minimum size of the company *la grandeur minimum d'une entreprise* or the minimum volume of trading *la grandeur minimum du chiffre d'affaires* at which the company is viable *rentable* in a particular market.

Economies of scale or increasing returns to scale are the reduction in the **unit cost** (the cost per unit of production) or in the cost of factors (eg. labour) that is obtained by large-scale, rather than small-scale output.

Purchasing power *le pouvoir d'achat* is the amount of goods and services which can be purchased with a given unit of currency. One speaks of the purchasing power of a currency (eg. yen or dollar) being large or small. The "Big Mac" indicator is a less official indicator of purchasing power that gives the number of average man-hours - *heures de travail/de main-d'oeuvre* needed in a given country to purchase a "Big Mac" giant sandwich from a McDonald's fast-food restaurant.

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Direct taxation - *l'imposition directe* is levied on the income and wealth of individuals and businesses, and paid personally or directly to the revenue authorities - *le fisc*. Direct taxes which include income tax and corporation tax, usually increase as a percentage in proportion to the amount to be taxed.

Direct taxation is levied on the income and wealth of individuals and businesses, and paid personally or directly to the revenue authorities.

Indirect taxation - *l'imposition indirecte* is included in the price of goods and services. It is not paid directly by the individual or purchaser, but through a collection system - *systeme de recouvrement des impots* linked to the taxable item, eg. the VAT system. Indirect taxation is a form of proportional taxation and the rate is usually a fixed percentage - *un pourcentage fixe* of the taxable amount.

Indirect taxation is included in the price of goods and services. It is not paid directly by the individual or purchaser, but through a collection system linked to the taxable item, eg. the VAT system.

An economic upturn - *une reprise/une relance/un redressement de l'economie* is an upward trend or improvement in the economy.

An economic upturn is an upward trend or improvement in the economy.

An **economic downturn** - *un recul de l'economie* or a recession - *une recession* is a downward trend or deterioration in the economy and in the business and profits of companies.

An **economic downturn** or a **recession** is a downward trend or deterioration in the economy and in the business and profits of companies.

A **slump** - *une forte baisse; une debacle* is a sudden downturn or recession.

A **slump** is a sudden downturn or recession.

A **depression** - *une crise economique; un marasme* is an economic situation characterized by high and protracted unemployment coupled with low output and investment.

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A **boom** - *une periode d'expansion economique* is a period of prosperity or rapid economic growth. The corresponding verb - *le verbe correspondant* is to boom - *etre en plein essor/en pleine expansion*, eg. a booming economy.

A **boom** is a period of prosperity or rapid economic growth. The corresponding verb is to **boom**, eg. a booming economy

Overheating - *la surchauffe* is rapid economic development or expansion in an uncontrolled and inflationary way, usually as a result of an excessive demand for products. An economy may overheat -<*surchauffer* if a boom is allowed to occur too quickly. Overheating of the economy may damage prosperity in the long term.

Overheating is rapid economic development or expansion in an uncontrolled and inflationary way, usually as a result of an excessive demand for products.

A trade cycle or business cycle - *un cycle économique* is a continual fluctuation - *variation* ; *fluctuation* in the level of business activity resulting in upturns and downturns at regular intervals. A stop-go cycle - *une alternance de périodes de recul et de reprise économiques* is a pattern of business activity where each successive short upturn is followed by a short downturn.

A trade cycle or business cycle is a continual fluctuation in the level of business activity resulting in upturns and downturns at regular intervals.

Keynesian economics - *le keynesianisme* ; *l'économie keynes/enne* is the economic theories of John Maynard Keynes (1883-1946), a Cambridge economist who claimed that economic prosperity depended on the total spending of consumers, companies and governments. He argued against laissez-faire economics and claimed that full employment depended on a high level of demand which should be manipulated by the government, i.e. by direct government interference in the market. This increased demand for products could be achieved by monetary and fiscal policies - *politiques monétaires et fiscales* to make more money available in the economy, even if it meant deficit spending by the government. The theory of "easy money" and pumping finance into the economy was rejected by the *monetarists* who argued that this type of spending or any increase in the money supply - *la masse monétaire* not matched by economic growth would only fuel inflation - *alimenter /l'inflation*. Keynes is widely regarded as one of the most influential economists of all time and his theories are often applied by governments seeking to avoid or manage an economic depression.

Keynesian economics is the economic theories of **John Maynard Keynes** who claimed that economic prosperity depended on the total spending of consumers, companies and governments.

Monetarism - *le monétarisme* is an economic theory based on the premise - *le principe* that inflation can be reduced by balancing government budgets and by tight controls over the amount of money circulating in an economy, while at the same time allowing free enterprise to operate largely unregulated. Monetarists, of whom Milton Friedman (born 1912 in New York) was one of the best known, view unemployment as a direct result of excessive wage demands.

Monetarism is an economic theory based on the premise that inflation can be reduced by balancing government budgets and by tight controls over the amount of money circulating in an economy, while at the same time allowing free enterprise to operate largely unregulated.

Supply-side economics - *la théorie de l'offre* is the theory that governments should stimulate - *stimuler* the production and supply of goods rather than demand for them. Supply-side economists view Keynesian measures as short-term, and believe that, in the long run,

the removal of restrictions on manufacturing industry, especially on the efficient use of labour and capital is the most important factor in economic growth.

Supply-side economics is the theory that governments should stimulate the production and supply of goods rather than demand for them.

Trickle-down - *theorie selon laquelle l'argent depense par les riches finira par profiter aux plus demunis* is the theory that tax cuts for the more affluent plus riches parts of society generate wealth which eventually trickles or flows down to the less wealthy and the poor. This doctrine was especially emphasized during Reaganomics - a portmanteau word un *mot-valise* (formed from "Reagan" and "economics") designating the economic policy of President Reagan of the US (1980-1988), which was characterized by deficit spending and tax-cuts *^reductions de la ponction fiscale*.

Trickle-down is the theory that tax cuts for the more affluent parts of society generate wealth which eventually trickles or flows down to the less wealthy and the poor.

Workshop Three : Markets

Download and listen to the following words spoken in English. Definitions have been given for the words highlighted in pink. Short versions of the definitions have also been made into a podcast so that you can hear the expressions in context. All words and definitions should be learnt for workshop three.

market forces	les tendances du marche
Added value	Valeur ajoutée
Workers	Travailleur, -euse; ouvrière
Distribution	Incertitude ; doute
Uncertainty	Salaire ; paie
Purchasing power	le pouvoir d'achat
Wage	Salaire ; revenue
Income	Revenue
Savings	épargne
Suppliers	Fournisseur
Competition	Compétition
Perfect competition or the perfect market	la concurrence parfaite
Unfair competition	la concurrence déloyale
Restrictive trade practices	les pratiques commerciales restrictives
A monopoly	un monopole
A natural monopoly	un monopole naturel
An oligopoly	un oligopole
Barriers to entry	Barrière ????
Barriers to exit	Barrière ?????
A buyers' market	un marche à la baisse
A sellers' market	un marche à la hausse
Profits	Profit ; bénéfice
sector	Secteur
Target	cible

Defintions

Perfect competition or the perfect market - *la concurrence parfaite* is a hypothetical situation where a large number of purchasers are offered goods by many suppliers, who each control only a small section of the market and cannot therefore influence the market price. All suppliers are in an even position with regard to quality of product, market knowledge and access to the market. The situation of perfect competition (the perfect market) is used for **economic modelling** - *la modelisation economique ; la creation de modeles economiques et previsionnels* although in reality all markets are imperfect.

Perfect competition or the perfect market is a hypothetical situation where a large number of purchasers are offered goods by many suppliers, who each control only a small section of the market and cannot therefore influence the market price.

Unfair competition - *la concurrence deloyale* is unethical or reprehensible methods - *methodes reprehensibles* used in gaining a market share or an advantage over rival firms.

Unfair competition is unethical or reprehensible methods used in gaining a market share or an advantage over rival firms.

Restrictive trade practices - *les pratiques commerciales restrictives* are agreements and trade practices which unreasonably limit competition or free enterprise. Such practices or agreements are often prohibited by law as being against the public interest. They include unfair restrictions on the exercise of someone's profession - *limitations sur l'exercice d'une profession* or limitations on a retailer - *un detailliant* by his or her suppliers.

Restrictive trade practices are agreements and trade practices which unreasonably limit competition or free enterprise.

A monopoly - *un monopole* is a market structure where there is only one supplier and many buyers, and where the supplier blocks market entry to other suppliers, thus allowing him/her to dictate the price level of the product or the output quantity. **Price discrimination** - *l'application de tarifs discriminatoires* which often occurs in monopoly situations, is the sale of the same product to various markets at different prices.

A monopoly is a market structure where there is only one supplier and many buyers, and where the supplier blocks market entry to other suppliers, thus allowing him/her to dictate the price level of the product or the output quantity.

A natural monopoly - *un monopole naturel* is a market situation where the entire output of an industry is restricted to one producer or supplier on account of the significant economies of scale that can be obtained, or on account of the high cost of market entry - *l'accès au marche* for other smaller producers, eg. Where national supply or distribution networks must first be put in place. Natural monopoly situations are often used as an argument for the nationalization of certain key industries, for example, **utility companies** - *compagnies de service public* supplying electricity and gas, or the postal services.

A natural monopoly is a market situation where the entire output of an industry is restricted to one producer or supplier on account of the significant economies of scale that can be obtained, or on account of the high cost of market entry for other smaller producers, eg. Where national supply or distribution networks must first be put in place.

An oligopoly - *un oligopole* is a situation where the market is in the hands of only a few bulk suppliers who are each large enough to influence prices. Each firm must therefore take account of its competition before making any market plans, since any decision of one firm will have a large direct impact on the others. In an oligopoly there is a tendency for firms to collude - *comploter*, to form cartels - *cartels* (groups of companies that cooperate in the

control of production and marketing in order to avoid competing with one another) and to come to market arrangements in order to avoid a damaging competitive struggle.

An oligopoly is a situation where the market is in the hands of only a few bulk suppliers who are each large enough to influence prices.

A buyers' market - *un marche a la baisse* is a market where there is a temporary excess of supply compared to demand, giving the buyer an advantage in price negotiations with the seller.

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A sellers' market - *un marche a la hausse* is a market where there is a temporary excess of demand compared to supply, giving the seller an advantage in price negotiations with the buyer.

A sellers' market is a market where there is a temporary excess of demand compared to supply, giving the seller an advantage in price negotiations with the buyer.