

6 After Reading. Synonyms.

Write words with similar meanings for the words in bold.

distress	_____	_____	_____
sympathy	_____	_____	_____
massive	_____	_____	_____
hesitate	_____	_____	_____
spin-off	_____	_____	_____
doctrine	_____	_____	_____
collapse	_____	_____	_____
brokers	_____	_____	_____
immoral	_____	_____	_____
slaughter	_____	_____	_____
potential for abuse	_____	_____	_____

7 A. Comprehension. Conditional sentences. Mark them "Y" (yes) or "N" (no). Base your answers on the reading.

A company is considered "too big too fail", if...

- _____ 1. its failure would cause many other companies to fail too.
- _____ 2. its failure would cause many people to panic and take their money out of the bank.
- _____ 3. the company has lots of money.
- _____ 4. its failure means social order could get worse.
- _____ 5. the government has lots of money.
- _____ 6. it requires special government loans to stay in business.
- _____ 7. taxpayers have confidence in it.

B. Mark these sentences about risk-taking. Write "Y" (yes) or "N" (no).

A moral hazard is created when people ...

- _____ 1. borrow too much money.
- _____ 2. take a risk.
- _____ 3. fail to understand that insurance may cause the very situation it was meant to prevent.

- _____ 4. take risks because they expect someone else will get them out of trouble.
- _____ 5. do not have to worry about the bad consequences of their actions.
- _____ 6. know mistakes will be easily forgiven.
- _____ 7. are afraid of making mistakes.

C. Mark "T" (true) or "F" (false) based on the reading.

- _____ 1. Airbus receives government support, but Boeing does not.
- _____ 2. Boeing accuses Airbus of having an unfair advantage in the marketplace.
- _____ 3. Airbus is completely to blame for Boeing's financial difficulties.
- _____ 4. Only Boeing makes aircraft for military use.
- _____ 5. Both Airbus and Boeing are considered important for national defense.

D. Write "Y" (yes) or "N" (no) based on the reading.

Public money invested in the stock market

- _____ 1. ...insures success for the company.
- _____ 2. ...means a stronger economy.
- _____ 3. ...can easily lead to abuse.
- _____ 4. ...gives some people an unfair advantage.
- _____ 5. ...benefits everyone in the market.
- _____ 6. ...leads to marketing decisions based on politics.
- _____ 7. ...means more money for schools and hospitals.

8 Discussion.

1. Is it acceptable that taxpayers' money go to support big business through the "too big to fail" doctrine?
2. Which companies that you know of receive government subsidies? Should this practice continue?
3. Does your government play the stock market? If so, do you agree that it should?
4. Under the TBTF doctrine, do consumers benefit from better service and lower prices?

9 Unintended Consequences.

A. "The roads in hell are paved with good intentions". Many people in government and business had ideas that seemed good, but did not work. Good intentions are not enough. Good ideas fail for many reasons:

- humans can't think of everything;
- what worked in the past will not work now;
- some people grow impatient and cannot wait long enough for the results;
- some actions may be required that you simply cannot, or will not do for moral reasons;
- well-intentioned people look for solutions to problems that do not exist out of fear they may happen.

So, be careful what you wish for, or you may get it.

Think. Recall situations in history in which a plan did not work because of one of the above reasons.

B. Talk About It, Then Write.

Have you ever experienced any unintended consequences? Share stories with your group. Talk about the following:

- what your plan or wish was.
- how you tried to accomplish it.
- what happened that you hadn't expected.

10 Matching. Conditionals.

"If" + "will"/present tense verb.

Conditional structures in English *If...will*, *If...would*, *If... would have* express certainty or possibility. All the sayings below are examples of unintended consequences. Match the two halves.

- | | |
|--|---|
| _____ 1. If anything can go wrong, | a) then be certain that you will. |
| _____ 2. If it is possible for a disc to be inserted the wrong way, | b) you have obviously overlooked something. |
| _____ 3. If there is a possibility of several things going wrong, | c) someone will eventually try it. |
| _____ 4. If you ask someone for directions, and they tell you "You can't miss it"... | d) someone will find a fifth way. |
| _____ 5. If everything seems to be going well, | e) the one that will cause the most damage will be the one to go wrong. |
| _____ 6. If you make a job so easy an idiot can do it, | f) it will. |
| _____ 7. If there are only four ways to do something, | g) someone will make a better idiot |

Activity. Providing Financial Aid



Lemone Motors, the nation's only domestic car manufacturer, says that foreign competition is hurting sales so much that it may be forced out of business. It is threatening to lay off or fire thousands of workers, if the government does not provide subsidies.

The government promised to help, and has hired a consulting company to conduct a study. Their conclusion is that poor sales are due to the following problems:

1. The cars are not fuel efficient.
2. The design is unattractive.
3. The sticker price is too high.
4. Workers frequently come in late on Monday and leave early on Friday.
5. There are serious alcohol and drug abuse problems among workers.
6. The machinery is out-dated and needs upgrading.
7. Workers refuse to allow robotic technology because 25% of their jobs will be lost.
8. All salaries are too high based on sales volume.
9. Local people see foreign cars as status symbols.
10. Company executives had invested in pension funds so poorly, that now there is almost no money left for workers wanting to retire.

Your task. Choose one of the groups below to represent.

- Management
- Government officials
- Factory workers
- Design engineers

Goal: to discuss the problems below and try to reach an agreement.

Procedure:

1. Meet in small groups of 4-5.
2. Rank each one 1-10 in order of importance, 1 being the most important.
3. Discuss and decide on an acceptable solution to each of the problems and write in your answers.

Rank	PROBLEM	SOLUTION
	The cars are not fuel efficient.	
	The design is unattractive.	
	The sticker price is too high.	
	Workers frequently come in late on Monday and leave early on Friday.	
	There are serious alcohol and drug abuse problems among workers.	
	The machinery is out-dated and needs upgrading.	
	Workers refuse to allow robotic technology because 25% of their jobs will be lost.	
	All salaries are too high based on sales volume.	
	Local people see foreign cars as status symbols.	
	Company executives had invested in pension funds poorly, so now there is almost no money left for workers who want to retire.	

REVIEW

Antonyms.

Choose the word with the opposite meaning of the word in bold. Try not to look back.

sympathy	kindness	consideration	coldness	care
hesitate	wait	move	pause	delay
spin-off	copy	imitation	reproduction	original
doctrine	freedom	principle	rule	policy
collapse	fall	break	build	crumple
brokers	agents	customers	advisors	dealers

Write three or four words with similar meanings to the word in bold.

distress	_____	_____	_____	_____
massive	_____	_____	_____	_____
brokers	_____	_____	_____	_____
immoral	_____	_____	_____	_____
slaughter	_____	_____	_____	_____
potential for abuse	_____	_____	_____	_____

Review. Unintended consequences.

What factors cause plans to fail?

- 1.
- 2.
- 3.
- 4.
- 5.

Write a short explanation of the "too big to fail concept".