**Exercise 1. Read and comprehend the following text:**

**Part II. DEMAND AND SUPPLY**

**Text 7. Supply and Demand Relationship**

Now that we know the laws of supply and demand, let's turn to an example to show how supply and demand affect price.

Imagine that a special edition CD of your favorite band is released for $20. Because the record company's previous analysis showed that consumers will not demand CDs at a price higher than $20, only ten CDs were released because the opportunity cost is too high for suppliers to produce more. If, however, the ten CDs are demanded by 20 people, the price will subsequently rise because, according to the demand relationship, as demand increases, so does the price. Consequently*,* the rise in price should prompt more CDs to be supplied as the supply relationship shows that the higher the price, the higher the quantity supplied.

If, however, there are 30 CDs produced and demand is still at 20, the price will not be pushed up because the supply more than accommodatesdemand. In fact, after the 20 consumers have been satisfied with their CD purchases, the price of the leftoverCDs may drop as CD producers attempt to sell the remaining ten CDs. The lower price will then make the CD more available to people who decided that the opportunity cost of buying the CD at $20 was too high.

**Equilibrium**

When supply and demand are equal (i.e. when the supply function and demand function intersect) the economy is said to be at equilibrium. At this point, the allocation of goods is at its most efficient because the amount of goods being supplied is exactly the same as the amount of goods being demanded. Thus, everyone (individuals, firms, or countries) is satisfied with the current economic condition. At the given price, suppliers are selling all the goods that they have produced and consumers are getting all the goods that they are demanding.

In the real market place equilibrium can only ever be reached in theory, so the prices

of goods and services are constantly changing in relation to fluctuations in demand and supply.

**Excess Supply 🡪 Disequilibrium**

If the price is set too high, excess supply will be created within the economy and there will be allocative inefficiency.

**Excess Demand 🡪 Disequilibrium**

Excess demand is created when price is set below the equilibrium price. Because the price is so low, too many consumers want the good while producers are not making

enough of it

**Vocabulary of hard-to-remember words and economic terms**

|  |  |  |
| --- | --- | --- |
| accommodate | |əˈkɑːmədeɪt| | *yerləşdirmək, uyğunlaşdırmaq, tə'min etmək, təchiz etmək* |
| subsequently | |ˈsʌbsɪkwəntlɪ| | *sonra,* |
| consequently | |ˈkɑːnsəkwentlɪ | *nəticədə* |
| leftover | |ˈleftəʊvər| | *qalıq* |
| attempt | |əˈtempt| | *cəhd* |
| intersect | |ɪntəˈsekt| | *kəsişmək* |
| constantly | |ˈkɑːnstəntlɪ| | *daim, daimi olaraq, dəyişmdaim, daimi olaraq, dəyişmədən* |
| fluctuation | |ˌflʌktʃʊˈeɪʃn| | *dalğalanma* |

**Exercise 2. Read, translate and pronounce correctly the words with the same root:**

1) to reside – resident, residence;

2) to graduate – graduate, graduation;

3) to introduce – introduction;

4) to acquaint – acquaintance;

5) to prefer – preference, preferable;

6) to care – care, caring, careful, carefulness;

7) to marry – married, marriage;

8) to differ – difference, different;

9) to occupy – occupation;

10) to relate – relative, relation, relationship;

11) to celebrate – celebration.

**Exercise 3. Insert the missing preposition where necessary:**

1. to get acquainted …

2. to be good … languages

3. to be born … 1994

4. to do well … mathematics

5. to be born … the 3rd of March

6. to be fond … music

7. to be … one’s late teens

8. to enter … the university

9. to be called … one’s grandfather

10. to be … the first year

11. to take …one’s mother in character

12. to study … the Faculty … Pediatrics

13. to come … Belarus

14. to have much … common

**Exercise 4. Make up word combinations:**

|  |  |
| --- | --- |
| 1. first | a. residence |
| 2. late | b. status |
| 3. permanent | c. child |
| 4. come | d. name |
| 5. marital | e. like |
| 6. only | f. teens |
| 7. look | g. from |

**Exercise 5. Find pairs of synonyms. Translate them into** **Azerbaijani:**

|  |  |
| --- | --- |
| 1. term | A. grade |
| 2. to enter the university | B. deputy dean |
| 3. mark | C. to deliver a lecture |
| 4. university teacher | D. canteen |
| 5. assistant professor | E. semester |
| 6. assistant dean | F. grants |
| 7. academic staff | G. to be admitted to the university |
| 8. scientist | H. hostel |
| 9. to give a lecture | I. vice-rector |
| 10. senior lecturer | J. teaching staff |
| 11. tutor | K. lecturer |
| 12. refectory | L. associate professor |
| 13. scholarship | M. scholar |
| 14. dormitory | N. senior instructor |
| 15. pro-rector | O. credit test |

**Exercise 6. Translate into English:**

1. Azərbaycan xarici borcunu 2030-cu ilin sonuna qədər endirməyi planlaşdırır.

2. Prezident İlham Əliyev “Zəngəzur dəhlizi”nin istifadəyə verilməsinə dair açıqlama verib.

3. Azərbaycan-Gürcüstan-Türkiyə nəqliyyat dəhlizi dəstəklənib.

4. Ölkədə virusa görə insanlara və biznesə $3 mlrd. həcmində dəstək paketi təqdim edilib.

5. Azərbaycanda yoxsulluq səviyyəsi 49 faizdən 6 faizə enib.

6. Lirənin ucuzlaşmasında iqtisadi və siyasi səbəblər hansılardır?

7. Azərbaycanın baş naziri iranlı həmkarı ilə görüşdü.

8. Prezident İlham Əliyevlə Aleksandr Lukaşenko arasında telefon danışığı olub.

9. Bakının bəzi küçələri bağlanıb.

10. Nyu-Yorkda fövqəladə vəziyyət elan edilib.

11. İtaliya Afrikanın 7 ölkəsinə girişi qadağan edib.

**Exercise 7. Write a short essay on the topic "How I understand globalization" by watching the videos on the following links:**

<https://www.youtube.com/watch?v=cD1cFrHL3eQ>

<https://www.youtube.com/watch?v=JJ0nFD19eT8>

<https://www.youtube.com/watch?v=ZNejKHKSbl0>

<https://www.youtube.com/watch?v=fS7Kb2vDkZg>

<https://www.youtube.com/watch?v=wLNp3kgBuuQ>

<https://www.youtube.com/watch?v=xPD477FuqtY>