

**SAMPLE BACHELOR QUALIFYING TEST IN  
ENGLISH FOR ECONOMISTS FOR  
CREDIT-POINT COURSES A, B, C & D (© Booth)**

Name: \_\_\_\_\_ First name: \_\_\_\_\_ Date: \_\_\_\_\_

Matr. no.: \_\_\_\_\_

Degree: **Diplom / Bachelor / Wipäd**

**Time allowed: 90 minutes**

*Always write in complete sentences, not notes!  
NO dictionaries or any other aids are allowed.*

**Section A: Grammar**

**A. Insert the correct tense - active or passive voice - of the verbs in brackets:**

The American and Chinese economies are so entwined that any attempt to separate them will end in calamity. If China \_\_\_\_\_ (be) suddenly to stop buying US Treasury bills, it \_\_\_\_\_ (plunge) America into a fiscal crisis. It could also spark a collapse in the dollar and thereby wipe out a big chunk of China's foreign-currency reserves, so both sides have an interest in preventing it from happening. This mutual dependence \_\_\_\_\_ (apply) to businesses, too. Chinese manufacturers \_\_\_\_\_ (need) America's huge market. And vice versa.

It is increasingly hard to tell if some companies are American or Chinese, says Jonathan Woetzel, a China specialist at McKinsey. Consider Cheung Yan, who was until recently China's richest person. With her husband, she \_\_\_\_\_ (set) up a firm in California to gather American waste paper and ship it to China to be recycled. Later, she set up paper factories in China to do the recycling. Some of the waste paper \_\_\_\_\_ (turn) into boxes to hold Chinese-made electronic goods that are then shipped to America. Is their business Chinese or American? And \_\_\_\_\_ (it, matter)?

The recession \_\_\_\_\_ (disrupt, severely) trade between America and more or less everywhere else. China's exports to the United States, which \_\_\_\_\_

(have) more than trebled between 2002 and 2008, collapsed by more than half between September 2008 and February 2009. The slump in American consumer spending may be causing as much pain for some Chinese exporters as it is for American businesses. But hard times \_\_\_\_\_ (force) American firms to look harder for savings, and many are finding these in China.

Source: Economist

Total points possible:20

**B. Complete the text below by inserting just ONE word into each gap:**

IT WAS once famously asked of Wall Street: "Where are the customers' yachts?" Shareholders of investment banks have not seen much of the spoils either, given the events of the past two years. As business booms once more, rather \_\_\_\_\_ reward their owners with an extra big chunk of profits, most investment banks seem \_\_\_\_\_ to favour their employees again. In the case of Goldman Sachs, shareholders received \$4.4 billion of profits during the first half of this year \_\_\_\_\_ staff were allocated \$11.4 billion in pay and bonuses, equivalent to about half of the firm's net revenues.

Banks defend their model by arguing \_\_\_\_\_ they have to pay top dollars to secure the best employees, \_\_\_\_\_ maximise profits for shareholders. If they paid less, profits would be lower. For Goldman there may be \_\_\_\_\_ truth in this. In the first half of 2009 shareholders still earned a healthy return on equity of 19%. And over the decade to the end of 2008, even \_\_\_\_\_ cumulative compensation was double profits, return on equity averaged 20%. Furthermore, \_\_\_\_\_ a chunk of bonuses are paid in stock and staff cannot sell their shares immediately, their interests are \_\_\_\_\_ some extent aligned with \_\_\_\_\_ of shareholders.

Source: Economist

Total points possible:10

**C. Derivatives. Insert the correct forms of the words on the left into the gaps in the sentences so that they fit in every way:**

1. **significant** This opinion survey is \_\_\_\_\_ different from all others.
2. **subsidy** Many industries are \_\_\_\_\_ by the government so that they will survive and continue to provide jobs.
3. **apply** All the \_\_\_\_\_ for the job have to send in a full C.V. by the end of the week
4. **profit** If a product or a service becomes \_\_\_\_\_ to sell, it should be discontinued.
5. **capital** The business venture was unfortunately totally \_\_\_\_\_.
6. **adequacy** The building project failed because the funds raised for it were \_\_\_\_\_.
7. **influence** Our CEO is a very \_\_\_\_\_ person among politicians in our country.
8. **advertise** We put an \_\_\_\_\_ in the local newspaper yesterday.
9. **oblige** It is our legal \_\_\_\_\_ to comply with the terms of the contract.
10. **efficient** The \_\_\_\_\_ of the new system made it break down.

Total points possible:20

**D. Read the text below about Eastern Europe. Choose the correct word A, B, C or D to fill each numbered gap. Mark your chosen answer by underlining it like this, e.g.**

0.     **A** resettlement            **B** establishment            **C** awareness            **D** abundance

**Do NOT write any words or numbers in the gaps in the text itself!**

Migrants make up nearly a tenth of Russia’s population, 15% of Ukraine’s and 20% of oil-rich Kazakhstan. Much of this is because of ethnic (0) \_\_\_\_\_, but there has also been rapid movement of workers seeking (1) \_\_\_\_\_ opportunity from the region’s poorer nations. Then there is the (2) \_\_\_\_\_ of migrants from the newer members of the European Union (EU) travelling westwards to seek work in richer countries.

According to the Bank, migration is hastening already striking demographic trends. In the region defined by the World Bank as “western ECA”—broadly, much of eastern Europe and Central Asia—the population peaked (3) \_\_\_\_\_ 130m in 1990. By the middle of this century, the total is (4) \_\_\_\_\_ to be down by about a fifth. Much of the former Soviet Union is also seeing rapid demographic change. In Russia the working-age population is expected to fall dramatically. The population of western Europe, by contrast, is (5) \_\_\_\_\_ to remain roughly stable—entirely because of immigration.

Given the limited (6) \_\_\_\_\_ of bright young people, it seems unwise to ship them abroad to add value to other economies. Yet there is some compensation. For many countries, the remittances those workers send home are vitally important. For some transitional (7) \_\_\_\_\_ saddled with creaky Soviet-era infrastructure and burdensome bureaucracy, the best product they have to export is their youth. Remittances represent over a fifth of (8) \_\_\_\_\_ in Moldova and Bosnia, and more than 10% in Albania, Armenia and Tajikistan. For poorer countries the remittances are often the single biggest source of external finance, and for others they still represent a large source.

The report suggests a modest positive relationship between remittances and growth, at least for countries with the complementary assets to take (9) \_\_\_\_\_ of the infusion of capital. But even where remittances do not provide macroeconomic stimulus, they clearly (10) \_\_\_\_\_ poverty, taking a burden off fragile government institutions. Remittances can provide over 20% of spending in the region’s poorest zones.

*Source: Economist*

- |     |                     |                    |                      |                       |
|-----|---------------------|--------------------|----------------------|-----------------------|
| 1.  | <b>A</b> economical | <b>B</b> economic  | <b>C</b> economy     | <b>D</b> economically |
| 2.  | <b>A</b> affect     | <b>B</b> changes   | <b>C</b> impact      | <b>D</b> force        |
| 3.  | <b>A</b> with       | <b>B</b> by        | <b>C</b> to          | <b>D</b> at           |
| 4.  | <b>A</b> possibly   | <b>B</b> possible  | <b>C</b> likely      | <b>D</b> probable     |
| 5.  | <b>A</b> projected  | <b>B</b> realised  | <b>C</b> identified  | <b>D</b> regarded     |
| 6.  | <b>A</b> provision  | <b>B</b> supply    | <b>C</b> commission  | <b>D</b> demand       |
| 7.  | <b>A</b> unions     | <b>B</b> economies | <b>C</b> communities | <b>D</b> peoples      |
| 8.  | <b>A</b> VAT        | <b>B</b> CIF       | <b>C</b> GDP         | <b>D</b> OECD         |
| 9.  | <b>A</b> position   | <b>B</b> aware     | <b>C</b> advantage   | <b>D</b> use          |
| 10. | <b>A</b> aggravate  | <b>B</b> add       | <b>C</b> alleviate   | <b>D</b> intensify    |

Total points possible:10

**E. Re-write each of the sentences using the words given but without changing their meaning:**

1. We have not been to the USA for several years.  
It has \_\_\_\_\_
2. Mr Jones is a much more efficient worker than Jason.  
Jason works \_\_\_\_\_
3. We expect to maximise profits in the long run.  
Profit \_\_\_\_\_.
4. Sales slumped because we did not market our products well enough.  
If we \_\_\_\_\_  
\_\_\_\_\_
5. Our company lost its leading market position because it failed to innovate.  
The reason \_\_\_\_\_

*Total points possible:20*

**Section A : 80 / 2 = 40**

## **Section B: Reading Comprehension**

- A. Read the following text about economic data relating to New Zealand and answer questions 1-6. Each question has four suggested answers or ways of finishing the sentence A, B, C and D. Mark one letter A, B, C or D by underlining it:**

### **Economic data on New Zealand**

Jan 10th 2007

From the Economist Intelligence Unit

- The prime minister, Helen Clark, has reasserted her political dominance, and the minority Labour Party government will survive until the next general election, which is due to be held by September 2008. No party is likely to win an overall majority in the election, and a coalition government may result. Labour's experience of coalition-building is likely to give it an advantage over the National Party.
- The opposition National Party needs to regain momentum quickly after the resignation of its leader, Don Brash. His successor will have to clarify party policy in a number of areas if National is to provide a serious challenge to Labour. National's problems could provide some of the smaller political parties with opportunities, but they are likely to remain at the fringes of debate.
- Relations with Australia will remain generally good over the forecast period, despite periodic spats over agricultural trade and transport links and some worries about the role of Australian banks in New Zealand. Further security co-operation between the two looks likely. But New Zealand may find it difficult to forge better economic relations with the US.
- High fiscal surpluses will increase the political pressure on the finance minister, Michael Cullen, to cut personal taxes. Although he will claim that these surpluses are largely earmarked for the pre-funding of the new government superannuation (pension) scheme, there is sufficient leeway to make tax cuts.

- High interest rates will contribute to slow GDP growth this year and next as households prioritise debt repayments and reduce consumption. Investment growth will also be uneven. Interest rates are unlikely to be cut until late 2007.
- Consumer-price inflation will average around 3.6% in 2006 and 3% in 2007. The Reserve Bank of New Zealand (the central bank) remains concerned about "second-round" price-rise effects on inflationary expectations, but a more sluggish labour market could ease pressures, and inflation will remain below 3% in 2008-11.

1. In the first paragraph, the writer thinks that

- A** the Labour Party will win the next election.
- B** the best party to form a coalition is the Labour Party.
- C** the Labour Party will still be in power when the next election takes place.
- D** a majority government will probably be the outcome of the next election.

2. In the second paragraph, the writer says that

- A** Don Brash is at present the leader of the National Party.
- B** the smaller political parties could become really important.
- C** the smaller political parties are taking over the National Party's problems.
- D** the National Party's position has been weakened.

3. In the third paragraph, it is said that

- A** New Zealand's economic relations with the USA are very good.
- B** New Zealand and Australia generally agree on agricultural and transport matters.
- C** there is no need to improve collaboration on security.
- D** the government is not happy about the activities of Australian banks in New Zealand.

4. In the fourth paragraph, we learn that the finance minister

- A** will reduce taxes on personal income.
- B** needs the extra tax money to finance future pensions.
- C** believes that tax cuts are not possible.
- D** is happy about the high tax surpluses.

5. In the fifth paragraph, the high interest rates will

- A** dampen GDP growth.
- B** lead to more borrowing.
- C** increase consumption.
- D** be cut by late 2007.

6. In the sixth paragraph, the following forecasts are given:

- A** 2008-09 will witness high inflation rates.
- B** consumer-price inflation will stabilise in 2006-07.
- C** inflation will be controlled by a slow-moving labour market.
- D** the Reserve Bank is confident that inflation is under control.

Total points possible:12

- B.** *Look at the advertisements outlining four job positions. Which job position: A, B, C or D does each sentence 1-9 refer to? After each sentence put one letter: A, B, C or D. You will need to use some of the letters more than once.*

**A. Marketing Assistant**

Our headquarters in New York is seeking a highly qualified and mature Assistant to the Head of Marketing, who can provide research support to two other busy department heads. For this position the successful applicant must have several years' experience in R&D in cosmetics as well as up-to-date knowledge of marketing techniques. Also important are the ability to work under stress and excellent communication skills.

**B. Journalist**

Located in the city of Stuttgart, our publishing house is looking for a candidate interested in pursuing a career in journalism focussing on sailing as a sport. This position would suit a recent sports graduate. Both marketing experience and IT skills are preferable but not essential as full training will be given. This is initially a two-year appointment, which might be converted into a permanent position.

**C. Assistant Museum Manager**

The successful candidate for this position will have several years' experience in visitor relations and be able to work independently, yet report to a superior periodically. The flexible 35-hour week will regularly require working at weekends and in the evening. Our museum has a commitment to an internal recruitment policy.

**D. Consultant for Executive Positions**

Suitable bilingual applicants with experience of working in a similar position at home and abroad for at least four years will enjoy the challenge of this new position. Excellent communication and presentation skills are essential. As compensation will be based on performance, the successful candidate will be expected to invest the necessary time to accomplish his/her assignments.

**Letter:**

1. A knowledge of languages is important for this job. \_\_\_\_\_
2. This job would not suit someone looking for a permanent position. \_\_\_\_\_
3. In this job you would have to work under more than one superior. \_\_\_\_\_
4. This company likes to promote people who already work for it. \_\_\_\_\_
5. Previous experience is not necessary for this job. \_\_\_\_\_
6. This job requires the skill of speaking to an audience. \_\_\_\_\_
7. This job is for someone of an advanced age. \_\_\_\_\_
8. This job might not be suitable if you were keen on a fixed salary. \_\_\_\_\_
9. The successful applicant must be prepared to work long hours in this job. \_\_\_\_\_

*Total points possible:18*

**Section B : 30**

**Section C: Essay**

*Write an opinion of at least 200 words on the following topic, paying attention that you use a variety of tenses and specialised economic expressions in propounding your ideas:*

“The present economic crisis has been ‘made in the USA’”. Do you agree with this viewpoint? Expound your views.

**Allocation of points :**

Structure :	/6
Ideas :	/6
Grammatical accuracy :	/6
Means of expression :	/6
Economic vocabulary :	/6

*Total points possible:30*

**Section C : 30**

**Total points :** \_\_\_\_\_ **= Grade** \_\_\_\_\_

**100**

## Key to exercises :

### Section A: Grammar

#### A. *Insert the correct tense*

- was/were = simple past tense (active)
- would plunge = conditional 1 simple tense (active)
- applies = simple present tense (active) or is applied = simple present tense (passive)
- need = simple present tense (active)
- set = simple past tense (active)
- is turned = simple present tense (passive)
- does it matter = simple present tense (active)
- has severely disrupted = present perfect simple tense (active)
- had = simple past tense (active)
- are forcing = present continuous tense (active)

#### B. *Complete the text below*

than / likely / while *or* whereas / that / who / some / though / since *or* as / to / those

#### C. *Derivatives*

- |                  |  |               |
|------------------|--|---------------|
| 1. significantly | 2. subsidised / subsidized             | 3. applicants |
| 4. unprofitable  | 5. undercapitalised / undercapitalized | 6. inadequate |
| 7. influential   | 8. advertisement                       | 9. obligation |
| 10. inefficiency |  |               |

#### D. *Read the text below about Eastern Europe*

- |      |      |      |      |       |
|------|------|------|------|-------|
| 1. B | 2. C | 3. D | 4. C | 5. A  |
| 6. B | 7. B | 8. C | 9. C | 10. C |

#### E. *Re-write each of the sentences*

1. It has been several years since we went to the USA / since we were in the USA.
2. Jason works much less efficiently than Mr Jones.
3. Profit maximisation/maximization is expected in the long run. / Profit is expected to be maximised/maximized in the long run.
4. If we had marketed our products better/well enough, sales would not have slumped.
5. The reason (why) our company lost its leading position was that it failed to innovate. / The reason for our company losing its leading position was that it failed to innovate. / The reason for our company losing its leading position was its failure to innovate.

### Section B: Reading Comprehension

#### A. *Read the following text about economic data relating to New Zealand*

- |      |      |      |      |      |      |
|------|------|------|------|------|------|
| 1. C | 2. D | 3. D | 4. B | 5. A | 6. D |
|------|------|------|------|------|------|

#### B. *Look at the advertisements outlining four job positions*

- |      |      |      |      |      |
|------|------|------|------|------|
| 1. D | 2. B | 3. A | 4. C | 5. B |
| 6. D | 7. A | 8. D | 9. D |      |

### Section C: Essay

Topic for the essay is different for every Qualifying Test

Pass mark: 50 out of 100 points = 4,0

