

# Contents

|   |    |
|---|----|
| <b>Introduction</b> . . . . .   | 11 |
| PART ONE  |    |
| A. Elements of Economics  |    |
| <b>1 Economic Systems and Economic Policy</b> . . . . .                       | 15 |
| <b>2 National Economy and National Income</b> . . . . .                       | 19 |
| <b>3 Production</b> . . . . .   | 23 |
| <b>4 Industry</b> . . . . .   | 28 |
| <b>5 Industrial and Business Management</b> . . . . .                         | 33 |
| 5.1 Forms of Business Undertakings . . . . .                                  | 33 |
| 5.2 Monopolies . . . . .  | 36 |
| 5.3 Organization of an Enterprise . . . . .                                   | 37 |
| 5.4 Management and Managerial Skill . . . . .                                 | 40 |
| 5.5 Data Collection in Business . . . . .                                     | 41 |
| B. Commerce   |    |
| <b>6 Structure of Commerce</b> . . . . .                                      | 45 |
| <b>7 Organization of Trade</b> . . . . .                                      | 48 |
| 7.1 Government Institutions . . . . .   | 48 |
| 7.2 Institutions Directly Engaged in Trading with Foreign Countries . . . . . | 49 |
| 7.3 Chambers of Commerce . . . . .  | 51 |
| 7.4 Banks . . . . .   | 52 |
| 7.5 Exchanges and Auctions . . . . .  | 54 |
| <b>8 Intermediaries in Trade</b> . . . . .                                    | 61 |
| <b>9 Market Research and Advertising</b> . . . . .                            | 70 |
| 9.1 Market Research . . . . .   | 70 |
| 9.2 Advertising . . . . .   | 70 |
| 9.3 Some Marketing Expressions . . . . .                                      | 73 |
| <b>10 Payment</b> . . . . .   | 77 |
| 10.1 Means of Payment . . . . .   | 77 |
| 10.1.1 Transfers — 10.1.2 Cheques — 10.1.3 Bills of Exchange                  |    |

|           |   |            |
|-----------|---|------------|
| 10.2      | Terms of Payment . . . . .  | 83         |
|           | 10.2.1 Payment in Advance — 10.2.2 Payment by a Letter of Credit — 10.2.3 Documents against Payment — 10.2.4 Payment after Delivery   |            |
| <b>11</b> | <b>Insurance . . . . .</b>  | <b>91</b>  |
| 11.1      | Czechoslovak Conditions for the Insurance of Consignments in International Transit . . . . .  | 92         |
| 11.2      | Insurance in Great Britain . . . . .  | 95         |
| 11.3      | Claims for Damages . . . . .  | 97         |
| <b>12</b> | <b>Transport . . . . .</b>  | <b>101</b> |
| 12.1      | Land, River and Air Transport . . . . .   | 101        |
| 12.2      | Sea Transport . . . . .   | 102        |
|           | 12.2.1 Organization of Sea Transport — 12.2.2 Ships, Ports and Cargoes; Parties Engaged in Sea Transport — 12.2.3 Documents in Sea Transport — 12.2.4 Documents of Title to Goods after Landing |            |
| 12.3      | Packing and Marking . . . . .   | 108        |
| <b>13</b> | <b>Arbitration . . . . .</b>  | <b>113</b> |
| 13.1      | The Arbitration Court of the Chamber of Commerce of Czechoslovakia . . . . .  | 115        |
| <b>14</b> | <b>Instruments of Czechoslovak Foreign Trade Policy . . . . .</b>   | <b>121</b> |
| 14.1      | Commercial Treaties . . . . .   | 121        |
| 14.2      | Trade Agreements . . . . .  | 122        |
| 14.3      | Payments, Clearing and Bank Agreements . . . . .  | 123        |
| 14.4      | Customs Tariff Agreements . . . . .   | 124        |
| 14.5      | Special Agreements and Arrangements . . . . .   | 126        |
|           | 14.5.1 Barter Agreements — 14.5.2 Re-exports and Switches   |            |
| <b>15</b> | <b>Multilateral Treaties and International Economic Institutions . . . . .</b>  | <b>131</b> |
| 15.1      | The United Nations (U.N.) . . . . .   | 131        |
| 15.2      | Council for Mutual Economic Assistance (C.M.E.A.) . . . . .   | 132        |
| 15.3      | The International Bank for Economic Co-operation (I.B.E.C.) . . . . .   | 133        |
| 15.4      | The International Bank for Investments (I.B.I.) . . . . .   | 134        |
| 15.5      | The General Agreement on Tariffs and Trade (G.A.T.T.) . . . . .   | 134        |
| 15.6      | The European Economic Community (E.E.C.) . . . . .  | 135        |
| 15.7      | The International Monetary Fund (I.M.F.) . . . . .  | 136        |
| 15.8      | The International Bank for Reconstruction and Development (World Bank) . . . . .  | 136        |

PART TWO

Commercial Correspondence

|           |  |            |
|-----------|--|------------|
| <b>16</b> | <b>Business Letters . . . . .</b>  | <b>142</b> |
| 16.1      | Lay-out of the Letter . . . . .  | 142        |
| 16.2      | The Construction of a Business Letter . . . . .  | 142        |
|           | 16.2.1 The Heading — 16.2.2 The Inside Address — 16.2.3 The Greeting — 16.2.4 The Body of the Letter — 16.2.5 The Complimentary Close — 16.2.6 The Signature — 16.2.7 Postscript, Enclosures, Copies |            |
| 6 16.3    | The Envelope . . . . .   | 150        |

|           |   |            |
|-----------|---|------------|
| 16.4      | The Style of Business Letters . . . . .   | 151        |
| 16.4.1    | General Principles — 16.4.2 Stylistic Tendencies in Business Letters                  |            |
| 16.5      | English of Commerce . . . . .   | 153        |
| 16.6      | Varieties of English . . . . .  | 155        |
| 16.7      | Punctuation . . . . .   | 157        |
| 16.8      | Capitalization of Words . . . . .   | 158        |
| 16.9      | Division of Words . . . . .   | 158        |
| <b>17</b> | <b>Telecommunication in Business . . . . .</b>  | <b>161</b> |
| 17.1      | Telegrams . . . . .   | 161        |
| 17.2      | Telex Service . . . . .   | 165        |
| 17.3      | Coded Messages . . . . .  | 166        |
| 17.4      | Telephone Calls . . . . .   | 167        |
| <b>18</b> | <b>A Simple Business Transaction (Import of a Forging Machine)</b>                    | <b>171</b> |
| 18.1      | Enquiry . . . . .   | 171        |
| 18.2      | Offer . . . . .   | 172        |
| 18.3      | Reply to Preceding Letter . . . . .   | 172        |
| 18.4      | Accompanying Letter to Order . . . . .  | 173        |
| 18.5      | Confirmation of Order . . . . .   | 174        |
| 18.6      | Telex Message Saying that the Machine Is Ready for Dispatch . . . . .                 | 174        |
| 18.7      | Advice of Dispatch . . . . .  | 174        |
| 18.8      | Phrases that Appear in the Majority of Business Letters . . . . .                     | 175        |
| <b>19</b> | <b>Enquiries and General Replies to Them . . . . .</b>                                | <b>179</b> |
| 19.1      | Enquiries . . . . .   | 179        |
| 19.2      | Replies to Enquiries . . . . .  | 181        |
| <b>20</b> | <b>Offers . . . . .</b>   | <b>191</b> |
| 20.1      | Solicited Offers . . . . .  | 192        |
| 20.2      | Unsolicited Offers . . . . .  | 193        |
| 20.3      | Follow-Up Letters . . . . .   | 195        |
| 20.4      | Replies to Offers . . . . .   | 196        |
| <b>21</b> | <b>Orders and Their Confirmation . . . . .</b>  | <b>210</b> |
| 21.1      | Placing of Orders . . . . .   | 210        |
| 21.2      | Trade and Bank References . . . . .   | 211        |
| 21.3      | Confirmation of Orders . . . . .  | 212        |
| 21.4      | Modification, Refusal and Cancellation of Orders . . . . .                            | 213        |
| <b>22</b> | <b>Execution of Orders . . . . .</b>  | <b>223</b> |
| 22.1      | Advice of Dispatch . . . . .  | 223        |
| 22.2      | Shipping Documents . . . . .  | 224        |
| <b>23</b> | <b>Non-Fulfilment of the Contract . . . . .</b>                                       | <b>232</b> |
| 23.1      | Complaints . . . . .  | 232        |
| 23.2      | Adjustment . . . . .  | 238        |
| 23.3      | Reminders . . . . .   | 243        |
| <b>24</b> | <b>Correspondence Concerning Payment, Transport, Insurance and Agencies . . . . .</b> | <b>250</b> |
| 24.1      | Payment . . . . .   | 250        |
| 24.2      | Transport . . . . .   | 254        |

|           |   |            |
|-----------|---|------------|
| 24.3      | Insurance . . . . .                             | 257        |
| 24.4      | Correspondence with Agents . . . . .            | 260        |
| <b>25</b> | <b>Miscellaneous Letters . . . . .</b>          | <b>267</b> |
| <b>26</b> | <b>Import and Export Transactions . . . . .</b> | <b>274</b> |
| 26.1      | Import of Polythene Film . . . . .              | 274        |
| 26.2      | Export of Chatons . . . . .                     | 275        |
| 26.3      | Import of Ferromanganese . . . . .              | 276        |
| 26.4      | Export of Excavators . . . . .                  | 277        |

### PART THREE

#### Business Conversations

|     |  |     |
|-----|--|-----|
| 1:  | <i>An Offer</i> . . . . .                            | 281 |
| 2:  | <i>Request for Shorter Delivery Time</i> . . . . .   | 282 |
| 3:  | <i>A Talk about Sales Campaign</i> . . . . .         | 283 |
| 4:  | <i>At the Liberec Fair</i> . . . . .                 | 285 |
| 5:  | <i>A Talk with an Agent</i> . . . . .                | 286 |
| 6:  | <i>Another Talk with an Agent</i> . . . . .          | 288 |
| 7:  | <i>A Talk about Exports and Imports</i> . . . . .    | 290 |
| 8:  | <i>Offer of Further Business</i> . . . . .           | 291 |
| 9:  | <i>Conversation about Terms of Payment</i> . . . . . | 293 |
| 10: | <i>A Complaint</i> . . . . .                         | 295 |

### PART FOUR

#### Reading Texts

|  |  |     |
|--|--|-----|
|  | <i>Manners Makyth Management</i> . . . . .                           | 305 |
|  | <i>New Technology Is Essential for Industrial Survival</i> . . . . . | 306 |
|  | <i>Most New Products Die Young</i> . . . . .                         | 308 |
|  | <i>Frequency of Exporters' Visits to Agents</i> . . . . .            | 309 |
|  | <i>Factoring Aids Cash Flow</i> . . . . .                            | 311 |
|  | <i>Towards the Cashless, Chequeless Society</i> . . . . .            | 312 |
|  | <i>The Euro-Currency Market</i> . . . . .                            | 314 |
|  | <i>Banking Mergers Should Lower Costs</i> . . . . .                  | 315 |
|  | <i>Packaging Needs to Be Protective and Presentable</i> . . . . .    | 317 |
|  | <i>Livestock — Handle with Care</i> . . . . .                        | 319 |
|  | <i>Barges that Cross the Ocean</i> . . . . .                         | 320 |
|  | <i>Tramp Shipping Freights Likely to Fall Further</i> . . . . .      | 321 |
|  | <i>Growth in Supermarket Services</i> . . . . .                      | 322 |
|  | <i>Designing for the Future</i> . . . . .                            | 323 |
|  | <i>Shop Windows for British Industries</i> . . . . .                 | 325 |
|  | <i>Cutting Distribution Costs</i> . . . . .                          | 326 |
|  | <i>Researching the Market</i> . . . . .                              | 328 |
|  | <i>Careers in Computers</i> . . . . .                                | 330 |
|  | <i>Translation Problems</i> . . . . .                                | 332 |
|  | <i>Five-Point Plan to Beat World Hunger</i> . . . . .                | 334 |
|  | <i>New Zealand's Plans for the Future</i> . . . . .                  | 335 |
|  | <i>Commodity Market Reports</i> . . . . .                            | 337 |
|  | <i>Nickel Users Discuss Supply Crisis</i> . . . . .                  | 338 |
|  | <i>The Rubber Boom</i> . . . . .                                     | 339 |
|  | <i>International Wheat Market</i> . . . . .                          | 340 |
|  | <i>General Terms of Sale and Delivery</i> . . . . .                  | 342 |

APPENDIX

|   |     |
|---|-----|
| <i>English-Czech Vocabulary</i> . . . . .                 | 347 |
| <i>Czech-English Vocabulary</i> . . . . .                 | 390 |
| <i>Abbreviations and Initials in Common Use</i> . . . . . | 402 |
| <i>Tables of Weights and Measures</i> . . . . .           | 406 |
| <i>Foreign Currencies</i> . . . . .                       | 409 |
| <i>Bibliography</i> . . . . .                             | 411 |