

BEN 21 - The Road Ahead for 2013

Discussion Questions

1. Was 2012 better or worse than you had expected or hoped? Why?
2. Do you think that governments and businesses are doing enough to solve the current economic and social problems that exist? Explain.
3. Create a list of what you predict will be the top 5 products, industries, and sectors for your country for 2013, and explain your choices.

Transcript

As the world **rang in** 2013, many analysts and commentators feel that it's time to pull out the **crystal ball** and try to determine what's **in store** in the coming 12 months. As the **OECD** Secretary-General Angel Gurría explains, there's still a lot of **work to do**:

The world economy is far from being **out of the woods**. The US '**debt ceiling** debate', if it **materializes**, could **tip** an already weak economy into recession, while failure to solve the euro area crisis could lead to a major **financial shock** and global **downturn**. Governments must act **decisively**, using all the tools at their **disposal** to turn confidence around and **boost** growth and jobs.

With global economic growth expected to expand at a **modest** 2.4% this year and 3.2% in 2014, the **prospects** for the next two years continue to be challenging, filled with major **uncertainties** and risks **slanted** toward the **downturn**. According to a recent UN report:

"Weaknesses in the major **developed economies** are **at the root of** the global economic slowdown. Most of them, but particularly those in Europe, are **trapped** in a **vicious cycle** of high unemployment, financial sector **fragility**, heightened **sovereign risks**, **fiscal austerity**, and **low growth**."

The outlook for the **up-and-coming** markets is **a fair bit** brighter, however, as they seem to have entered a period of partnership. As Business Insider notes, we'll soon see Chinese and Brazilian brands selling to the **middle classes** in Turkey, India or South Africa.

While the last two decades were about developed markets **catering to** emerging ones, and **emerging markets** increasingly catering to developed ones; now get ready for an **explosion** in products and services *from* emerging markets *for* emerging markets.

In Europe, **tough times** are sure to continue if unemployment isn't **brought in to check** soon. As the Huffington Post suggests, with an unemployment rate of nearly 12%, or 26M people, EU governments have their **work cut out for them**:

The figures illustrate the **daunting** tasks **confronting** European Union officials. While the threat of a **collapse** of the Eurozone due to too much government debt may have **receded**, the economies in many EU countries **stubbornly** refuse to expand and **joblessness** continues to rise, creating **social instability**.

Despite the **gloomy** financial numbers elsewhere, it's **sunny days ahead** for the global smartphone makers as consumers are actually spending more to **acquire** higher-end devices. As Forbes reports, roughly 786 million smartphones were sold last year, and China's **insatiable** need for Android, not Apple, is the reason why:

China is **by far** the fastest-growing smartphone market with **a year-on-year** growth of 85 percent in 2012, and this growth is being driven by the demand for Android phones. You won't see people **camping out** for them, or singing funny songs **hailing** their creator, but that's **beside the point**.

Moving from tech to energy, 2013 should also see a **drop** in oil prices, though **forecasters** warn that it's impossible to **predict** events – such as **tensions** in the Middle East – that caused gasoline prices to **spike** in 2011 and 2012. From the Huffington Post:

Gas prices **set records** each of the past two years for a few reasons. Global demand has risen as the developing economies **burn** more gasoline, diesel, and jet fuel. At the same time, **unrest** in the Middle East has **sparked fears** of widespread supply **disruptions** in a region that produces a quarter of the world's oil.

Perhaps the economic **dark horse** of 2013 will be Canada, and their hopes for building the Keystone and Northern Gateway **pipelines** to transport oil to the US and Asia. Though **hopes were dashed** in 2012, Federal Resources Minister Joe Oliver tells Post Media the **smell of money** may be too much for many to **resist**:

"I am still **of the belief** that we can get this done, on the **assumption**, of course, that it **passes regulatory muster**. If the conclusion is this project can be safe for Canadians and safe for the environment, that will **go a long way** in respect to people who are **open-minded** to the facts."

Although there's no way to know for sure **what the future holds**, with a bit of luck, some hard work, and **common sense**, 2013 will hopefully be a year of **accomplishments** for us all. Perhaps Abraham Lincoln summarized it best when he declared:

The best way to predict the future is to create it yourself.

Vocabulary

To Ring in: To begin, start, or open; "The decrease in production costs are allowing developing countries to ring in a new era of communication."

Crystal ball: A solid globe of glass or rock crystal, used by fortune-tellers.

To be in store: What will happen or occur; "When we arrived at the meeting, none of us knew what would be in store for the next quarter."

OECD: The Organization for Economic Co-operation and Developments is an international economic organization founded in 1961 to stimulate economic progress and world trade.

(A lot of) work to do: Work that needs to be completed or finished.

To be out of the woods: To be safe or no longer at risk; "After the accident, the doctors said it could be 2 weeks before Lance was out of the woods."

Debt ceiling: A limit set by Congress beyond which the national debt cannot rise; also known as the 'debt limit'.

To materialize: To cause to become real or actual; "Although she was optimistic for job opportunities in 2012, nothing significant ever materialized."

To tip: To push or knock over, overturn or topple; "While Mark was walking through the office corridor, he accidentally tipped over the water cooler."

Financial shock: An event that can cause a sudden, drastic change in the economy.

Downturn: The transition of an economy from growth to contraction, also known as a peak of economic activity; "Apple's recent downturn is because of weaker than expected iPhone 5 sales in China."

Decisively: Acting in a way that is with the power or quality of deciding; "If we had acted earlier and more decisively we wouldn't have this problem."

At one's disposal: Available for one to use whenever or however one wishes; "A helicopter was at their disposal for transporting equipment to the oil site."

To boost: To cause to increase rapidly; "Fabrizio's promotion boosted his confidence at work significantly."

Modest: Moderate or limited in size, quantity, or range; not extreme; "Although they have a modest income, they've saved a lot of money over the years."

Prospect: A vision of the future, what is foreseen or expected; "Shannon was excited at the prospect of living in London."

Uncertainty: The condition of being uncertain or having doubt; "Nick Clegg says that the debate over our EU membership creates uncertainty and destabilizes the economy."

To slant: To present so as to show a particular bias or appeal to a certain audience; "The story was slanted in favor of the strikers."

Downside: A negative aspect of something that is generally positive; "The downside to being an ESL teacher is that they generally live very far away from their families."

Developed economies /Developing economies: Based on different criteria determined by international groups such as the IMF, developed and developing economies have generally lower GDP, and access to (and quality of) health care and education than developed economies.

At the root of: The essential, fundamental, or primary part of something; "Your analysis strikes at the root of the problem."

To be trapped in a vicious cycle: To be stuck in a situation in which the solution to one problem creates a new problem and increases the difficulty of solving the original problem.

Fragility: Easily broken or damaged, weak; "Though medicine today can do amazing things, we must not forget about the fragility of life."

Sovereign risks: Probability that the government of a country will refuse to follow with the terms of a loan agreement.

Fiscal austerity: A financial program in which a government drastically reduces spending and/or increases taxes or other revenue sources during a period when their deficit and/or national debt become unsustainable.

Low growth: Weak, slow, or inadequate economic growth.

Up-and-coming: Showing signs of advancement and ambitious development; "Among his colleagues, he's considered an up-and-coming employee, and will probably get a management position soon."

A fair bit: Quite a lot; "I've been fortunate to have been able to do a fair bit of traveling in the last 8 years."

Middle class: The socioeconomic group between the working class and the upper class, usually including professionals, highly skilled laborers, and lower and middle management; "Some economists suggest that if the government doesn't change their policies, the middle class will disappear completely."

To cater (to): To provide what is required or desired; "Alfred's job is to cater to all of the needs of Bruce Wayne."

Emerging markets: Used to refer to growing markets in developing countries that are becoming more important, or prominent; "Emerging markets now account for 35% of all sales."

Explosion: A sudden, great increase; "An explosion in the population of teachers in Madrid has led to a decrease in the average wage."

Tough times: A period that offers difficulties, such as when there is not enough food, money, or work; "We went through tough times when Reiko was out of work, but now everything is improving."

To be brought in to check: To bring something under control.

To have one's work cut out for them: have a difficult task to do or a challenging situation to face; "Chad left this report to the last minute, so now he has his work cut out for him to get it done before the deadline."

Daunting: Intimidating or discouraging; "Valentina was given the daunting task of becoming the CEO's new secretary."

To confront: Face or deal with a difficult problem, person, or situation; "The only way to confront your fear of public speaking is to practice as much as possible."

Collapse: Failure or breakdown of a company or system; "With digital media so common now, the collapse of (music company) HMV should not be a surprise."

To recede: To move back, diminish, or decline; "After most of New York was flooded with water, it took nearly a week for the water to recede completely."

Stubbornly: Acting in a way that is very difficult to change, control, or defeat; "After losing his job, Jameel stubbornly refused to say goodbye to his co-workers."

Joblessness: The state of being without a job; "One of the biggest problems facing the global economy today is how to deal with joblessness."

Social instability: A volatile or uncertain state among a group, or within a nation.

Gloomy: Unfavorable, pessimistic, or bad; "The gloomy summer weather has decreased the number of tourists who want to go to the sea."

Sunny days ahead: An optimistic future, outlook, or forecast.

To acquire: To purchase, obtain, or learn; "While living overseas, Jerrica has acquired a fluency in 3 more languages."

Insatiable need: Impossible to satisfy, limitless; "Wall Street's insatiable need for money was a factor in the economic crisis."

By far: To the most extreme or evident degree; "Ken is by far the best boss I've ever had."

Year-on-year: The measure of performance in one year compared to the previous year.

To camp out: To sleep outside, or wait; "The 3 of us camped out in front of the shopping center the night before the sales started."

To hail: To say publicly how good or important someone or something is; "The court's decision was hailed as a victory for freedom of speech."

Beside the point: Not relevant or important to the subject you are discussing.

Drop: Decrease or fall; "The drop in students applying for university is a signal that many families don't have enough money for tuition fees."

Forecaster: A person who forecasts, predicts, or projects.

To predict: Say or estimate that a specified thing will happen in the future or will be a consequence of something; "Mayan philosophers incorrectly predicted the world would end on Dec. 21, 2012."

Tensions: Situation or condition of hostility, suspense, or uneasiness; "You could almost feel the tension in the room when the CFO was explaining the poor results from the previous year."

To spike: A sudden, short-term change in the price of something that just as suddenly returns close to its previous level; "The spike in unemployment across Europe has caused many people to cut back on their expenses."

To set records: The top result in a particular activity; "The warm weather in Alberta, Canada last week set temperature records across the province."

To burn: In this context: to use or use quickly; "I couldn't believe how expensive Oslo was; I burned through all of my money in the first two days!"

Unrest: Conflict, turmoil, or fighting.

To spark fears: To cause a person or a group to be afraid or worried.

Disruptions: A problem or actions that interrupts something and prevents it from continuing; "The train strike in Italy last month caused a lot of disruptions for the entire country."

Dark horse: One who achieves unexpected support and success.

Pipeline: A system that transports information or materials (such as gas, water, or oil).

To have one's hopes dashed: To ruin someone's hopes or to put an end to someone's dreams or aspirations; "The university dashed my hopes when they didn't give me the job."

The smell of money: The idea, prospect, or thought of gaining (a lot of) money.

To resist: To ignore or not consider; "Our company has resisted hiring additional staff because we're still trying to save as much money as possible."

To be of the belief (that): To feel or think; hold the belief that.

Assumption: Something that is accepted as true or certain to happen, without proof: "They made certain assumptions about the market, which turned out to be wrong."

To pass (regulatory) muster: To be judged or determined to be acceptable.

To go a long way: To be very helpful in achieving something; "The flood insurance went a long way toward repairing all the water damage."

Open-minded: Receptive to new and different ideas or the opinions of others.

(To know) What the future holds: What will happen in the future.

Common sense: Good judgment not based on specialized knowledge; "The decision to control gun violence, while controversial, is just plain common sense."

Accomplishment: Achievement or success; "It's a huge accomplishment for someone so young to be a manager."

Language Review

A. Collocations

Match words from each column to make collocations found in the article.

1. Sovereign	a. Cycle	
2. To spark	b. Economies	
3. Social	c. Ceiling	
4. Vicious	d. Out	
5. To pass	e. Markets	
6. Developed	f. Instability	
7. Fiscal	g. Fears	
8. Debt	h. Muster	
9. To camp	i. Risk	
10. Emerging	j. Austerity	

B. Vocabulary Quiz

1. According to the article, which of the following could have the greatest effect on the global economy in 2013?
 - a. Debt Ceiling debate
 - b. Android sales
 - c. Oil development
 - d. Economic growth
2. According to the article, which mobile phone operating system is the reason for the increase in smartphone sales in China?
 - a. Apple
 - b. Blackberry
 - c. Android
 - d. Windows
3. The title of the official anthem to the President of the United States is "_____ to _____ the _____ Chief.":
 - a. Collapse
 - b. Hail
 - c. Cater
 - d. Drop
4. Another way to say; "It was **by far** the best meal I've ever eaten!" is:
 - a. Hands down
 - b. Without question
 - c. Easily
 - d. All of the above

5. "I'm so _____ right now! I just had a huge _____ with the accounting department!"
- Tense/confrontation
 - Dropped/gloom
 - Stubborn/downside
 - Fragile/dispose
6. "I'm sorry to _____, but the next iPhone will probably be the 5S, not the 6."
- Get caught up
 - Set the record straight
 - Dash your hopes
 - Bring _____ you _____ into _____ check
7. "Well, the _____ of losing your job is now you'll have time to go back to school..."
- Indecisive
 - Prediction
 - Upside
 - Materials
8. "I've always been of the opinion that one should never make _____ about who you do business with; you may be surprised."
- Upturns
 - Emergence
 - Lower class
 - Assumptions
9. "He's really trying to _____ the trap that a lot of new business owners fall in to; which is trying to get too big too quickly."
- Drop
 - Avoid
 - Explode
 - Grow
10. "Let me give you a _____"
- Tip
 - Piece of advice
 - Suggestion
 - All of the above

Answers

A.

1. Sovereign Risk
2. To spark Fears
3. Social Instability
4. Vicious Cycle
5. To pass Muster
6. Developed Economies
7. Fiscal Austerity
8. Debt Ceiling
9. To camp Out
10. Emerging Markets

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

Online Practice

Click the "Launch" button to open the **online practice:**

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