

Government regulation

Sarah Brown is the compliance officer at a large US bank with subsidiaries in major financial centres: she has to make sure that everybody obeys government regulation and follows internal procedures.

“The financial services industry was deregulated in the 1980s; lots of government controls were removed to make the market freer and more efficient. But a lot of regulations still exist. We’re still regulated and supervised by government agencies. For example, in Britain there’s Financial Services Authority (FSA), and in the United States there’s the Federal Reserve (Fed) and the Securities and Exchange Commission (SEC).

The Fed supervises banks, and the SEC tries to protect investors by requiring full disclosure: it makes sure that public companies make all significant financial information available. And it tries to prevent fraudulent or illegal practices in the securities markets, such as companies artificially raising their stock price by using dishonest accounting methods or issuing false information.”



Ex. 1 Find in the text the words or expressions which mean the following:

1. główne centra finansowe
2. wewnętrzne procedury
3. agencje rządowe
4. pełne ujawnienie
5. istotne informacje
6. nielegalne praktyki
7. rynki papierów wartościowych
8. nieuczciwe metody

Ex. 2 Complete the expressions with missing verbs as in the text:

1. to o_____ regulation
2. to d_____ financial industry
3. to r_____ controls
4. to s_____ banks
5. to p_____ investors
6. to r_____ full disclosure
7. to p_____ illegal practices
8. to r_____ stock price

I know English idioms!

This lesson's reading text discusses the topic of government regulation, in other words how the government controls the financial industry. When we talk about controlling or supervising someone we may use such an idiom – proverb: "When the cat is away, the mice will play", which can be easily translated as "Gdy kota nie ma, myszy harczą". 😊

Isn't it true that some regulation is really necessary?

Grammar corner...

Let's have a look at these sentences from the text:

- The financial services industry was deregulated in the 1980s
- lots of government controls were removed
- We're still regulated and supervised by government agencies.

The underlined fragments are examples of the passive voice. As can be seen on the basis of these examples, the passive voice can be used in a variety of tenses. Today let's have a look at the past aspect.

Ex. 3 Say these sentences in English using the passive voice correctly:

1. *Naszą firmę założono (establish) w 1990.*
2. *W 2000 została kupiona przez głównego konkurenta.*
3. *Wiele osób zostało zwolnionych (fire).*
4. *Nie poinformowano nas o wczorajszym zebraniu.*
5. *Rekrutację (recruitment) zakończono (terminate) tydzień temu.*

GLOSSARY	
government	rząd
compliance	zgodność (z przepisami)
subsidiary	spółka zależna
financial centre	centrum finansowe
to obey / to follow	przestrzegać
internal	wewnętrzny
procedure	procedura
financial services	usługi finansowe
industry	przemysł, tu: branża
to remove	usunąć
efficient	wydajny
to exist	istnieć
to supervise	nadzorować
agency	agencja
to protect	chronić
to require	wymagać
disclosure	ujawnienie
significant	istotny, znaczący
available	dostępny
to prevent	zapobiegać
fraudulent	oszukańczy
illegal	nielegalny
practices	praktyki
securities	papiery wartościowe
artificially	sztucznie
to raise	podnosić
stock price	cena akcji
dishonest	nieuczciwy
accounting	odnoszący się do księgowości
false	fałszywy

ANSWER KEY:

Ex.1

1. major financial centre
2. internal procedures
3. government agencies
4. full disclosure
5. significant information
6. illegal practices
7. securities markets
8. dishonest methods

Ex. 2

9. to obey regulation
10. to deregulate financial industry
11. to remove controls
12. to supervise banks
13. to protect investors
14. to require full disclosure
15. to prevent illegal practices
16. to raise stock price

Ex. 3

1. Our company was established in 1990.
2. It was bought by the main competitor in 2000.
3. A lot of people were fired.
4. We were not informed about the yesterday's meeting.
5. The recruitment was terminated last week.

