

## Money, money, money

**Level:** Intermediate upwards

**Timing:** 90 minutes plus

**Material needed:** One copy of the student worksheets and Vocabulary record per student

**Group size:** Any

### Overview

This lesson plan for both pre-experience and in-work business students is based around an original article first published in *Business Spotlight* Issue 5/2013. The article is about money and how attitudes to money differ between cultures and countries. It looks at why some banking and payment methods are more popular in some countries than in others and the reasons for this.

The tasks in the worksheets check the students' understanding of the article and the language used, and also provide extra reading.

The teacher's notes provide suggestions for teaching and learning strategies as well as ideas on how to present the tasks in the classroom, any necessary answer keys, and extension tasks (for in class or as homework).

### Lead-in

These questions introduce the topic of money and payment methods. As some students will feel comfortable talking about these questions and others will not, the suggestion is to have the students contemplate their own answers to both questions, but only discuss their answers to question 1 with each other. If you have a multi-cultural class, you could also touch on the topic of how attitudes towards means of payment differ in the students' respective countries.

### Key words

Put the students in pairs and give them a letter, A or B. Student As should try to find the key words that match the definitions 1-8 and Student Bs should do the same with definitions 9-16. When they have finished, they should share their answers with each other.

Stronger students could discuss what the key words could be before looking for them in the article.

To extend this task, ask students to decide which of these key words are specifically 'financial' words.

### Key a:

1. corruption; 2. tendency; 3. micro-financing; 4. revolutionized; 5. breadwinner; 6. prevalent; 7. risky; 8. yield; 9. inflation; 10. intermediary; 11. mortgage; 12. instalments; 13. transaction; 14. taboo; 15. wealth; 16. modesty

### Key b:

micro-financing; breadwinner; inflation; mortgage; transaction; wealth; yield; instalments

### Teaching and learning strategy: ESP vocabulary

By answering Task 2, question b, students should start to think about how the type of text influences the choice of vocabulary. Unless they work in the financial sector, they probably don't use these words on a daily basis.

Finance is a very important ESP (English for Specific Purposes) topic and there are many books and even specific online dictionaries on the subject.

You can find many further financial English resources by typing *finance* into the search box on [www.onestopenglish.com](http://www.onestopenglish.com).

### Understanding the article

The students should answer the questions with information from the article. The questions are *not* asked in the order that the information appears in the article.

### Key:

1. when interest rates are low and inflation is high (para 4); 2. in the US and the UK (para 2); 3. in many parts of Africa and India; because they previously had to rely on ineffectual postal services but now mobile banking is instant and reliable (paras 3 and 9); 4. UK / Germany (para 3); 5. those involving alcohol, pork and gambling (para 11); 6. Russia and China (para 14); 7. France (para 13); 8. German / Russian (paras 6 and 8)

### Language

This is another two-part question in which students first match the words to make pairs from the article. They should find the word pairs in the article to check their answers and find out how they are used in context. They should then write ten questions about the article and the information it contains. Each question should contain one of the word pairs.

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The students could do this task in pairs and then give their questions to another pair to answer.

**Key:**

1. h; 2. d; 3. a; 4. c; 5. b; 6. j; 7. i; 8. f; 9. e; 10. g

### Discussion

These questions relate directly to the main reading text and allow students to share their personal opinions on the topic addressed in the article.

### Further reading

For students who have a higher level of English and / or a specific interest in the topic, this text provides some extra information on uncertainty avoidance.

### Vocabulary record

Here, students should be encouraged to record all of the new and useful vocabulary they have learned during the lesson, not only in the form presented in the article but also in related forms.

### Related topics on onestopenglish

For follow-up lessons on the same or related topics go to the following lesson plans in the Business section on onestopenglish:

Business Spotlight: Great expectations

<http://www.onestopenglish.com/business/business-spotlight/great-expectations/550766.article>

Business Spotlight: The Golden State?

<http://www.onestopenglish.com/business/business-spotlight/the-golden-state/551672.article>

You may also find topical and relevant *Guardian* news lessons here on onestopenglish:

<http://www.onestopenglish.com/skills/news-lessons/>

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### 1 Lead-in

Answer the questions in the box below and then discuss your answers to question 1 with a partner. Talk about which of these methods of payment you have used in the last week.

### What do you do with your money?

1. In which situations do you use the following means of payment?

- a. cash
- b. debit or credit card
- c. cheque
- d. bank transfer
- e. PayPal
- f. money transfer via mobile phone

2. How much of your money have you invested in the following?

- a. current account
- b. savings account
- c. government bonds
- d. shares
- e. property
- f. gold
- g. antiques and works of art

### 2 Key words

a. Read the definitions and find the key words in the article. The paragraph numbers are given to help you.

#### Student A

1. dishonest or illegal behavior by officials or people in positions of power, especially involving money \_\_\_\_\_ (para 1)
2. a strong chance that something will happen in a particular way \_\_\_\_\_ (para 2)
3. small loans and other financial services for people who are poor, and who cannot normally get these services from banks \_\_\_\_\_ (para 3)
4. completely changed the way that something is done, thought about or made \_\_\_\_\_ (para 3)
5. the person who earns the money to support their family \_\_\_\_\_ (para 3)
6. very common in a particular place or among a particular group \_\_\_\_\_ (para 4)
7. involving the possibility of danger, uncertainty or failure \_\_\_\_\_ (para 4)
8. an amount of something that is produced (in this case, profit or return on investment) \_\_\_\_\_ (para 4)

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### Student B

9. an economic process in which prices increase so that money becomes less valuable  
\_\_\_\_\_ (para 4)
10. someone who talks to each of the people or groups involved in something, usually passing information from one to the other \_\_\_\_\_ (para 10)
11. a legal agreement in which you borrow money from a bank in order to buy a property  
\_\_\_\_\_ (para 11)
12. several payments that an amount is divided into, so that you do not have to pay the whole amount at one time \_\_\_\_\_ (para 11)
13. the process or activity of doing something, usually something related to business or finance  
\_\_\_\_\_ (para 11)
14. something that people don't do or talk about because it is offensive or shocking  
\_\_\_\_\_ (para 12)
15. a large amount of money and other valuable things \_\_\_\_\_ (para 14)
16. the tendency not to talk about yourself, your achievements, your finance or your abilities even if you are successful \_\_\_\_\_ (para 14)

### b. How many of the key words are 'financial' words?

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## Money, money, money

### Money, money, money

by Robert Gibson



Attitudes to money, assets and wealth vary from culture to culture. On top of this, personal attitudes of whether to take risks also play a deciding role in how we handle our finances, as Robert Gibson explains.

What you do with your savings is also influenced by your attitude to risk. This varies according to your personal preferences and to the general attitudes prevalent in the society in which you live. If you are in an environment where uncertainty avoidance (see Task 6) is high, you are more likely to avoid risky investments. On the other hand, if uncertainty avoidance is low, you may prefer high-risk investments with potential for higher yields. The economic context in which you operate will also be important. If there is high inflation and interest rates are low, you may prefer to invest in property, gold or works of art.

### Digital payment

The consumer research group Eye Square has investigated the factors that influence the acceptance of digital payment systems across the globe. They have identified three main factors: culture, institutions and technology. Cultural factors include people's attitudes to trust and the level of corruption in a society. To use the system, people need access to the relevant financial institutions. Technological factors include the degree of internet and mobile phone usage and the costs and availability of digital payment systems.

### Talking openly about money is a taboo in some cultures but acceptable in others

According to the research, Germans tend to use cash in restaurants and pay for online services by invoice or Pay-Pal. Germany is a high uncertainty-avoidance culture, with a relatively low level of trust in the financial sector and in technology. Cash is readily available because of the large number of branches of banks and ATMs.

Americans, with lower uncertainty avoidance, tend to have greater trust in and acceptance of new technology and the financial sector. They may well use credit cards even for small purchases, like a cup of coffee. Payments using online apps are also popular.

Russia is characterized by high levels of corruption and high uncertainty avoidance. Especially after the financial crises of recent years, there is little confidence in banks. Many people keep considerable amounts of cash at home.

- 1 With increasing globalization, you might expect that attitudes to money and financial services are becoming more standardized across the world. In fact, a person's cultural background still has a striking effect on how they use money and on how banking works. Basic attitudes about uncertainty and taking risks, as well as religious beliefs and the level of corruption perceived in a society, all influence our relationship to money.
- 2 How you answered the questions (see Task 1) is obviously a matter of personal preference, but there are also tendencies within cultures. In Britain and the US, credit cards are widely used in restaurants and even for paying small amounts in shops. Their acceptance is more limited in Germany, where it is, for instance, best to check whether a taxi driver will accept your credit card before getting into his cab.
- 3 While cheques are still a popular means of payment for goods and services in Britain, bank transfers are the norm in Germany. ATMs are now prevalent in Germany but were slow to take off when introduced. In Ghana, Susu collectors provided micro-financing long before the term was dreamed of. Men with coats of many pockets collected and looked after people's money. Today, in many parts of Africa and India, mobile-phone technology has revolutionized the way that people are able to transfer money. Breadwinners working in towns traditionally had to use inefficient postal services to send money to their families in rural areas. Now, they can transfer the money via mobile phone instantly and reliably.

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Image: Fuse

Cash is used widely for payment, and even if goods are ordered on the internet, they may be paid for in cash in a personal meeting.

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Kenya is an example of an African country where there are few bank branches and ATMs per capita. For this reason, banking by mobile phone using M-Pesa is very popular. (*M* stands for *mobile* and *pesa* is Swahili for *money*.) This system allows users with a national ID card or passport to deposit, withdraw or transfer funds using a mobile device.

### Religion and money

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Religion can also influence attitudes to money. For example, Islamic Sharia law prohibits the acceptance or payment of interest on loans. Islamic banking is based on the principle of risk-sharing and safe-keeping. Interest is not charged but clients share losses and profits with the bank. The bank acts as an intermediary.

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If, for instance, someone needs a mortgage to buy a house, the bank may buy the property and then resell it to the

buyer, who pays the bank in instalments. Transactions must be ethically acceptable and not involve alcohol, pork or gambling.

### Talking about money

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All cultures have topics that are taboo for conversation with business partners and reserved for family members or friends. For instance, in many business situations, it may be best to avoid talking about politics or private matters.

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In France, many people consider it poor taste to talk about financial topics like your salary, how much tax you pay or the cost of your holiday. Some commentators say that this has origins in French history, with money being a topic for the common people and bourgeoisie but not for nobles. In the US, on the other hand, many people find it acceptable to talk about money. This attitude may be explained by the fact that wealth is often seen as a sign of hard work, a positive value according to the Protestant work ethic.

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There are also considerable differences in how acceptable it is to display one's wealth. In some cultures, modesty is a positive value, while in others, it is seen as good to show what you have. This is a tendency in Russia and China, both high power distance cultures, in which status symbols are often important.

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### 3 Understanding the article

Answer the questions with information from the article.

- When might it be a good idea to invest in property, art or gold?
- Where are credit cards widely used, even for small sums of money?
- Where do people generally do their banking via mobile-phone technology? Why do they prefer this method?
- Which country prefers cheques and which prefers bank transfers?
- What kind of transactions are forbidden in countries that operate under Islamic Sharia law?
- In which countries is it considered more acceptable to display wealth?
- Where is it considered unacceptable to talk about your income and wealth?
- Which cultures prefer to avoid uncertainty?

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### 4 Language

a. Match the words to make word pairs from the article.

- |                 |               |
|-----------------|---------------|
| 1. striking     | a. beliefs    |
| 2. basic        | b. rates      |
| 3. religious    | c. preference |
| 4. personal     | d. attitudes  |
| 5. interest     | e. taste      |
| 6. online       | f. acceptable |
| 7. considerable | g. symbols    |
| 8. ethically    | h. effect     |
| 9. poor         | i. amounts    |
| 10. status      | j. apps       |

b. Make ten questions about the article which include the word pairs.

e.g. *How do religious beliefs affect people's attitudes to money?*

### 5 Discussion

a. Read the text below.

Is it appropriate to give money as a present? This is often a controversial topic, as doing so can be seen as impersonal and unimaginative. Many people prefer to give a gift voucher instead. In China, however, parents and close friends give children money in a red envelope to celebrate Chinese New Year.

Discuss the question *Is it appropriate to give money as a present?* with a partner. Have you ever given money as a present? If so, was it in cash, a cheque, a voucher, etc.? Why did you choose this form of gift?

b. Read the following excerpt from the article.

... in many business situations, it may be best to avoid talking about politics or private matters.

- What topics do you consider to be taboo in business situations?
- How would you react if someone asked you how much you earned?

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### 6 Further reading

#### Key concepts **Uncertainty avoidance**

Geert Hofstede, an intercultural expert from the Netherlands, defines uncertainty avoidance as “the extent to which members of a culture feel threatened by ambiguous or unknown situations”. In his research, he found that Britain and the US had relatively low levels of uncertainty avoidance, and Switzerland, Germany and Austria higher uncertainty avoidance. Here are some of the features of cultures with low and high uncertainty avoidance, as described by Hofstede and his colleagues:

##### **Low uncertainty avoidance**

- Uncertainty is a normal feature of life, and each day is accepted as it comes
- Fast acceptance of new products and technology
- Risky investments
- Few laws, most of a general character, or unwritten rules

##### **High uncertainty avoidance**

- Uncertainty is a continuous threat that must be fought
- Hesitancy towards new products and technology, such as innovative payment methods
- Conservative investments
- Many precise laws or unwritten rules

Cultures with high uncertainty avoidance seek security. Maybe this is why people in Switzerland and Germany tend to have more insurance policies than people in the UK. The recent financial crisis has shown how the reluctance of Germans to speculate in volatile investments, such as hedge funds, saved the country from some of the disastrous effects experienced in the US and Britain. The German experiences of hyperinflation in the 1920s and currency reform after the Second World War may well have influenced the national psyche, making people cautious about what they do with their money.

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### Vocabulary record: Money, money, money

| verb  | noun       | adjective<br>(+ opposite) | adverb<br>(+ opposite) |
|-------|------------|---------------------------|------------------------|
| avoid |            |                           |                        |
|       | preference |                           |                        |
|       |            | personal                  |                        |
|       |            |                           | openly                 |
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