

# 9A Truth and lies

## 1 READING

- a Read the article about Ponzi schemes quickly and match the years to the people.

2009	Charles Ponzi
2008	Early Ponzi schemers
1920s	Lou Pearlman
1880s	Bernard Madoff

- b Read the text again and complete it with the missing sentences. There is one extra sentence you do not need to use.

- A He continued to happily take money from excited new investors on a daily basis, many of whom gave him their life savings.  
 B If you don't believe him, just ask your friends.  
 C He was able to convince them because he was a highly respected and well-established financial expert.  
 D Among the fake companies he created was an airline, which existed solely on paper.  
 E The whole thing collapsed and the authorities caught him.  
 F However, the scheme doesn't work for long because of the constant need to find new investors.

- c Look at the highlighted words and phrases in the text and try to work out their meaning. Then match them to definitions 1–7.

- 1 can be relied on to be good, honest and responsible \_\_\_\_\_  
 2 coming in great numbers \_\_\_\_\_  
 3 pay for \_\_\_\_\_  
 4 collapses, stops working \_\_\_\_\_  
 5 a voucher which can be exchanged for cash \_\_\_\_\_  
 6 another word for an American dollar \_\_\_\_\_  
 7 allowed and acceptable according to the law \_\_\_\_\_

## Ponzi schemes

Want to know an easy route onto the world's rich list? You may think it's an impossible dream, but as Charles Ponzi reveals, all you really need is a persuasive smile and the ability to lie very, very well.

### The man behind the name

Charles Ponzi was an Italian immigrant living in the United States who cheated countless innocent people out of money in the 1920s. At that time, when a person wanted to send a letter to another country, he or she (if they were feeling generous) could also send the recipient an international reply coupon. The coupon could then be used to pay for the postage of the reply. Ponzi's idea was to buy cheap reply coupons in another country and sell them in the United States, where they were worth more. He then planned to share the profits with his investors. However, transporting and paying for the coupons caused delays and incurred extra costs, which meant he couldn't pay back his investors as quickly as he had promised. But he didn't tell them that. <sup>1</sup> \_\_\_\_\_ Ponzi paid the early investors their profit with the new money that was pouring in, and kept some of it for himself. At the height of his success, he was buying and selling around 160 million reply coupons, despite only 27,000 existing worldwide. When people realised this, it was all over. <sup>2</sup> \_\_\_\_\_

### How does it work?

The Ponzi scheme is based on a simple principle revolving around paying old investors with money that comes in from new investors. What exactly they invest in doesn't matter. With the money from the first investors you rent a fancy office and buy a new car, which helps you to attract new investors. <sup>3</sup> \_\_\_\_\_. One person can only do so much, and sooner or later the scheme flops because there aren't enough new investors to pay all of the old ones.

### Other big schemers

Examples of the Ponzi scheme date back as far as the 1880s, and are still happening now. One of the longest-running operations was headed by Lou Pearlman, former manager of

the famous American boy bands Backstreet Boys and N\*Sync. To fund promotional activity for his band roster, he convinced businesspeople to invest in other non-existent side projects. <sup>4</sup> \_\_\_\_\_ Pearlman was eventually convicted of cheating investors of over \$300 million and, in 2008, was sentenced to 25 years imprisonment.

But that was nothing compared to Bernard Madoff's \$65 billion Ponzi scheme. In 2009 Madoff was sentenced to 150 years in prison after having cheated billionaires, celebrities, and even banks and charities. <sup>5</sup> \_\_\_\_\_ He was also helped by the fact that he was running a legitimate business at the same time. He didn't promise ridiculously high returns, and he always gave his investors their money when they asked for it. Madoff's business propositions seemed perfectly trustworthy, but a lot of people lost all their money.

So for Charles Ponzi, Lou Pearlman, Bernard Madoff, and countless other Ponzi schemers, their lies eventually caught up with them. Their riches were only temporary and the price they eventually had to pay much more. Our advice? Never try to make an honest buck based on a lie. The truth always wins... eventually.



## 2 VOCABULARY business

- a Complete the text with the correct form of a verb from the box.

become expand export import  
launch market set-up take over

A friend of mine, Anne, was lucky enough to inherit a farm when she left university and so she decided to <sup>1</sup> set up her own organic food business. The company <sup>2</sup> \_\_\_\_\_ its products under the name of Bioplus and one of the most successful products it makes is muesli. Not all of the ingredients come from the farm, as Anne <sup>3</sup> \_\_\_\_\_ the nuts and dried fruit from South America. These she mixes with her own cereal products to make the muesli. Nationally, her muesli sells well, but she also <sup>4</sup> \_\_\_\_\_ to Northern European countries like Norway and Sweden.

The company is <sup>5</sup> \_\_\_\_\_ rapidly and Anne is always looking for new employees. Right now she's preparing to <sup>6</sup> \_\_\_\_\_ a new cereal bar the company has been testing. Anne is very realistic as she knows she will never <sup>7</sup> \_\_\_\_\_ the market leader in the field, but neither does she want one of the big cereal giants like Kelloggs or Nestlé to <sup>8</sup> \_\_\_\_\_ her company.

- b Complete the sentences with the correct form of *make* or *do*.

- 1 A company always does extensive market research before it launches a new product.
- 2 If a company \_\_\_\_\_ a loss, the staff often face job cuts.
- 3 Many countries started \_\_\_\_\_ business with China when the trade sanctions were lifted.
- 4 The Managing Director \_\_\_\_\_ the decision to close the factory yesterday.
- 5 My company is going to \_\_\_\_\_ 30 people redundant after Christmas.
- 6 The factory was \_\_\_\_\_ badly, so in the end it closed down.
- 7 Companies always \_\_\_\_\_ market research before they launch a new product.
- 8 If we \_\_\_\_\_ a profit again next year, the manager may think of opening another office.

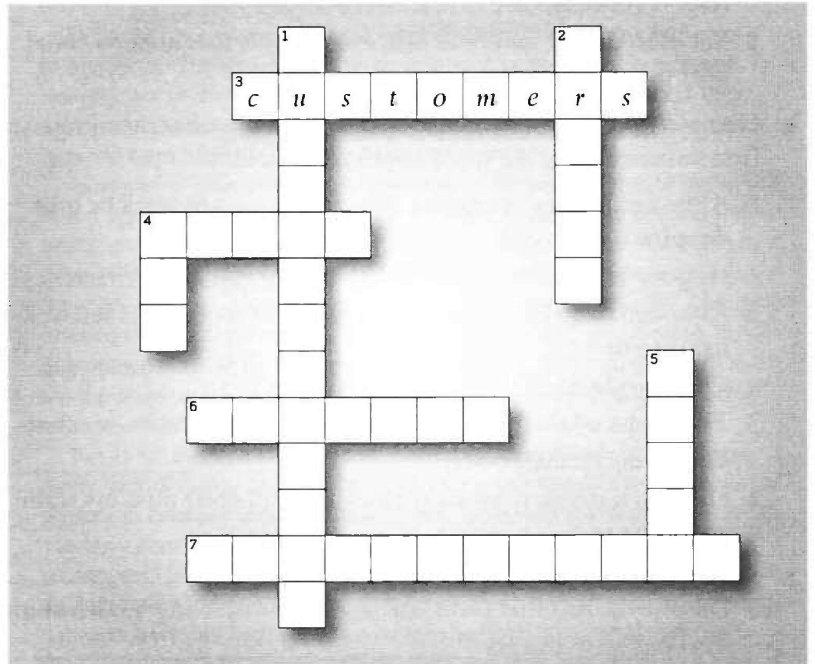
- c Complete the crossword.

### Clues across →

- 3 The average McDonald's restaurant serves 1,584...per day.
- 4 TGI Friday's is an American restaurant...with over 920 restaurants.
- 6 The law firm Clifford Chance gives legal advice to...in 25 countries.
- 7 The...of Royal Dutch Shell plc is in The Hague in The Netherlands.

### Clues down ↓

- 1 Google Inc. is a...company which operates all over the world.
- 2 There is a...of Barclays plc on many high streets of the UK.
- 4 Steve Jobs was the...of Apple Inc. from 2000 to 2011.
- 5 Amancio Ortega is the...of the Spanish clothing chain Zara.



## 3 MINI GRAMMAR whatever, whenever, etc.

Complete the dialogues using *whatever*, *whichever*, *whoever*, *whenever*, *however*, or *wherever*.

- 1 A Where do you fancy going for dinner tonight?  
B Wherever you want. I don't mind.
- 2 A Do you want tea or coffee?  
B I don't mind. \_\_\_\_\_ is easiest.
- 3 A What shall I buy you for your birthday?  
B I don't mind. I'll be happy with \_\_\_\_\_ you give me.
- 4 A How often does your boyfriend go to the gym?  
B He goes \_\_\_\_\_ he can.
- 5 A Can I bring my new boyfriend to your party?  
B Sure. Bring \_\_\_\_\_ you want.
- 6 A I'm not sure how we should decorate the living room.  
B Decorate it \_\_\_\_\_ you want. You have great taste.

## 4 GRAMMAR clauses of contrast and purpose

a **Circle** the correct answer.

- 1 **Although** / *Despite* she's the head of the department, she often goes out with her colleagues.
- 2 The account manager called his client *for* / *to* arrange a meeting.
- 3 The company is expanding *even though* / *in spite of* there is a recession.
- 4 The firm made several people redundant *in order to* / *so that* cut costs.
- 5 His secretary stayed at her desk *to not* / *so as not to* miss an important phone call.
- 6 Everybody seemed to enjoy Mike's speech at the wedding *in spite of* / *even though* his terrible jokes.
- 7 The restaurant staff are happy *despite* / *although* working long hours every day.
- 8 She closed the door of her office *so as to* / *so that* nobody could hear her conversation.

b Complete the second sentence so that it has a similar meaning to the first sentence using the word or phrase in bold.

- 1 Although he's the managing director, he goes to work by bike. **despite**  
He goes to work by bike despite being the managing director.
- 2 Although they don't do any marketing, their products sell well. **in spite of**  
Their products sell well \_\_\_\_\_.
- 3 They reduced their prices so as to sell more products. **so that**  
They reduced their prices \_\_\_\_\_.
- 4 I have to leave work by six o' clock so that I don't miss my train. **so as not to**  
I have to leave work by six o' clock \_\_\_\_\_.
- 5 Despite the fact that I was late, my boss wasn't angry. **although**  
My boss wasn't angry \_\_\_\_\_.

## 5 PRONUNCIATION

changing stress on nouns and verbs

a **Checker** Listen and complete the sentences.

- 1 China exports more goods than any other country.
- 2 Vinyl \_\_\_\_\_ are becoming popular again.
- 3 There's been a huge \_\_\_\_\_ in petrol prices recently.
- 4 You can only lose weight if you \_\_\_\_\_ the fat in your diet.
- 5 Scientists are making \_\_\_\_\_ on finding a cure for AIDS.
- 6 The visa \_\_\_\_\_ you to stay for three months.
- 7 Brazil \_\_\_\_\_ about a third of the world's coffee.
- 8 We do not give \_\_\_\_\_ without a valid receipt.

b Underline the stressed syllable on the words you wrote in a.

c Listen and check. Then listen and repeat the sentences.

## 6 LISTENING

a **Checker** Listen to a radio phone-in programme about Mr and Mrs Stacey, who found a lottery ticket and cashed it. How many of the callers think that the couple did the right thing?

b Listen again and correct the mistakes in the sentences.

- 1 The Staceys found the lottery ticket last ~~February~~ <sup>April</sup>.
- 2 The owner of the ticket was a 71-year-old woman.
- 3 If the Staceys don't pay the money back, they'll spend 12 months in prison.
- 4 Caller 1 says that the Staceys used the money to pay off their mortgage.
- 5 Caller 2 compares finding the lottery ticket to finding some house keys.
- 6 Caller 3 thinks that the couple should have given the ticket to the police.
- 7 Caller 4 says that the couple had a moral obligation to return the ticket.
- 8 Caller 5 feels some anger towards the couple.

c Listen again with the audioscript on p.76 and try to guess the meaning of any words that you don't know. Then check in your dictionary.

## USEFUL WORDS AND PHRASES

Learn these words and phrases.

ad / advert / advertisement

/æd/ / 'ædvɜ:t/ /æd'vɜ:tɪsmənt/

advertising campaign /'ædvətaɪzɪŋ kæm'peɪn/

airbrush (a photo) /'eəbrʌʃ/

brand /brænd/

claim (v and noun) /kleɪm/

commercial /kə'mɜ:ʃl/

consumers /kən'sju:məz/

harmful /'hɑ:mfl/

jingle /'dʒɪŋɡl/

misleading (statements) /mɪs'li:ɪdɪŋ/

slogan /'sləʊɡən/

sue (sb) /su:/

A city is a large community where people are lonely together.

Herbert Prochnow, US banking executive

# 9B Megacities

## 1 READING

a Read the article quickly and choose the word that best describes Shanghai, according to the writer.

a dangerous b stimulating c modern d polluted

b Read the article again and choose the correct answers.

1 Puxi and Pudong are...

- a two cities near Shanghai.
- b two districts of Shanghai.
- c two rivers crossing Shanghai.
- d two people from Shanghai.

2 The residents of Shanghai often go outside because...

- a they don't have enough space at home.
- b the weather is always fine.
- c the food stalls sell good food.
- d they need fresh air to do their hobbies.

3 The roads of Shanghai are dangerous because...

- a there are no traffic lights.
- b drivers do not obey the rules.
- c there is too much traffic.
- d pedestrians do not use the crossings.

4 Tourists visiting Shanghai should always...

- a use public transport.
- b travel with a guide.
- c avoid talking to strangers.
- d be careful when they arrive.

5 According to the writer, Shanghai is special because it has...

- a a lot of historical monuments.
- b an excellent public transport system.
- c a mixture of different things to see and do.
- d the best hotels in the country.

c Look at the highlighted words and phrases in the text. What do you think they mean? Use your dictionary to look up their meaning and pronunciation.

**Shanghai**, with a population of around 23.5 million, is currently the fifth of the world's megacities. Its location on the mouth of the Yangtze River Delta in eastern China makes it one of the busiest ports in the world. The Huang Pu River, a tributary of the Yangtze, separates the historic centre of the city, the Puxi area, from the newly-developed financial and commercial area called Pudong.

On their arrival in Shanghai, visitors are hit by an explosion of sights, sounds and smells. Rents are high, and apartments tiny, so most residents prefer to hang out outside. The street is a place to eat, play, read and relax and it is not unusual to see people strolling around in their nightdresses and pyjamas. The street serves as an extension of the workplace as well. Hairdressers sit their customers on chairs outside their salons to cut their hair, and there are food stalls on every street corner piled high with delicious steamed buns filled with meat, vegetables or mushrooms.

However, it is not only the pavement that is crowded. Despite the extensive metro system – Shanghai has the third longest network in the world – the traffic in the city is terrible. During the rush hour, it can take two hours to drive a 30-minute route. In general, drivers do not like to follow the rules of the road, and they regularly ignore speed limits and traffic lights. This makes crossing the road extremely hazardous for pedestrians, whose safety is not guaranteed even when the green man is showing. In China, road accidents are the major cause of death for people aged between 15 and 45, with an estimated 600 traffic deaths per day.

But as far as crime is concerned, Shanghai is a relatively safe city. You rarely hear of crimes being committed, although pickpockets are known to operate in crowded areas and tourists are sometimes the target for scams. The most common of these consist of unofficial taxi drivers overcharging passengers for the ride to their hotel from the airport, or bar owners getting an accomplice to bring an unsuspecting tourist to their bar only to present him with a terribly high bill when he tries to leave. In general, however, the Chinese are very friendly to foreigners and they treat them with a lot of respect. Non-native residents usually become good friends with their Chinese neighbours, once they have got used to each other.

The city of Shanghai offers a fusion of East and West; old and new. Visitors staying at the brand new five-star Ritz Carlton Hotel can explore the ancient Buddhist temples when they go sightseeing. Passengers travel on the Shanghai Maglev, the fastest train in the world, while messengers transport impossible loads on their bicycles. Sometimes, the contrasts can be exhausting, but one thing is certain: Shanghai is a city where nobody ever feels bored.



## 2 VOCABULARY prefixes and suffixes

- a Complete the sentences with the prefixes from the box.

anti auto bi mega mis mono  
multi over post sub under

- 1 The doctor prescribed antibiotics for my brother's chest infection.
- 2 There was a food shortage in many countries during the \_\_\_\_\_-war period, between 1946 and 1960.
- 3 Some of the residents of megacities live in \_\_\_\_\_standard housing.
- 4 My English teacher recommends us to use a \_\_\_\_\_lingual dictionary, one that is only in English.
- 5 My colleagues are always complaining that they are \_\_\_\_\_worked and \_\_\_\_\_paid.
- 6 The leader of the protest used a \_\_\_\_\_phone to make himself heard.
- 7 You couldn't miss Sandra – she was the one in the \_\_\_\_\_coloured coat.
- 8 The town has just celebrated its \_\_\_\_\_centenary.
- 9 Hundreds of fans were waiting for the singer hoping to get an \_\_\_\_\_graph.
- 10 It's a popular \_\_\_\_\_conception that cold weather can make you ill. This is simply not true.

- b Complete the sentences with nouns formed from the words in brackets.

- 1 I borrowed the money with the intention of giving it back to you. (intend)
- 2 His greatest \_\_\_\_\_ is his inability to express his feelings. (weak)
- 3 There is a general \_\_\_\_\_ that house prices will rise before the end of the year. (believe)
- 4 You need to have \_\_\_\_\_ and stamina to become a professional athlete. (strong)
- 5 He wasn't chosen for the basketball team because of his \_\_\_\_\_. (high)
- 6 Teachers are trying to fight \_\_\_\_\_ in schools throughout the country. (race)
- 7 The \_\_\_\_\_ of online shopping means that fewer people are shopping on the high street. (convenient)
- 8 Gandhi was a humanist who believed in the \_\_\_\_\_ of man. (brother)
- 9 There's been a great \_\_\_\_\_ in public transport recently. (improve)
- 10 I didn't have much \_\_\_\_\_ finding work in the city, so I moved back to the country. (succeed)

## 3 GRAMMAR uncountable and plural nouns

- a Circle the correct answer. Tick (✓) if both are possible.



- 1 Can I have a piece of bread | some bread, please? ✓
- 2 My grandmother suffers from bad health | a bad health.
- 3 I've bought a new piece of furniture | some new furniture for my living room.
- 4 Please can you give me a piece of advice | some advice?
- 5 I'm looking for a cheap accommodation | some cheap accommodation.
- 6 Jackie's upset because she's had a bad news | some bad news.
- 7 Be careful with that vase – it's made of glass | a glass.
- 8 My girlfriend gave me a pair of pyjamas | some pyjamas for my birthday.
- 9 The teacher gave the boy extra marks for a good behaviour | good behaviour.
- 10 Can you lend me a paper | some paper? I've left my notebook at home.

- b Complete the sentences with *is* or *are*. Sometimes both are possible.

- 1 My clothes are really wet. I got caught in a thunderstorm.
- 2 The traffic \_\_\_\_\_ terrible in the rush hour in the city centre.
- 3 The hotel staff \_\_\_\_\_ always really polite and helpful.
- 4 The new research into sleep patterns \_\_\_\_\_ fascinating.
- 5 The outskirts of the town \_\_\_\_\_ quite run down and a bit depressing.
- 6 The good news \_\_\_\_\_ that we're getting married in the spring!
- 7 The flight crew on this plane \_\_\_\_\_ very young.
- 8 Politics \_\_\_\_\_ really fascinating – particularly for politicians!
- 9 Do you think my belongings \_\_\_\_\_ safe in the hotel room?
- 10 Police \_\_\_\_\_ investigating the murder of an elderly woman in her home.

## 4 PRONUNCIATION

word stress with prefixes and suffixes

- a **Underline** the main (primary) stress in the words in the box. Then write them in the correct place in the chart.

antisocial    bilingual    convenience    entertainment  
excitement    friendliness    government    ignorance  
overcrowded    poverty    reduction    unemployment

Stress on 1st syllable	Stress on 2nd syllable	Stress on 3rd syllable
		<i>antisocial</i>

- b **iChecker** Listen and check. Then listen and repeat the words.

## 5 LISTENING

- a **iChecker** Listen to five people talking about their favourite big cities. Match five of the cities in the box to the speakers.

Auckland    Berlin    Buenos Aires    Hong Kong    Melbourne  
New York    Prague    Rio de Janeiro    Seoul    Vancouver

Speaker 1 \_\_\_\_\_      Speaker 4 \_\_\_\_\_  
Speaker 2 \_\_\_\_\_      Speaker 5 \_\_\_\_\_  
Speaker 3 \_\_\_\_\_

- b Listen again and match the speakers with the sentences. There is one sentence which you do not need to use.

Speaker number



- A You can go sightseeing here, but you can also relax by the sea.
- B It's the perfect place to go if you want to see a particular dance.
- C The city is surrounded by areas of stunning natural beauty.
- D It has a reputation for having the best nightlife in the world.
- E It's a city where two different ways of life exist side by side.
- F It's a great place to visit if you're interested in old buildings.

- c Listen again with the audioscript on p.76 and try to guess the meaning of any words that you don't know. Then check in your dictionary.

## USEFUL WORDS AND PHRASES

Learn these words and phrases.

alienation /eɪliə'neɪʃn/  
automated subway /'ɔ:təmeɪtɪd 'sʌbweɪ/  
commuters /kəm'ju:təz/  
inhabitants /ɪn'hæbɪtənts/  
loneliness /'lɒnɪnəs/  
population /pɒpjʊ'leɪʃn/  
poverty /'pɒvəti/  
traffic fumes /'træfɪk 'fju:mz/  
unthinkable /ʌn'θɪŋkəbl/  
wealthy /'welθi/

**iChecker TESTS FILE 9**

