**University of Laarbi Tebessi**

**Faculty of Economic, Commercial and Management Sciences**

**Department of Commercial Sciences**

**Level: 3rd year LMD Marketing Module: English**

**Lesson: 03 Teacher: Miss LITIM Ahlem**

**Free Entreprise Economy**

Free enterprise economy, also called the capitalist economic system is a politico-economic mode of production in which all decisions on the management of the community are made by individuals.

This type of economy is based on the following criteria: - Private property, i,e, private ownership and control of the means of production. - Private profit, i,e, creation of economic activities by individuals in order to make more profit. - Creation of market structure which regulates these economic activities. - Laissez-faire principles which lead to competition between the different supplies of goods and services.

In this mode of production, the state does not intervene in other economic sphere. Its role is supportive rather than interventionist. In other words, the state seeks to provide the conditions which are necessary for the economic framework to prosper.

In the later forms of capitalism, the role of the state has become more influential and significant, in the sense that it attempts to control the economy. The aim of such interventions is to create stability and to protect local capital.

**Note: Relative Pronouns**

Relative pronouns introduce relative clauses. The most common relative pronouns are *who, which, that*. The relative pronoun we use depends on what we are referring to and the type of relative clause. We use:

|  |  |  |
| --- | --- | --- |
| *who* | people and sometimes pet animals | defining and non-defining |
| *which* | animals and things | defining and non-defining; clause referring to a whole sentence |
| *That* | people, animals and things; informal | defining only |

**Questions** :

**Reading Comprehension: Part one** : 1/Answer the following questions :

1. What is the capitalist economic system? …………………………………………………………………………………………….. .
2. What are the main characteristics of this type economy? …………………………………………………………………………………………….. .
3. What is the role of the state in the earlier form of capitalism? …………………………………………………………………………………………….. .
4. What is the role of the state in the later form of capitalism? ……………………………………………………………………………………………..
5. Why does the state control the economy? ……………………………………………………………………………………………..

2/ say whether the following statements are true or false. Put (T) for true statements and (F) for false statements.

1. The capitalist economic system is based on liberal principle.
2. The owners of capital always seek to provide the necessary condition for them to make more profit.
3. In the capitalist economic system, the workers control the means of production.
4. In the capitalist economic system, the workers control the political and economic framework.
5. The role of the state in " pure" capitalism into intervene in the economic sphere.

**Part two** : Find in the text words that are closest in meaning of the following words.

¬ Ownership = …………… ¬ Company = ………………… ¬ Criteria = …………………………..

. Find in the text words that are opposite in meaning of the following words.

¬ General ≠ ………………………… ¬ Group ≠ ……………………… ¬ early ≠ ………………………

**-Text Exploration:**

**1-** Fill in who, that, or which.  
1. I know a girl  likes apple with sugar.  
2. The newspaper  I read yesterday was the Times.  
3. A butcher is a man  sells meat.  
4. The man  was arrested stole my bike.  
5. The book  is lying on the table is very old.  
6. The snow  fell last night caused a traffic jam.  
7. Can you help the boy  has lost his glasses?

2- Give the meaning of the following words in Arabic.

¬ Production ………………………….. . ¬ Ownership ………………………….. .

¬ -Property………………………….. . ¬ ¬Means ………………………….. .