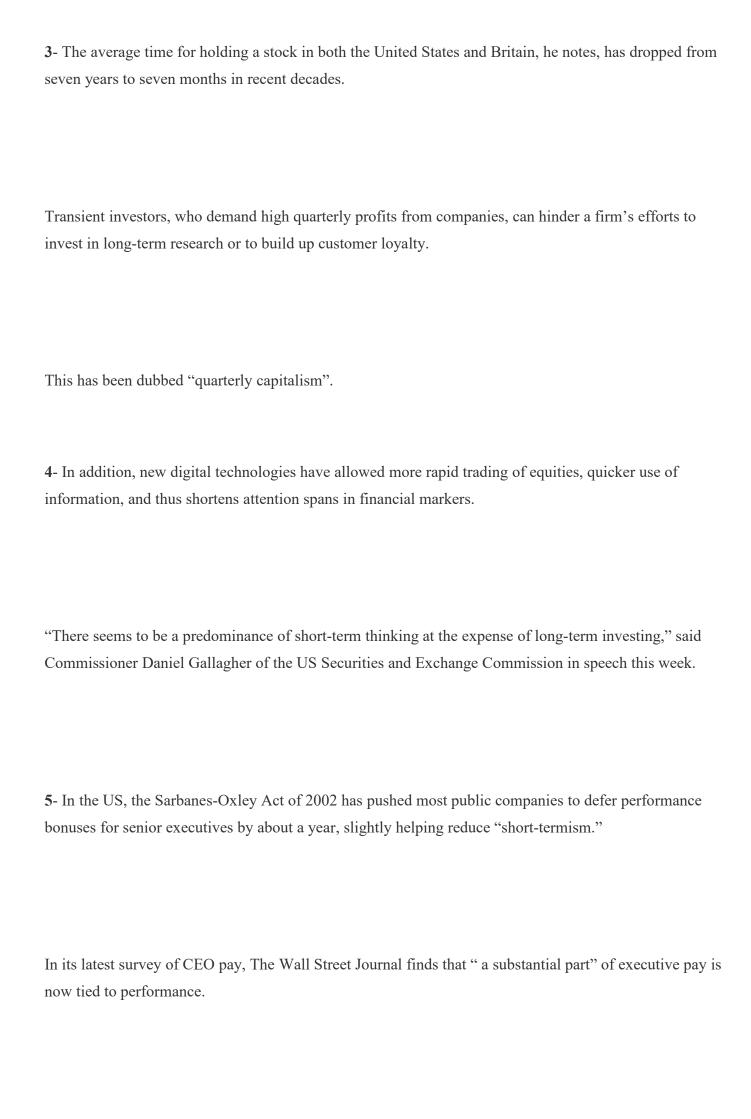
2019-1 Text 1

| 1- Financial regulations in Britain have imposed a rather unusual rule on the bosses of big banks. |
|---|
| Starting next year, any guaranteed bonus of top executives could be delayed 10 years if their banks are under investigation for wrongdoing. |
| The main purpose of this "clawback" rule is to hold bankers accountable for harmful risk-taking and to restore public trust in financial institution. |
| Yet officials also hope for a much larger benefit: more long term decision-making not only by banks but also bu all corporations, to build a stronger economy for future generations. |
| 2- "Short-termism" or the desire for quick profits, has worsened in publicly traded companies, says the Bank of England's top economist. |
| |
| Andrew Haldane. |
| He quotes a giant of classical economies, Alfred Marshall, in describing this financial impatience as acting like "Children who pick the plums out of their pudding to eat them at once" rather than putting them aside to be eaten last. |



| 6- Much more could be done to encourage "long-termism," such as changes in the tax code and quicker disclosure of stock acquisitions. | |
|--|----|
| In France, shareholders who hold onto a company investment for at least two years can sometimes earn more voting rights in a company. | |
| 7- Within companies, the right compensation design can provide incentives for executives to think beyon their own time at the company and on behalf of all stakeholders. | d |
| Britain's new rule is a reminder to bankers that society has an interest in their performance, not just for the short term but for the long term. | ıe |
| 21. According to Paragraph 1, one motive in imposing the new rule is the | |
| A. enhance banker's sense of responsibility | |
| B. help corporations achieve larger profits | |
| C. build a new system of financial regulation | |
| D. guarantee the bonuses of top executives | |

| 22. Alfred Marshall is quoted to indicate |
|--|
| A. the conditions for generating quick profits |
| B. governments' impatience in decision-making |
| C. the solid structure of publicly traded companies |
| D. "short-termism" in economics activities |
| 23. It is argued that the influence of transient investment on public companies can be |
| A. indirect |
| B. adverse |
| C. minimal |
| D. temporary |
| 24. The US and France examples are used to illustrate |
| A. the obstacles to preventing "short-termism". |
| B. the significance of long-term thinking. |
| C. the approaches to promoting "long-termism". |
| D. the prevalence of short-term thinking. |
| 25. Which of the following would be the best title for the text? |
| A. Failure of Quarterly Capitalism |
| B. Patience as a Corporate Virtue |
| C. Decisiveness Required of Top Executives |
| |