



ESL Podcast 488 – Getting Around Regulations

GLOSSARY

qualm – a feeling of uneasiness and a little bit of fear; an uncomfortable feeling that one gets because one thinks that something is wrong or dangerous

* She's having a lot of qualms about leaving her job and looking for a new one.

regulation – a law or rule; something that someone must legally do or not do

* Does the school have any regulations about the kind of clothing that students should wear?

to govern – to control; to have authority or power over something

* We are governed by city, state, and national law.

to violate – to go against a rule or law; to break a rule or law; to do something that is not allowed under a rule or law

* Tsung violated company policy by working on weekends for a competing business.

interpretation – the way that something is understood or explained by one person

* What is your interpretation of that painting?

to flout – to break a law without hiding one's actions; to break a rule or law on purpose, usually to show other people that one does not respect a rule or law

* The customer was flouting the restaurant's no-smoking rule by smoking at the table.

to follow the letter of the law – to obey a law exactly; to do exactly what a law says one should do

* If you followed the letter of the law, you'd need to report all your income when you file your taxes, even including coins that you find on the ground!

to cross the line – to do too much of something so that it becomes a problem

* I don't mind if you borrow my clothes, but if they're torn and dirty when you return them to me, you're crossing the line.

creative accounting – reporting financial information in ways that will make a company seem more profitable or that will let one make more money without openly breaking the law

* A lot of companies get in trouble for their creative accounting.



ESL Podcast 488 – Getting Around Regulations

to border on (something) – to almost be something; to be very close to doing or having something

* The way they're treating that animal borders on cruelty.

to blow things out of proportion – to treat something as being much more important or significant than it really is

* Doran's boss blew things out of proportion, firing him for turning in his report a few hours late.

to get around (something) – to find a way to not have to do something; to find an exception to a rule

* They're trying to get around the tax laws by hiding their money in foreign bank accounts.

loophole – something that was accidentally written in a law that lets certain people not have to do what the law was supposed to make them do

* Restaurants aren't supposed to serve alcohol in this town, but there is a loophole for certain types of coffee shops.

to turn a blind eye – to pretend not to see or notice something, especially when someone is doing something wrong; to ignore something

* Too many people are turning a blind eye to the way that homeless people are being treated in this city.

to comply – to follow a rule or law; to do what a rule or law says one should do

* The bank has to file reports four times a year in order to comply with federal law.

hot water – a situation where one is in trouble, often because one has broken a law or a rule

* Umberto was in hot water for staying out past midnight after his parents told him to come home early.

in for – going to have; going to experience

* Shelby is in for some medical problems if she doesn't start to change the types of food she eats.

overactive – too busy; too active; doing too much of something; never stopping

* The twins have an overactive imagination and think that monsters live in their closet.



ESL Podcast 488 – Getting Around Regulations

conscience – the part of one’s mind that says whether something is good or bad, right or wrong

* If you don’t know what to do, just listen to your conscience.

COMPREHENSION QUESTIONS

1. What does Leona mean when she says, “we’re just not following the letter of the law”?

- a) She means that they haven’t read the law.
- b) She means that they never received a letter describing the law.
- c) She means that they aren’t completely complying with the law.

2. Why does Michael have qualms?

- a) He thinks they might end up in hot water.
 - b) He thinks Leona is blowing things out of proportion.
 - c) He thinks the government will turn a blind eye to them.
-

WHAT ELSE DOES IT MEAN?

interpretation

The word “interpretation,” in this podcast, means the way that something is understood or explained by one person: “Each newspaper seems to have a different interpretation of what the president said at the meeting.” The word “interpretation” is also used to talk about how an actor or actress acts out a role in a play or movie, or how a play is produced: “I didn’t really like his interpretation of the main character.” Or, “There’s a very modern interpretation of Romeo and Juliet at the Globe Theater this month.” Another meaning of “interpretation” is the way that one translates spoken words from one language into another: “Who will provide interpretation services at the conference?” Finally, the phrase “to interpret (something) as (something)” means to believe that something has a specific meaning: “We interpreted her silence as anger.”

to border on

In this podcast, the phrase “to border on (something)” means to almost be something, or to be very close to doing or having something: “Her spending habits border on recklessness.” Or, “Their new house is so big that it borders on a mansion.” Normally a “border” is the line drawn between two countries, areas, or states: “The United States shares a border with both Canada and Mexico.”



ESL Podcast 488 – Getting Around Regulations

The verb has the same meaning: “Which states border Nebraska?” In a yard or garden, a “border bed” is the part of the ground next to a house, fence, or path where flowers and bushes grow, next to an area covered with grass: “He planted tulips in the border bed along the front of the house.”

CULTURE NOTE

“Affluent” (rich; wealthy) Americans often try to find tax loopholes, or ways to avoid paying taxes on some of their money. Many of the things they do are illegal, but they think that saving thousands of dollars – or more – is “worth the risk” (it is a good idea to do something even though something bad might happen as a result).

Many wealthy people open “offshore accounts,” or bank accounts in foreign countries. If they keep their money in U.S. bank accounts or investment accounts, the “interest” (money earned when one has money in a bank account) and “dividends” (money earned when one has investments in companies) are reported to the IRS (Internal Revenue Service; the U.S. tax agency) and they have to pay taxes on it. If the money is “hidden” (cannot be seen) in an offshore account, the IRS doesn’t know about it and doesn’t know that they aren’t paying taxes on it.

Another way that wealthy people try to reduce their “tax burden” (the amount of money that people have to pay in taxes) is to “transfer” (move) their “assets” (money and things that one owns and can be sold for money) into other people’s names. A wealthy man might put some of his assets into his children’s names, so that it looks like a child owns a home or another investment. Because the child has less money, he or she will have a lower “tax rate” (the percentage of one’s income that is paid as taxes) than the parent.

Many people take advantage of these loopholes, but whenever the IRS “becomes aware” (learns; knows) of them, it tries to change the U.S. tax laws so that the loophole no longer exists.

Comprehension Questions Correct Answers: 1 – c; 2 – a



ESL Podcast 488 – Getting Around Regulations

COMPLETE TRANSCRIPT

Welcome to English as a Second Language Podcast number 488: Getting Around Regulations.

This is English as a Second Language Podcast episode 488. I'm your host, Dr. Jeff McQuillan, coming to you from the Center for Educational Development in beautiful Los Angeles, California.

Our website is eslpod.com. Go there to download a Learning Guide for this episode, an 8- to 10-page guide that will help you improve your English even faster.

This episode is called "Getting Around Regulations." It's a dialogue between Michael and Leona that talks about laws, rules, regulations that all of us have to follow at some point in our life. Let's get started

[start of dialogue]

Michael: I have some qualms about how we're handling these accounts.

Leona: What do you mean?

Michael: There are strict regulations governing what we can and cannot do, and I think we're violating those regulations.

Leona: Listen, it's a matter of interpretation. We're not flouting any regulations. We're just not following the letter of the law.

Michael: I, for one, think that we've crossed the line. I'm not against some creative accounting, but what we're doing is bordering on criminal.

Leona: Aren't you blowing things out of proportion? The government makes laws knowing that people are going to try to get around them. There are always loopholes and that's why they turn a blind eye to most of these types of activities. As long as we comply with most of the regulations, we're not going to get into any hot water.

Michael: I appreciate your confidence, but I don't share it. I think we're in for some major problems if we don't change the way we do business.



ESL Podcast 488 – Getting Around Regulations

Leona: Come on, let's go get some coffee and see what we can do about that overactive conscience of yours.

[end of dialogue]

Our dialogue begins with Michael saying, "I have some qualms about how we're handling these accounts." "Qualm" (qualm) is when you don't feel right about something; you think that something is wrong, something, perhaps, is even dangerous. Usually it has to do with things that you are doing that are against the law or perhaps against some rule or regulation. Michael has some qualms about how he and Leona are handling, or dealing with, certain accounts, perhaps certain customers that they have, or certain financial arrangements.

Leona says, "What do you mean?" Michael says, "There are strict regulations governing what we can and cannot do, and I think we're violating those regulations." "Regulation" is just another word for a rule or a law, something you can do or not do. Governments have regulations; companies sometimes have regulations about what you can wear to work or not wear to work, what you can do and not do at your job. Michael says, "There are strict (meaning there are very specific and serious) regulations governing what we can do and not do." "To govern" is to control, to have authority or power over something, to lead something. The president governs the country; the governor governs the state (the leader of a state is called a governor). "To govern" is the verb; it means to be in authority, in this case to rule over or to control a certain thing. In this case it's regulations that are governing what you can do and not do – are telling you what you can do and not do. Michael says, "I think we're violating those regulations." Here, "to violate" means to break a rule, to break the law, to go against something, to do something that is not allowed.

Leona says, "Listen, it's a matter of interpretation," meaning it depends on how you understand something, how it's explained to you; some people could see it one way; other people could see it another. "Interpretation" has a couple of different meanings however, so take a look at our Learning Guide for some additional explanations. Leona says, "We're not flouting any regulations." "To flout" (flout) means to break a law or to go against a rule without hiding your actions, without even trying to hide what you are doing, you're just doing it very openly. Usually it's to show that you don't respect this law or this regulation, you don't agree with it. Leona says, "We're not flouting any regulations. We're just not following the letter of the law." "To follow the letter of the law" means to obey a law exactly, to do exactly what a law says. The opposite would be to follow the spirit of the law. "To follow the spirit of the law" means to do what you think the



ESL Podcast 488 – Getting Around Regulations

law is trying to accomplish, what you think the law means. To follow the letter of the law means to do exactly what the law says, word by word.

Michael says, “I, for one, think that we’ve crossed the line.” “I, for one” means I, among everyone here, and perhaps there are more people like me who agree with me. He’s sort of setting himself apart, he’s saying well, that’s your opinion, but my opinion is different. “I, for one, think that we’ve crossed the line.” “To cross the line” means to do something that is breaking a regulation, that is going against a law, that is going too far, too extreme. Sometimes we use this expression when someone does something that they think is supposed to be funny but it isn’t really funny, it may be mean or cruel. They’ve crossed the line; they’ve crossed the line separating humor from cruelty for example, someone who has gone too far.

Michael says, “I’m not against some creative accounting, but what we’re doing is bordering on criminal.” The expression “creative accounting” was originally, and still is sort of a comical expression, something that’s supposed to be funny. “Creative accounting” means to report financial information, in this case in a way that will make the company seen profitable. In other words, you do some tricks with the numbers; you report them in such a way that things look better for your company than they really are. That’s creative accounting. “Accounting” is the organization of your company’s money, it’s keeping track of – it’s keeping your records of how much money you’re making, how much money you’re spending, and so forth. Creative accounting, then, is doing things with that account to make yourself better than you really are.

Michael says, “what we’re doing is bordering on criminal.” “To border on (something)” is to be almost doing something, to be very close to being or doing something. “My singing is so bad it borders on painful,” meaning to hear me sing is to experience pain it’s so bad – it borders on painful. Not painful, but borders on painful – almost painful. That’s what most people tell me! The word “border” has several meanings in English; take a look at our Learning Guide for some additional explanations of that word.

Leona says, “Aren’t you blowing things out of proportion?” “To blow things out of proportion” means to treat something as if it were more important or more significant than it really is, to consider something very important when it isn’t very important. Your friend says that she’s going to call you at 10:00 in the morning, and instead she calls you at 10:15, 15 minutes later. You talk to her and you get all angry, you yell at her, you’re very upset. She might say, “You’re blowing things out of proportion,” you’re making this small thing much more important, much bigger than it really is.



ESL Podcast 488 – Getting Around Regulations

Leona says, “The government makes laws knowing that people are going to try to get around them.” Leona has some interesting ideas about ethics and morals, here. She says the government makes laws knowing that people are going to try to break them, that people are going to try to find ways not to obey them, not to do what they say. “To get around (something),” here, means to find a way to not have to do something. She says, “There are always loopholes.” A “loophole” is something that is written into a law or regulation that lets some people not have to do what other people have to do, it’s like an exception.

She says that there are always loopholes, and that’s why we turn a blind eye to most of these types of activities. “To be blind” means you can’t see. The expression “to turn a blind eye” means to pretend not to see or notice something, especially when someone is doing something wrong. You just look the other way, you pretend like it’s not happening. She says, “As long as we comply with most of the regulations, we’re not going to get into any hot water.” “To comply” means to follow a rule or a law. She says, “As long as we comply with most of the regulations, we’re not going to get into any hot water.” “To get into hot water” means to get into a situation where you are in trouble because, perhaps, you broke the law or broke a particular rule or regulation. Sometimes you can get in hot water, for example, with your wife because you said you would call her at 10:00 and you didn’t. That would get you into hot water – at least it would get me into hot water!

Michael says, “I appreciate your confidence, but I don’t share it (I don’t agree with you). I think we’re in for some major problems if we don’t change the way we do business.” To say you’re “in for” means that you are going to have, you are going to experience in the future.

Leona says, “Come on, let’s go get some coffee and see what we can do about that overactive conscience of yours.” Your “conscience” is the part of your thinking that tells you whether something is right or wrong. “To be overactive” means to be too active, to be too sensitive perhaps. So an “overactive conscience” would be someone who thinks everything they’re doing is wrong. One has to wonder who has the overactive conscience and who has the under-active conscience in this dialogue!

Now let’s listen to the dialogue again, at a normal speed.

[start of dialogue]

Michael: I have some qualms about how we’re handling these accounts.



ESL Podcast 488 – Getting Around Regulations

Leona: What do you mean?

Michael: There are strict regulations governing what we can and cannot do, and I think we're violating those regulations.

Leona: Listen, it's a matter of interpretation. We're not flouting any regulations. We're just not following the letter of the law.

Michael: I, for one, think that we've crossed the line. I'm not against some creative accounting, but what we're doing is bordering on criminal.

Leona: Aren't you blowing things out of proportion? The government makes laws knowing that people are going to try to get around them. There are always loopholes and that's why they turn a blind eye to most of these types of activities. As long as we comply with most of the regulations, we're not going to get into any hot water.

Michael: I appreciate your confidence, but I don't share it. I think we're in for some major problems if we don't change the way we do business.

Leona: Come on, let's go get some coffee and see what we can do about that overactive conscience of yours.

[end of dialogue]

Whenever we have a script written by Dr. Lucy Tse, we're in for a wonderful time. Thank you, Lucy, for this wonderful script.

From Los Angeles, California, I'm Jeff McQuillan. Thank you for listening. Come back and listen to us next time on ESL Podcast.

English as a Second Language Podcast is written and produced by Dr. Lucy Tse, hosted by Dr. Jeff McQuillan, copyright 2009 by the Center for Educational Development.