

Listen to 3 senior Directors of the Three Stars Investment Company discussing the importance of the BRIC countries (Brazil, Russia, India and China) at a strategy meeting.

**Optional listening activity:**

Read the following sentences first. Then while listening, decide if they are true or false, according to what you hear.

| Sentence   | True (T) or False (F) |
|--|-----------------------|
| 1. The economies of Brazil, Russia, India and China are developing very quickly. |                       |
| 2. Brazil is a major player on the world's energy markets.                       |                       |
| 3. China only produces low value goods.  |                       |
| 4. Brazil is selling increasing amounts of food to China.                        |                       |
| 5. China has limited energy supplies.  |                       |
| 6. Rates of HIV infection are decreasing all over Africa.                        |                       |
| 7. Oil has been discovered in Uganda.  |                       |
| 8. Some countries from Africa may join the BRIC countries.                       |                       |

**Bob- Managing Director**

**Dawn – Finance Director**

**Dave – Innovation Director**

**Bob:** Dawn, Dave, thanks for coming to this meeting to talk about something that I think is very important

**Dave:** It's good to be here

**Dawn:** I agree, these are important issues ...

**Bob:** Can you both fill me in on developments in the BRIC countries? Dawn, you first...

**Dawn:** Here we're talking about Brazil, Russia, India and China. John O'Neill of Goldman Sachs in London recently wrote an influential report on the future of these four countries.

**Bob:** What were the key messages of the report?

**Dawn:** It's common knowledge that the economies of all four countries are developing at incredible speed at the moment ..

**Dave:** Yes, Russia has become a major player on the world's energy markets, India's IT companies are now recruiting amongst the best of the west's IT graduates, Chinese industry is quickly moving upwards in the value chain away from low value goods to higher end products such as cars, car parts, electronic and computer components, just as Japan did in the fifties. We're now waiting for Chinese brands to go global as Fuji, Sony and the like did from Japan.

**Dawn:** Brazil is now a major supplier of industrial raw materials to China. China is investing heavily to improve Brazil's transport infrastructure to facilitate the rapid export of these goods. China is buying increasing amounts of food from Brazil.

**Bob:** Sure, what sorts of things could go wrong?

**Dawn:** Energy supplies are a problem for China, Chinese energy imports are the main driver behind recent spikes in oil prices. There's an increasing possibility of drought in the north of the country which could threaten food production, the political situation has been quiet for some time now, in the cities at least, but a downturn in the economy could threaten this. These are just a few of the things that could go wrong.

**Bob:** OK, I see, the situation may change and these predictions may not be 100% correct ...

**Dawn:** That's correct ...

**Bob:** Thanks. One question – where's Africa in all of this?

**Dave:** Good question Bob. These predictions are based on what's happening in the world today. African countries have a couple of major problems. Today in many African countries rates of HIV infection are very high. Many young Africans who should be in work helping these economies to develop are ill and aren't able to contribute. The second problem - more money needs to be spent on improving the education systems of African countries.

**Bob:** Are there any signs of things improving?

**Dave:** Well some countries such as Uganda have been successful at reducing rates of HIV infection. And did you know oil reserves have been found in Chad recently?

**Bob:** No, I hadn't heard about that ..

**Dave:** Well, oil has been found there. New oil reserves have been found in West Africa too. If these discoveries continue some African countries may well join Brazil, Russia, India and China ...

Optional activity answer:

| Sentence   | True (T) or False (F) |
|--|-----------------------|
| 1. The economies of Brazil, Russia, India and China are developing very quickly. | T                     |
| 2. Brazil is a major player on the world's energy markets.                       | F                     |
| 3. China only produces low value goods.  | F                     |
| 4. Brazil is selling increasing amounts of food to China.                        | T                     |
| 5. China has limited energy supplies.  | T                     |
| 6. Rates of HIV infection are decreasing all over Africa.                        | F                     |
| 7. Oil has been discovered in Uganda.  | F                     |
| 8. Some countries from Africa may join the BRIC countries.                       | T                     |