Discuss the following questions with a partner.

1. What has happened to the man in the above picture?
2. Is there a lottery system in your country? How much money can you win?
3. Finish this sentence: If I won a million dollars, I would . . .
CHAPTER 1 What Does a Million Dollars Buy?

A The following graph charts the price of the same basket of goods in the U.S. over a period of a few decades starting from 1950. How has time affected the price of goods? What does this tell you about inflation?

![Graph showing the price of goods over time]

B Discuss your ideas in A with a partner. How much do you think a million dollars is worth today compared to 20 years ago? How about 50 years ago?

A Skim the passage on the pages 67–68. Then write the cause (reason) or effect (result) for each problem below. Discuss your answers with a partner.

<table>
<thead>
<tr>
<th>Cause</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The population is more dense, but there are fewer homes available.</td>
<td>Housing has become very expensive.</td>
</tr>
<tr>
<td>2</td>
<td>People started moving to the suburbs.</td>
</tr>
<tr>
<td>3 People want to be closer to their workplace.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>We need more money to buy things.</td>
</tr>
<tr>
<td>5 Many older people are living longer.</td>
<td></td>
</tr>
</tbody>
</table>

B Underline the words and phrases in the passage that helped you understand the cause-and-effect relationships in A.

C Now read the entire passage carefully. Then answer the questions on page 69.
What Does a Million Dollars Buy?

When asked the question “What would you do with a million dollars?” most people tend to give similar answers: “Quit my job,” “Buy my dream house,” or “Go traveling.” People often think that having a million dollars would make all their dreams come true. In reality, a million dollars may not really be that much money. Twenty years ago, it might have been possible to fulfill these dreams. However, things are not so easy today.

In most industrialized countries, prices for everything from food to transport to university fees have steadily increased over the years. Housing prices in particular have risen greatly. The main reason is that the population has increased—becoming very dense in certain areas—but there are fewer homes available for sale or rent. For example, in the U.S., the average price of a new home in 1990 was $149,800. The average price in 2010 was $272,900. With increases like that, you can see why owning property is considered a good long-term investment.

Housing in city centers also costs more than ever before. People used to move from the city center to the outer city neighborhoods or suburbs to escape overcrowding and noise. Today, many are moving back because they want to be closer to their workplace. Since space is limited in these areas, supply has not caught up with rising demand, and prices have gone up a result. For example, it is nearly impossible to find a place in London’s expensive Mayfair district, or Manhattan in New York City, for a million dollars. Even countries that traditionally have a lower cost of living, like India or Brazil, have seen property prices rise dramatically. A 2,000 square foot

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1 An industrialized country is one that is highly developed and has high standards of living.
(186 square meter) apartment in Mumbai’s southern neighborhoods can cost more than $3 million—the same as a two-bedroom flat in central London.

**Inflation** is another important reason for the rise in the cost of living. Over the last 150 years, as prices have gone up, the value of money has gone down, so we now need more money to buy things. In 1913, for example, $50,000 had about as much buying power as $1 million does today. Of course, people now earn more money than they did 150 years ago, but they also spend more on **necessities** such as food, medicine, and housing. Due to this increased cost of living and a tendency for younger generations to spend more, people are actually saving less than ever before.

In order to live well after you retire, you should begin saving as early as possible. Experts suggest that after you stop working, you will need 70 to 75 percent of your **salary** to live on every month. In other words, if you make $3,000 per month while working, you will need between $2,100 and $2,250 per month to live on during retirement. This calculation assumes that you have no mortgage on a house to continue paying, or other major expenses like your children’s university education. However, more retired people now rent their housing because they can’t afford to buy a home, so they will pay more in housing costs over time. People also have to spend more on health care because they live longer; many people in developed countries now live into their 80s or 90s.

Due to increased demand for housing, higher inflation, and a longer life expectancy, a million dollars may not be enough to live on. Of course, where you live and how long you live will influence how far a million dollars can go. To be able to retire early, travel the world, and build your dream home, you may have to be a millionaire many times over!

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2 A **mortgage** is a long-term loan given by banks to help people buy property.
Motivational Tip: Pause and think. Before you answer the reading comprehension questions, take a moment to reflect on what you have just read. What was the most important information from this passage? How was the important information supported with examples? What do you now know that you didn’t know before reading this passage? When we pause and think after we read, our comprehension will increase.

A Write the paragraph number (1–6) next to each main idea.

_____ People need more savings in order to retire comfortably.
_____ A million dollars is not worth as much as people think.
_____ Many factors influence how far a million dollars can go.
_____ The cost of living has increased due to inflation.
_____ Property in city centers has become much more expensive.
_____ Property is more expensive because there is greater demand and less supply.

B Read the following statements. Check (✓) whether they have gone up (▲) or down (▼) over the last 20 years.

<table>
<thead>
<tr>
<th></th>
<th>▲</th>
<th>▼</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>the value of a million dollars</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>average price of a house in the U.S.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>health care costs</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>the cost of food and housing</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>how much people save</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>the number of elderly people</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>proportion of retired people who own their homes</td>
<td></td>
</tr>
</tbody>
</table>

C Discuss the following questions with a partner.

1. Are housing prices rising in your country? How has this affected you, your friends, or your parents? What effect does this have on society in general?
2. How do you think governments can help solve the problem of rising property prices and rising cost of living in general?
A Match the words in the box to the correct definitions. Write a–h. The words are from the passage.

- **a** in reality
- **b** fulfill
- **c** dense
- **d** property
- **e** investment
- **f** inflation
- **g** necessities
- **h** salary

1. _______ to achieve a stated goal or promise
2. _______ something you buy because it may be worth more in the future
3. _______ things that one owns; one’s house or land
4. _______ thick; close together
5. _______ actually; in fact
6. _______ money one is paid for working
7. _______ something everyone needs, e.g. food, clothing
8. _______ a continuing increase in prices over time

B Complete the following sentences using the words from A. You might have to change the form of the word.

1. Many people in developing countries do not have access to _______ such as food or clean water.
2. I rejected the job offer because the _______ offered is too low. It doesn’t pay as well as my current job.
3. I had planned for this project to last three months, but _______ it took almost twice that time!
4. Make sure you can afford the mortgage if you decide to buy _______.
5. The population is very _______ in Chinese cities like Shanghai and Beijing, as many people come from the countryside to find work.
6. The price of a movie ticket has nearly doubled in the last 20 years due to _______.
7. She’s looking for a job in New York so she can _______ her dream of living there.
8. The government funded the building of a football stadium as part of its long-term _______ in sports.
A Use in-, il-, im-, or ir- to complete the words below. Then discuss the meaning of each word with a partner.

1 There are still people in the United States who are _____literate—they can barely read or write.
2 It’s quite _____probable that the thief climbed through the window when it’s nearly 20 meters above the ground.
3 It is difficult to breathe on a mountain because there is _____sufficient oxygen in the air.
4 Sandra has an _____rational fear of the dark. She even has a night light by her bed.
5 Her handwriting was so _____legible that the teacher could not mark her test paper.
6 I won’t ask John for advice in the future; what he told me was completely _____relevant to my situation.
7 Cancer is still an _____curable disease.
8 After waiting for Maria for 20 minutes, Albert began to get _____patient.

B Complete the following sentences using the words in the box.

illogical immature inseparable irresponsible incapable

1 It was _____________ of you to leave the door unlocked after going out.
2 Marco may be 30 years old, but he is very _____________ . He still behaves like a teenager.
3 Han is so self-absorbed that he seems _____________ of thinking about anyone but himself.
4 I thought Cathy’s explanation was completely _____________ . She didn’t answer my question at all.
5 Atsushi and his brother are _____________ . They even signed up for the same classes at university.
CHAPTER 2  Lottery Winners: Rich…but Happy?

A  Look at the information below. Which of these statistics are surprising to you? What does this tell you about the chances of winning a lottery?

<table>
<thead>
<tr>
<th>Event</th>
<th>Odds</th>
</tr>
</thead>
<tbody>
<tr>
<td>being born with 11 fingers or toes</td>
<td>1 in 500</td>
</tr>
<tr>
<td>drowning</td>
<td>1 in 1,008</td>
</tr>
<tr>
<td>living to 100 years old</td>
<td>1 in 6,000</td>
</tr>
<tr>
<td>finding a pearl in an oyster</td>
<td>1 in 12,000</td>
</tr>
<tr>
<td>getting struck by lightning</td>
<td>1 in 280,000</td>
</tr>
<tr>
<td>winning the Mega Millions Jackpot</td>
<td>1 in 176,000,000</td>
</tr>
</tbody>
</table>

B  Discuss the following questions with a partner.
1  Do you know how the lottery works?
2  Do you know anyone who has won the lottery or received a lot of money all at one time? What did they do with the money?

Reading Skill
Previewing

Previewing is something good readers do when they first encounter new reading material. They ask themselves questions like these: What is this about? What kind of text is this? and What do I already know about it? Previewing can involve skimming, scanning, and predicting to help us get acquainted with the reading passage.

A  Take one minute to preview the passage on the pages 73–74. Think about the title and the picture, scan the passage for interesting information, and skim the first and last paragraphs.

B  Now discuss the following questions with a partner.
1  What do you think the passage is about?
2  What do you already know about this subject?
3  What interesting points did you notice?
4  Where could you look to learn more about this topic?
5  Do you think you’ll enjoy reading the passage?

C  Read the entire passage carefully. Then answer the questions on page 75.
Every week, millions of dollars are spent, and won, on lottery tickets. With jackpots hitting hundreds of millions of dollars, many lottery winners suddenly find themselves with much more money than they’re used to. Many will have enough to purchase a new car, buy a luxury house, take a holiday and quit working—all within a short space of time. These “lucky” few, however, may end up with more problems than they had before they struck it rich. According to financial planner Steven Goldbart, two out of three winners spend all their winnings within five years.

Newly affluent lottery winners are actually in quite a tricky situation, so much so that lottery organizers employ counselors to help them. These counselors encourage winners to get advice from financial experts, such as accountants, about how best to invest their earnings. The counselors also help winners to understand how their lives may change for the better—and possibly for the worse. Many lottery winners are sensible when managing their new wealth; some, however, do not use their money wisely and end up getting into various unforeseen difficulties. Take a look at the fortunes of two very different lottery winners.

Michael Carroll is an example of what can happen to lottery winners if they don’t manage their money carefully. When Carroll was 19 years old, he won £10 million in England’s National Lottery. At the time, Carroll was working as a garbage collector, and the money changed his life. Three months after winning the lottery, he bought a home in a small town and turned the backyard into a 24-hour racetrack. The constant noise and dust upset his neighbors. He also purchased several luxury vehicles but was stopped for driving a brand new BMW without license plates or insurance. He was banned from driving for six months. This wasn’t Carroll’s first encounter with the law – he was frequently
arrested for drug possession and other crimes, and was jailed for nine months in 2006 for violent behavior. Upon his release from prison, Carroll applied for loans to make the payments on properties he had bought and to continue funding his extravagant lifestyle. In just eight years, Carroll had spent all his winnings. It was reported in 2010 that he was trying to get his old job as a garbage collector back.

After winning almost $29 million in a North Carolina lottery in 2009, Billy and Jeff Wilson say they have learned a lot about managing money. When people found out that the father and son had won so much money, the family had to leave their hometown to avoid people asking them for financial help. Billy, the elder Wilson, stopped working but likes to believe that winning the lottery hasn’t really changed them as people. He said: “We live around a bunch of millionaires and some of them are the most miserable people on Earth. Just because you have money doesn’t make you any better than anyone else and sometimes it seems like they forgot that.” His son Jeff says he just enjoys hanging out with friends and fishing. Thanks to the sensible way in which they handled their lottery money, the Wilsons are set to enjoy their winnings for a long, long time.

If you should happen to be lucky enough to win a lottery, here are a few simple rules that financial advisors recommend following.

- Meet with an accountant or other financial advisor.
- Pay all debts, such as home mortgages, car loans, and credit card bills.
- Calculate how much money will be needed to live on every year and then invest the extra money.
- Hand in your resignation only when you know you really don’t need the job anymore.
A  Choose the correct answers for the following questions.

1  The word *lucky* (line 5) is in quotation marks because lottery winners ______________.
   a  depend on skill and not luck to win  
   b  may encounter problems with their money  
   c  will soon lose all their money  

2  What do lottery counselors do?  
   a  They organize and run the lottery.  
   b  They help lottery winners make financial investments.  
   c  They help lottery winners cope with their sudden wealth.  

3  The word *fortunes* in line 15 does NOT mean ______________.  
   a  luck  
   b  money  
   c  outcome  

4  According to the passage, what should lottery winners do?  
   a  Quit their jobs soon after winning.  
   b  Pay their credit card bills.  
   c  Invest all their lottery winnings.  

5  What could be another title for the passage?  
   a  The Biggest Lottery Winners  
   b  Winning the Lottery: What Happens Next?  
   c  How to Hit the Jackpot  


B  Read the following sentences. Check (✓) whether they apply to Michael Carroll (C) and/or the Wilsons (W).

<table>
<thead>
<tr>
<th>The lottery winner(s) . . .</th>
<th>C</th>
<th>W</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  stopped working.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2  moved to a new place.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3  got into trouble with the police.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4  had to borrow money eventually.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5  is/are still living on the prize money.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C  Discuss the following questions with a partner.

1  Do you think rich people are treated differently? How would people treat someone who has just won a lottery?  
2  What personal qualities help a person to handle money well?  

Motivational Tip: Share with others. Think of two ways that you can share what you learn from this chapter with people who are not in your class. Do you have a friend that you can email after class today? Tell him/her what you learned about the value of money today in your class. As you share what you read with others, your reading skills will improve.
Vocabulary Comprehension
Words in Context

A Choose the best answer. The words in blue are from the passage.

1. An affluent person has a lot of ____________.
   a) talent          b) money

2. If a math problem is tricky, it ____________.
   a) doesn’t have an obvious solution   b) can be solved easily

3. A sensible person usually ____________.
   a) acts without thinking   b) thinks before acting

4. Which is considered a wise investment?
   a) taking a course on computer skills   b) buying a candy bar

5. An unforeseen encounter is a meeting that you don’t ____________.
   a) expect          b) remember

6. If you are banned from something, you are ____________.
   a) not allowed to do it   b) invited to do it

7. An example of an extravagant expense is ____________.
   a) a diamond cat collar   b) a washing machine

8. A person who has a debt ____________ money.
   a) has saved  b) owes

B Answer the following questions, then discuss your answers with a partner. The words in blue are from the passage.

1. Have you encountered any unforeseen difficulties in learning English?
2. What is the most extravagant thing you’ve ever bought?
3. What are some things that are banned in your classroom?
4. What do you think people mean when they refer to “sensible shoes”?
5. What is the wisest piece of advice that anyone has ever given you?
6. Why do you think more and more young people are in debt nowadays?
7. Which is the most affluent neighborhood in your city?
8. Have you ever been in a tricky situation involving a friend? Why was it tricky?
A Write the correct -ent or -ant word for each definition. Use the words in italics to help you. You may use a dictionary to help with spelling.

1. ________: a person who lives or resides in a certain place
2. ________: pleasing to you
3. ________: describes someone who challenges or defies authority
4. ________: to depend or rely on something or someone
5. ________: empty, having a vacancy, unoccupied
6. ________: someone who participates in something
7. ________: when something is obvious from evidence
8. ________: a person who makes a formal application for something, e.g. a job
9. ________: a person, plant, or animal that is descended from a particular ancestor
10. ________: open to and able to tolerate different views, beliefs, or behavior

B Complete the following sentences with the correct forms of the -ent or -ant words from A.

1. It was ________ that she had not prepared for the meeting as she had no idea what to say.
2. Nearly 12 percent of people in the United States are ________ of Irish settlers who came to North America over the centuries.
3. A(n) ________ society is one that is accepting of all races and religions.
4. The ________ of the building were unhappy with the noise caused by the construction next door.
5. The position is still ________ because we haven’t found a suitable person for the job.
6. There’s a(n) ________ smell coming from the refrigerator. I hope the food hasn’t gone rotten.
7. He has been getting into trouble at school for starting fights and being openly ________ toward teachers.
8. Nowadays, people are so ________ on technology to keep in touch with friends.

C Think of two more words that end with -ent or -ant. Write a definition for each and see whether your partner can guess the words.
A The following are common words and phrases used in many English-speaking countries. Discuss their meanings with a partner.

<table>
<thead>
<tr>
<th>Forms of payment</th>
<th>Using a bank machine</th>
<th>At the bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>cash</td>
<td>ATM</td>
<td>open a checking account</td>
</tr>
<tr>
<td>check</td>
<td>PIN</td>
<td>currency exchange</td>
</tr>
<tr>
<td>debit card</td>
<td>withdraw</td>
<td>money transfer</td>
</tr>
<tr>
<td>credit card</td>
<td>deposit</td>
<td>deposit</td>
</tr>
</tbody>
</table>

1Automated Teller Machine  2Personal Identification Number

B Complete the sentences below using words and phrases from A.

1 You will need a(n) ____________ if you want to reserve a hotel room via the Internet.
2 If you want to send or receive money electronically, you should visit a bank or a credit agency and ask about doing a(n) ____________.
3 You have Euros, but you need American dollars. You should visit a place that does ____________.
4 You have $500 in your checking account. You go to a(n) ____________ and ____________ $85. Your balance is now $415.

C Below is a common form of payment in the United States. What is it? Imagine you need to pay $120.50 to Kean’s Department Store. Complete the missing information.

What do you think?

1 What are some ways that you can guard your money against inflation?
2 Why do you think people play the lottery if the chances of winning are so low?
3 Can you name any famous billionaires? How did they get their wealth?
4 Do you think wealthy people should donate money to charity? Why, or why not?