

Chapter 1 What Is Economics

I. Learning Objectives

- To learn the fundamental knowledge about economics and its importance in our daily life;
- To know about the terms of microeconomics and macroeconomics;
- To understand the significance of economic growth;
- To master the usage of key special terms, words and phrases in this chapter.

II. Introduction

A society faces many decisions. It must decide who will eat shark's fin and who will eat potatoes. It must decide who will drive a Mercedes-Benz and who will take the bus. Economics will tell you why. 不管你懂不懂经济学，学不学经济学，日常生活中你都在不知不觉地实践着经济学的某些理论。学习经济学有助于做出更好的个人决策，更精明地参与经济生活。至少，当失业的时候，你知道为什么失业。

III. Main points of the text

1. Economics is everybody's business.
2. What is economics?
3. Origin of economics.
4. What is microeconomics and macroeconomics.
5. Practical value of economics in business.
6. Significance of economic growth.

IV. Background and terminology

1. Adam Smith (1723-1790) 亚当·斯密

British philosopher and economist, whose celebrated *Inquiry into the Nature and Causes of the Wealth of Nations* serious attempt to study the nature of capital and the development of industry and commerce among nations. He is known as "the father of market



treatise *An* was the first historical European economy".

2. An Inquiry into the Nature and Causes of the Wealth of Nations 《国富论》

Abbreviated to *The Wealth of Nations*. In this famous treatise Adam Smith argued that private competition free from regulation produces and distributes wealth better than government-regulated markets. Since

1776, when Smith produced his work, his argument has been used to justify capitalism and discourage government intervention in trade and exchange. Smith believed that private businesses seeking their own interests organize the economy most efficiently, “as if by an invisible hand.”

3. demand and supply relationship

the relationship between the amount of goods for sale and the amount of goods that people want to buy, especially the way it influences prices 供求关系

4. microeconomics

the study of the operations of the components of a national economy, such as individual firms, households, and consumers 微观经济学是研究一个国家经济的组成部分，诸如私人公司，家庭和消费者活动的分科

5. macroeconomics

the study of the overall aspects and workings of a national economy, such as income, output, and the interrelationship among diverse economic sectors 宏观经济学是对一个国家经济整体方面和运作，诸如收入、支出和各种经济成分之间相互关系的研究

6. deflation

a persistent decrease in the level of consumer prices or a persistent increase in the purchasing power of money because of a reduction in available currency and credit 通货紧缩的含义是由于可获得货币和信贷的减少，导致消费品价格水平持续下降或货币购买力持续提高

7. standard of living

也作 “living standard” 生活水平

8. inflation

a persistent increase in the level of consumer prices or a persistent decline in the purchasing power of money, caused by an increase in available currency and credit beyond the proportion of available goods and services 通货膨胀是由于市场上通货和信用货币增到超过市场所提供的商品和服务而导致的消费品价格水平持续上涨和货币购买力持续下跌

9. Political Economy 政治经济学

10. English School of Classical Political Economy 英国古典政治经济学派

V. Language Points

7. deal with sb/sth

① [本课]有关，论及

This is a book dealing with Business English.
这是一本有关商务英语的书。

② [Biz Eng] 与某人或公司有生意来往, 与.....交易

When you deal with that company, you should be cautious. It doesn't enjoy a good credit standing.
跟那家公司打交道时, 你可要小心。该公司的信誉可不怎么样。

8. **It is a body of knowledge that deals with the creation, and distribution of goods and services to satisfy human wants.**

经济学是以满足人们需要的商品、服务的生产、分配为研究对象的一门科学。

本句是一个带有定语从句的复合句。主句是一个系表结构。that 引导的定语从句作主句表语 a body of knowledge 的定语。其中, 该定语从句中的不定式短语 to satisfy human wants 又作 goods and services 的定语。

satisfy one's wants 的意思相当于 meet one's needs.

类似的用法有:

to satisfy the eye 悦目

to satisfy all requirements 满足所有的要求

to satisfy the people's needs 满足人们的需要

to satisfy one's desire 满足欲望

to satisfy one's curiosity 满足好奇心

to meet your expectation 满足你的期望

to meet all the conditions in the contract 满足/符合合同中的所有条款

9. **relate to** 与.....有关, 涉及

① She is a girl who notices nothing except what relates to herself.

她是一个从不关注他人, 只关注自己的女孩。

② [Biz Eng] We shall supply our agents with a reasonable number of samples, catalogues, price lists and other sales aids relating to our product.

关于我方产品, 我们要提供给代理商适当数量的样品、目录、价格表及其它推销辅助材料。

10. **Trace** vt. to ascertain the successive stages in the development or progress of 追溯. e.g.

The custom may be traced to the time of the Warring States.这个风俗可上溯到战国时期。

11. **Approach** v. to begin to deal with or work on 着手; 开始处理或工作. e.g.

Don't approach the task with dread.不要害怕开始这项任务。

6. **in terms of**

① 用.....方法; 用.....方式

The managing director sees everything in terms of figures.

总经理用数字看待一切。

② 在.....方面, 关于

[Biz Eng] We trust that our product is attractive enough to your end users in terms of both quality and price.

我们相信, 我方产品在品质和价格方面对贵方用户都有足够的吸引力。

7. **focus on** 将.....集中于某一点/某事物

- ① Please focus your attention on the question we are talking about.
请将你的注意力集中到我们讨论的问题上来。
- ② [Biz Eng] Under the current market situation, we should focus on the research and development of new products.
在当前的市场形势下，我们应当着重新产品的研发。

8. Project vt. to put forth; present for consideration 提出；阐述. e.g.

He is busy projecting a new business enterprise. 他正忙于筹划新企业。

9. Economics is of practical value in business, for it aids in making decisions and establishing policies. 经济学的价值在商业中得到了现实的体现，它有助于决策的做出和政策的制定。

本句是一个并列句。有些同学根据 for 这个词的汉语意思，常常把它引导的分句理解成原因状语从句，这是不对的。类似 for 的并列连词还有 so, therefore, hence 等。例如：

You'd better take off your coat in the room, for there's an air-conditioner inside. 在室内你最好脱掉大衣，因为里面有空调。

My sister is expecting me, so I must be off now. 姐姐在等我，因此我得走了。

He broke the rules of the school, therefore he had to leave. 他犯了校规，因此不得离校。

短语结构 be of + *n.* 相当于 be + *adj.* 例如：

It is of great importance = It is very important. 这件事非常重要。

It is of tremendous significance for China to join WTO = It is tremendously significant for China to join WTO. 中国加入世界贸易组织意义非凡。

10. Establish vt. to introduce and put (a law, for example) into force 提出、制定和实施（法律等）. e.g.

New rules have been established for the management of HR. 为人力资源管理制定了新规则制度。

11. Available adj. present and ready for use; accessible 可用的；可获得的. e.g.

Chinese commodities available for export are varied. 中国可供出口的商品种类繁多。

. Minimize vt. to reduce to the smallest possible amount, extent, size, or degree 减少到最低限度(范围、尺寸或程度).

The company is trying to minimize the cost of production. 该公司在努力使生产成本最低化。

12. provide sb with sth / provide sth for sb 为.....提供

① He works for his dear life to provide his family with enough food and clothes.

他拼命工作，为他的家庭提供足够的食品和衣着。

② [Biz Eng] We are always glad to provide all possible conveniences for our buyers. 我们一贯乐意向买主提供一切可能的便利。

13. Eliminate vt. to get rid of; remove 消灭；消除. e.g.

He has eliminated all political opposition. 他已消除所有的政治对手。

8. Guarantee vt. to make certain; to furnish security for 保证；担保. e.g.

We can guarantee our product. 我们能保证产品的质量。

VI. Summary of the lesson

Economics is everybody's business. We ought to be curious about our complex physical and social environment. Economics **deals with** managing resources to meet the desires of people. The study of economics may be **approached** in two different ways: the microeconomics approach and macroeconomics. Economics is of practical value in business, for it aids in making decisions and establishing policies. It helps us become better-informed in dealing with the problems of business.

VII. Comprehension questions

1. What is economics? What theories are involved in economics?
2. Who wrote the first full-scale treatise on economics? Can you tell some of his arguments in this treatise?
3. According to the text, what is the difference between microeconomics and macroeconomics?
4. Why is economics of practical value in business?
5. How could a rising standard of living be provided?