

Chapter 5

What Is International Business?



Objectives

Objectives

- A.** To learn the definitions of business and international business; To know about the terms of microeconomics and macroeconomics;
- B.** To grasp some basic theories related to international business, such as absolute advantage and comparative advantage;
- C.** To grasp the main idea and the structure of the text;

Objectives

- D.** To master the usage of key special terms, words and phrases in this chapter;
- E.** To conduct a series of listening, speaking, reading, writing and translating activities concerned with the theme of the chapter.



Introduction

Introduction

Whether you are a businessmen or not, you have some business dealings everyday. Maybe you don't believe this, but it's true. We are all part of this business world and involved in the business activities in some way.



参考译文

不管你是不是生意人，生活中的每一天你都会做各种各样的买卖。你或许不信，但事实确实如此。其实，我们每个人都这样或那样地参与到商业活动之中，都是商品社会的一员。





Main points of the text

Main points of the text

- 1. Most people are involved in selling something.**
- 2. the purpose of business**
- 3. what is international business**



Main points of the text

4. the rationale for international business between nations centers around specialization and manufacturing
5. differences between absolute advantage and comparative advantage



Background & terminology

Background and terminology

patent



legal document granted by the government giving an inventor the exclusive right to make, use, and sell an invention for a specified number of years. In the United States, patents last for 20 years. The goal of the patent system is to encourage inventors to advance the state of technology by awarding them special rights to benefit from their inventions.

Background and terminology

Patent law is one branch of the larger legal field known as intellectual property, which also includes trademark and copyright law. Patent protection has great economic importance to a number of industries that rely on technological innovation to remain competitive, such as the chemical, pharmaceutical, and computer industries.

Background and terminology

专利指政府授予的法律文书，它给予发明者独有的权利，即在特定的年限内享有独有的制造权、使用权以及出让某种发明成果的权利。专利制度的宗旨是给予发明者从他们的发明中得到实惠的特别权利，鼓励发明者把技术推向前进。专利法是知识产权的一个分支，知识产权还包括商标法和版权法。专利保护对于许多行业来说具有很重要的经济意义，这些行业依赖技术创新来保持竞争力，比如化学、医药以及计算机行业。



Background and terminology

know-how



knowledge of how to do something correctly and efficiently; expertise; technical knowledge, such as product design, production procedure, operation and testing methods, composition of ingredients, project design, managerial knowledge, etc.

正确而有效地做某些事情所需要的知识和技艺，专门的技术，本事，窍门；像产品设计、生产步骤、操作和测试方法、成分构成、项目设计、管理知识等。

Background and terminology

absolute advantage



In 1776 the Scottish economist Adam Smith, in *The Wealth of Nations*, proposed that specialization in production leads to increased output. He believed that in order to meet a constantly growing demand for goods, a country's scarce resources must be allocated efficiently.

Background and terminology

According to Smith's theory, a country that trades internationally should specialize in producing only those goods in which it has an absolute advantage—that is, those goods it can produce more cheaply than can its trading partners. The country can then export a portion of those goods and, in turn, import goods that its trading partners produce more cheaply. Smith's work is the foundation of the classical school of economic thought.

Background and terminology

1776年，苏格兰经济学家亚当·斯密，在《国富论》一书中指出，生产的专业化导致产量的增加。他认为，为了满足不断增长的货物需求，一个国家匮乏的资源必须进行有效的配置。根据他的理论，进行国际贸易的各个国家，应该专门生产具有绝对优势的货物，也就是说，该国能以比它的贸易伙伴更低廉的价格生产那些物品，反过来，可以进口其贸易伙伴以更低廉价格生产的物品。亚当·斯密奠定了古典经济学派的基础。



Background and terminology

comparative advantage



economic theory, first developed by David Ricardo of England, that attributed the cause and benefits of international trade to the differences among countries in the relative opportunity costs of producing the same commodities. In Ricardo's theory, which was based on the labor theory of value (in effect, making labor the only factor of production),

Background and terminology

the fact that one country could produce everything more efficiently than another was not an argument against international trade.

经济学理论；首先由英格兰的大卫·李嘉图提出的经济学理论。该理论针对国家间生产同类商品的相对机会成本的不同，阐明了进行国际贸易的理由和好处。李嘉图的理论建立在劳动价值论的基础之上（实际上，劳动是生产的唯一要素），按照他的理论，一个国家有可能更有效地生产所有的产品，这并不构成反对国际贸易的依据。

Background and terminology

natural resources



Natural resources, including plants, animals, mineral deposits, soils, clean water, clean air, and fossil fuels such as coal, petroleum, and natural gas, are grouped into two categories, renewable and nonrenewable. A renewable resource is one that may be replaced over time by natural processes, such as fish populations or natural vegetation, or is inexhaustible, such as solar energy.

Background and terminology

The goal of renewable resource conservation is to ensure that such resources are not consumed faster than they are replaced. Nonrenewable resources are those in limited supply that cannot be replaced or can be replaced only over extremely long periods of time. Nonrenewable resources include fossil fuels and mineral deposits, such as iron ore and gold ore. Conservation activities for nonrenewable resources focus on maintaining an adequate supply of these resources well into the future.

Background and terminology

自然资源，包括动物、植物、矿物、土壤、洁净水、洁净空气以及像煤、石油、天然气，被分为可再生和不可再生两类。可再生资源是指随着时间的推移可由自然过程替换的资源，如鱼类或自然植被，或者说用不尽的资源，如太阳能。保护可再生资源的目的是保证这些资源不至于比它们被替换的速度更快地被消耗掉。不可再生资源是指那些有限的不可替换的或在相当长时间内不可替换的资源。不可再生资源包括化石燃料、矿藏，如铁矿石和金矿石。不可再生资源的保护活动焦点集中在使这些资源直至遥远的未来能维持适度供给。

Background and terminology

multinational corporations



Multinational corporation, also called transnational corporation, refers to any corporation that is registered and operates in more than one country at a time. Generally the corporation has its headquarters in one country and operates wholly or partially owned subsidiaries in one or more other countries. The subsidiaries are responsible to central headquarters.

Background and terminology

多国公司，也称跨国公司，是指某一时间内在一个以上国家注册和运营的任何公司。通常该公司在一个国家设有总部，同时在另一个或多个国家经营具有全部或部分产权的分公司，分公司对中央总部负责。



Background and terminology

economic blocs 经济集团



bloc: A group of nations, parties, or persons united for common action:

集团：为共同行动而结合在一起的一组国家、党派或个人

nations in the Communist bloc.

共产主义集团的国家

the farm bloc in the U.S. Senate. 美国

参议院农业集团

Background and terminology

Saudi Arabia



a monarchy in southwestern Asia with an area of approximately 2,248,000 square kilometers, occupying about four-fifths of the Arabian Peninsula. Saudi Arabia is a land of vast deserts and little rainfall. Huge deposits of oil and natural gas lie beneath the country's surface.

Background and terminology

Saudi Arabia was a relatively poor nation before the discovery and exploitation of oil, but since the 1950s income from oil has made the country wealthy. The religion of Islam developed in the 7th century in this country. The Kingdom of Saudi Arabia was founded in 1932 by Abdul Aziz ibn Saud, and it has been ruled by his descendants ever since.

Background and terminology

沙特阿拉伯，位于西南亚的一个君主政体的国家，面积大约**2,248,000**平方公里，占阿拉伯半岛大约四分之三的土地。沙特阿拉伯拥有广袤的沙漠，降雨量很小。这个国家蕴藏巨大的石油和天然气储量。沙特阿拉伯在发现和开采石油之前是一个相对贫困的国家，但自**20世纪50年代**以来，石油的收入使这个国家变得很富有。伊斯兰教于公元七世纪在这个国家得以发展。沙特阿拉伯王国于**1932年**由阿齐兹·伊本·沙特**Aziz ibn Saud**建立，从那时起，一直由他的后裔统治着。

Background and terminology

South Africa



South Africa is the southernmost country in Africa. South Africa has a diverse and dramatic landscape. Most of the interior is covered by high plateaus, which are separated from the country's long coastline by chains of tall mountains. South Africa is rich in minerals such as gold and diamonds, and its industrial base grew up around the mining industry.


Background and terminology

南非是非洲最南端的国家。南非的地形复杂多变、风景宜人。内陆的大部分被高原覆盖着，高大的山脉将高原与长长的海岸线分开。南非具有丰富的矿物资源，如黄金和钻石，它的工业是围绕着采矿业发展起来的。



Background and terminology

Business and International Business



Business is an organized approach used by individuals or companies for the purpose of providing goods and services to people; International business is the worldwide exchange of goods and services among nations

商业是指个人或公司团体通过有组织的方式向人们提供商品或服务。国际贸易是指国与国之间商品和服务在世界范围内的交换行为，通常使用某种形式的货币来支付。



Language points

Language points

Most people who work for a living are either directly or indirectly involved in selling something.



大多数人在谋生的同时都直接或间接地参与到某些商品的出售过程中。
本句的谓语动词是“are...involved in...”，
“either directly or indirectly”用作状语。
“who work for a living”是定语从句，修饰主语“most people”。
involve somebody in (doing) something:
to ask or allow someone to take part in something. 请（允许）某人参加某事；

Language points

Try to involve as many children as possible in the game.

尽可能多找些孩子来参加这个游戏。

be/get involved in

to take part in an activity or event

be connected with it in some way

参加某活动，于某事有关联；

Language points

1. If you don't want to **be involved in** this argument, the best choice is keep silent.
如果你不想参与争论，最后的办法就是保持沉默。

2. (Biz) More than 30 software firms **were involved in** this project.
30 多家软件公司参与了这个项目。

Language points

As a result, when we really examine what goes on in the business world it becomes obvious that we are all part of it.



如果真正要考察这个商业社会是如何运作的，结论显而易见：我们每个人都是其中的一部分。

本句含有几个从句：“when we really examine...the business world”是全句状语（从句）；在状语句中，“what goes on the business world”是宾语从句；“it becomes obvious that ... it.”是全句的主句；主句开头的“it”是形式主语，“that-clause”是真正的主语。

Language points

Business is an organized approach used by individuals or companies for the purpose of providing goods and services to people



商业是指个人或公司团体通过有组织的方式向人们提供商品或服务。

句中“organized”是过去分词，是“approach”前置定语；“used by individuals or companies for the purpose of providing goods and services to people”是过去分词短语，用作“approach”的后置定语。“for the purpose of...”意为“为了……目的”。

Language points

再如: **Organized labor, also called trade unionism, refers to association and activities of workers in a trade or industry *for the purpose of obtaining or assuring improvements in working conditions through their collective action.***

有组织的劳动，也称工团主义，是指为了通过集体行动获得或保障工作环境的改善的工人们的联合行为。

Language points

play a role in sth



在...中担当...角色;

在...中起到...作用

Language points

1. Electricity plays a key role in our daily life.


在我们日常生活中，电的作用至关重要。

2. (Biz) She plays a key role in this dealing.

在这个交易中，她起到了关键作用。

Language points

International business is the worldwide exchange of goods and services among nations, generally using some form of currency as payment.



国际贸易是指国与国之间商品和服务在世界范围内的交换行为，通常使用某种形式的货币来支付。

本句中从**generally**到**payment**是现在分词短语，用作伴随状语。注意：分词的逻辑主语须与主句的主语一致。根据这个原则，这个分词短语的逻辑主语应该是“**international business**”。

Language points

The rationale for international business between nations centers around specialization, absolute advantage, and comparative advantage.



国与国之间进行国际贸易的基本原理主要围绕专业化、绝对优势和比较优势等理论。


rational: principle

center around: focus on

specialization: 专有化

Language points

The best solution: each specializes in its own product, growing enough to meet local needs and exporting the rest.



最好的解决办法是：每个地方专门生产它自己的产品，生产足够的产品满足当地的需要，再将剩余部分出口。

specialize in: 专门从事，专攻

Language points

1. This travel firm specializes in charter flights.

这家旅游公司专营包机业务。

2. He specializes in the history of scientific and technological development.

他专攻科技发展史。

Language points

People in both areas end up with more total produce than if each tries to raise both crops.



最终结果是两地的人们都享有比自己种植两种作物更多的产品。

end up: 最后有某种结局

Language points

1. We started with soup and **ended up** with fruit and coffee.

我们开始喝汤，末了吃水果，喝咖啡。

2. If you go on doing that kind of thing you will **end up** in prison.

如果你继续做这种事情，你最终会进监狱。

3. At first, he refused to accept any responsibility, but he **ended up** apologizing.

起初，他拒绝承担任何责任，但最后还是道了歉。

Language points

The same principle applies to manufacturing, but in this case, climate is not the primary concern.



同样的原理也适用于制造业，但在这种情况下，气候就不是主要关心的问题。

apply to: 应用于.....

Language points

1. Scientific discoveries are often **applied to** industrial production.

科学发现通常被运用于工业生产中。

2. The rules of safe driving **apply to** everyone.

安全驾驶规则适用于每一个人。



Language points

Saudi Arabia specializes in oil production, South Africa in diamonds and gold, Australia in wool.



沙特阿拉伯专门从事石油生产，南非专门从事钻石和黄金的生产，澳大利亚专门从事羊毛生产。

此句可视为并列句，后两个并列分句中的谓语动词与第一个分句中的动词“specialize”相同，所以省略了。

Language points

In cases of comparative advantage, a product is produced in the country where its cost is least in terms of other products that might be produced with the same resources.



就比较优势而言，相对于可以使用相同资源生产的其它产品，一个产品应在其成本最低的国家里生产。

in terms of: 按照，就...而言

Language points

1. Manufacturing is now the principal economic activity in this province, **in terms of** value of production.

就产值而言，制造业现在是这个省的主要经济活动。

2. California's leading industry, **in terms of** the value added by manufacturing, is electronic and electrical equipment manufacturing.

就制造业附加值来讲，加州的主要行业是电子设备制造业。

Language points

There are two methods of engaging in international business: indirect and direct.



有两种从事国际贸易的方法：间接法和直接法。

Indirect: export agent 出口代理商

Language points

Direct:

A company's maintaining its own export department.

公司维持其自己的出口部

A separate international company

单独的国际公司

A foreign subsidiary

国外子公司





Summary

Summary

Every day of our lives we have some business dealings. Business is an organized approach used by individuals or companies for the purpose of providing goods and services to people. International business is the worldwide exchange of goods and services among nations, generally using some form of currency as payment. The rationale for international business between nations centers around specialization, absolute advantage, and comparative advantage.

Summary

The same principle applies to manufacturing, but in this case, climate is not the primary concern. Factors such as labor supply, proximity to natural resources, and, at times, historical accident are more likely to cause a nation to specialize in a particular industry. There are two methods of engaging in international business: indirect and direct. If an indirect method is chosen, a manufacturer may use the services of an export agent. Direct exporting may involve a company's maintaining its own export department, a separate international company, or a foreign subsidiary.



Comprehension questions

Comprehension questions

- 1.** Is everyone likely to be involved in business dealings? Why?
- 2.** Use one sentence to define international business.
- 3.** What is the difference between exports and imports?
- 4.** Is there any difference between absolute advantage and comparative advantage? Can you explain the two terms?

Comprehension questions

5. What is specialization?
6. Why is it unnecessary for the people in Iowa to create an artificial environment for citrus trees?



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