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Look at the following pictures, think over and try to get some information from them













广州港地处珠江入海口和我国外向型经济最活跃的珠江三角洲地区中心地带,濒临南海,毗邻香港和 澳门,东江、西江、北江在此汇流入海。







### **About this course**

- 1. What is International Trade Practice?
- 2. Why to learn this course?
- 3. Main contents of this course
- 4.Learning Objectives
- **5.Important points**
- 6. Teaching Methodology

### 1. What is International Trade Practice?

International Trade Practice refers to the basic knowledge and skills in international trade

### 2. Why to learn this course?

International Trade Practice is an core course for Business English majors and it is very important and helpful if you engage in interntional trade. To an extent, it is difficult or even impossible to trade internationally without the knowledge and skills of interntional trade.

#### 3. Main contents to be studied in this course:

Chapter 1 A brief introduction to international trade

**Chapter 2 General Procedures of Export and Import Transaction** 

**Chapter 3 Contracts for the Sale and Purchase of International Commodity** 

**Chapter 4** Trade Terms

**Chapter 5 Quality of Commodity** 

**Chapter 6 Quantity of Goods** 

**Chapter 7 Packing and Marking of Goods** 

**Chapter 8** Price of Goods



**Chapter 9 Delivery of Goods** 

**Chapter 10 Cargo Transportation Insurance** 

**Chapter 11 Payment of Goods** 

**Chapter 12 Disputes, Claim, Arbitration** 

**Chapter 13 A Brief Introduction to Cross-border E-Commerce** 

We'll discuss the contents according to the following order so that you may have a better understanding

- Chapter 1 A brief introduction to international trade
- **Chapter 4** Trade Terms
- **Chapter 5** Name and Quality of Commodity
- **Chapter 6 Quantity of Goods**
- **Chapter 7 Packing and Marking of Goods**
- **Chapter 9 Delivery of Goods**

### **Chapter 10 Cargo Transportation Insurance**

**Chapter 11 Payment of Goods** 

**Chapter 12 Disputes, Claim, Arbitration** 



**Chapter 8** Price of Goods

Chapter 3 Contracts for the Sale and Purchase of International Commodity

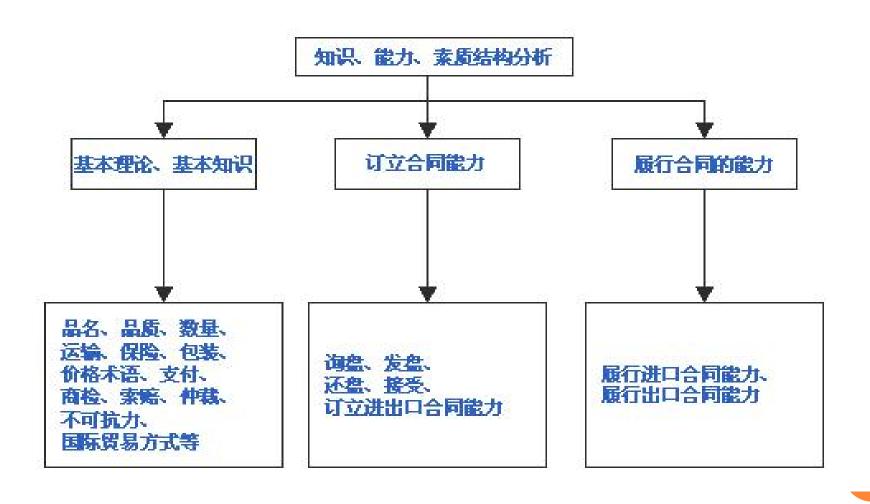
Chapter 2 General Procedures of Export and Import Transaction

**Chapter 13 A Brief Introduction to Cross-border E-Commerce** 

# 4.Learning Objectives

- Understand the main theory, policy and regulations of international trade
- Master the reasons, benefits and some basic concepts of international trade
- Have a good command of the general procedures of international trade
- Master the main skills in international trade

### Picture of the Course

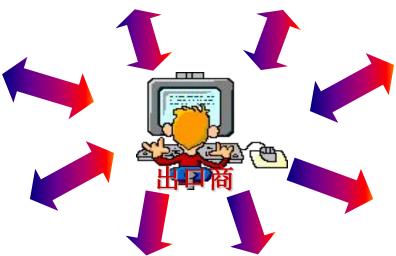














银行





商检局

# 5.Important points

Understand and master the definition, concepts, main theories, procedures and skills of international trade

We'll NOT discuss new words, sentence structure or grammar, etc.

# **6.Teaching Methodology**

**Questions and Answers** 

Presentation

Group discussion

Case analysis

#### What is international trade?

International trade, also known as world trade, foreign trade, overseas trade, import and export trade, is the fair and deliberate exchange of goods and services across international boundaries or territories. It concerns trade operations of both import and export and includes the purchase and sale for both visible and invisible commodities.

Visible Trade (有形贸易) involves the importing and exporting of tangible goods.

Invisible Trad(无形贸易) involves the service exchange between countries



# Chapter 1 A brief introduction to international trade

# Section One Reasons for international trade (从事国际贸易的动机)

- 1. Why do countries trade?
- 2. Shouldn't a strong country such as the United States produce all of the computers, TV, automobiles, etc. as it wants rather than import such products from Japan?
- 3. What benefits can the nations get from international trade?

# Chapter 1 A brief introduction to international trade

# Section One Reasons for international trade (从事国际贸易的动机)

- 1 Resource Acquisition (寻求资源)
- 2 Benefits Acquisition (追求利润)
- 3 Diversification (多种经营)
- 4 Expand sales (扩大销售)



# Section One Reasons for international trade

1. Resource Acquisition(寻求资源)

The uneven distribution of resources around the world is one of the basic reasons why nations began and continue to trade with each other.



- 1) Favorable climatic conditions and terrain
- Climatic conditions and terrain are very important for agricultural produces in these factors enable some counties to grow certain plants and leave other countries with the only choice to import the produces they consume. For example, Colombia and Brazil have the opportunities to export coffee beans and coffee to counties worldwide. Another example is the US Great Plain states have the ideal climate and terrain for raising wheat. This has made the US a big wheat exporter.

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### 2 Natural resources

Some countries are the major suppliers of certain natural resources because the distribution of natural resources around the world is somewhat haphazard. The middle east, for instance, has rich oil reserves and is the main source of oil supply to the world. It has over 50% of the world total reserves and produces about 40% of the world total output. Over 2/3 of the oil that West Europe and Japan need is imported from the Middle East and the US oil military consumption in Europe and Asia is largely purchased from that area.





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- (3) Skilled workers
- US, Japan, and western countries have skilled workers who are able to manufacture sophisticated equipment and machinery such as jet aircrafts and computers, etc. Other countries, since they don't have well-trained engineers and workers, must import the equipment from these countries.



- 4 Capital resources
- Developing countries need to modernize their industries and economies with advanced machinery, equipment and plant that they are not yet able to manufacture because of the lack of capital. This has given rise to the need for developing international trade.

- ⑤Favorable geographic location and transport costs
- They are many examples that countries have developed economic relationship chief because they are geographically close to each other. Sino-Japanese trade relationship is to some degree determined by geographic proximity and low transport cost. US and Canada have a very close trade relationship for similar reasons.

- **©Insufficient production**
- Some countries cannot produce enough items they need. UK, for instance, does not have a large agricultural population. In fact, only 5% of its population in engaged in agriculture and they mainly grow fruits and flowers. UK then has to import 60% of its agricultural consumption.

## 2. Benefits Acquisition(追求利润)

1) Cheaper goods or services

For one thing, countries trade because there is a cost advantage. This has been explained in the section of "economic reason" for international trade. Further, competition in the world market remains constant. This has made prices even lower. Last, if the quality of the imported goods is better but the price is not higher compared with domestic cost, there is still a cost advantage.

## 2) Good quality of life

As no nation has all the commodities or services that it needs, undoubtedly, trade means countries can provide a wider variety of products for their consumers and thus help to improve the living standards of the people.

#### 3. Diversification

Companies usually prefer to avoid wild swings in their sales and profits; so they seek out foreign markets and procurement as a meand to this end

### 4. Expand Sales

International trade can greatly expand the market, which enables the suppliers to take advantages of economies of scale. With the increasing number of trading partners, suppliers can also get more profits.