GENERAL ECONOMIC ENGLISH

Week 10: International Trade and Globalization

1. Main Academic Text & Core Concepts

International Trade is the exchange of capital, goods, and services across international borders. It allows nations to expand their markets and access commodities otherwise unavailable domestically. Goods produced domestically and sold abroad are Exports; goods purchased from foreign nations are Imports. The Trade Balance measures the difference between exports and imports (Trade Surplus vs. Trade Deficit).

The theoretical foundation of trade is David Ricardo's Law of Comparative Advantage. It asserts that countries benefit from specializing in producing goods where they have the lowest opportunity cost and trading with others. Specialization boosts global output and economic efficiency.

Globalization refers to the growing interdependence of world economies, cultures, and populations, driven by cross-border trade, technology, and investment. However, governments sometimes implement Protectionist policies—such as Tariffs (import taxes) and Quotas (quantity limits)—to safeguard domestic industries from foreign competition.

2. Key Terminology & Academic Definitions

Export	Noun/Verb	Goods or services sold to another country / to sell goods abroad.
Import	Noun/Verb	Goods or services bought from foreign countries / to purchase from abroad.
Trade Balance	Noun	The difference in monetary value between a nation's exports and imports.
Comparative Advantage	Noun	Ability to produce a good at a lower opportunity cost than competitors.
Globalization	Noun	The integration of global economies, trade, cultures, and technologies.
Tariff	Noun	A tax or duty imposed on imported goods.
Quota	Noun	A government-imposed restriction on the quantity of an imported good.

3. Language Focus: Comparing Countries, Contrast Markers & Formal Expressions

Comparative & Contrast Connectors: Express trade contrasts: 'While Country A exports raw materials, Country B exports manufactured goods.'

On the one hand / On the other hand: Structure balanced arguments regarding globalization benefits and drawbacks.

Passive Voice in Policy Writing: State trade regulations: 'Tariffs are levied on foreign vehicles to protect local automakers.'