GENERAL ECONOMIC ENGLISH

Week 11: International Business and Multinational Companies

1. Main Academic Text & Core Concepts

International Business encompasses all commercial transactions—private and governmental—that take place between two or more regions or nations. A dominant player in global commerce is the Multinational Company (MNC): a corporate entity registered and operating in more than one country, featuring a Central Headquarters and multiple foreign Subsidiaries.

Firms expand internationally to access new consumer markets, lower manufacturing costs, acquire raw materials, and achieve economies of scale. Market Entry Strategies include exporting, licensing, franchising, joint ventures, and Foreign Direct Investment (FDI)—where a business establishes physical operations or acquires business assets in a foreign country.

Operating across borders requires managing Cultural Differences in corporate etiquette, negotiation styles, and decision-making hierarchies. Effective international business managers master formal professional communication, tailored cross-cultural negotiation strategies, and diplomatic language to build international commercial partnerships.

2. Key Terminology & Academic Definitions

Multinational Company (MNC)	Noun	A corporation managing business operations in multiple countries.
Headquarters	Noun	The central administrative office of a international company.
Subsidiary	Noun	A company controlled by a holding or parent organization.
Foreign Direct Investment (FDI)	Noun	Direct investment made by a firm into foreign enterprise operations.
Joint Venture	Noun	A business arrangement in which two or more parties pool resources.
Market Entry Strategy	Noun	A planned method of delivering goods/services to a new target market.
Cross-cultural	Adjective	Relating to or involving different cultures or cultural comparisons.

3. Language Focus: Formal Business Correspondence & Diplomatic Language

Formal Business Salutations & Closings: Use formal email conventions: 'Dear Mr./Ms. [Name]', 'Sincerely', 'Kind regards'.

Polite Request Structures: Use indirect phrasing: 'We would appreciate it if you could send...', 'Could you please confirm...'

Expressing Softened Disagreement: Use diplomatic markers: 'We understand your perspective; however...', 'Alternatively, we might consider...'