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国际贸易理论与实务

INTERNATIONAL TRADE THEORY AND PRACTICE

主编 丁溪 唐赛

全国高等院校经济贸易与管理统编教材

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前　言

随着国际形势的变化以及我国经济改革发展的不断深入，越来越多的国际大型跨国公司来到中国市场，不少有实力的国内企业也纷纷走出国门，国际贸易交易量随之越来越大，贸易方式也有很大改变，原来的贸易英语教学结构已经不能够应对如此大量市场信息的变化，因此尽快培养一大批既熟练掌握国际贸易英语并能运用英语进行谈判、同时又了解国际市场行情以及各国法律的复合型贸易外经人才已成为当前的一项紧迫任务。本书的出版将对我国贸易英语的教学和实践起到巨大的推动作用。

本书具有以下特点：

1. 选材范围广泛——所选文章涵盖了国际贸易理论与国际贸易实践两部分，对国际运输、国际贸易操作、国际保险、检验、不可抗力等多方面的内容进行了详述。

2. 词汇专业性强、重点突出——每篇文章后附有关键词语的翻译、缩略语的解释，便于学习。

3. 文章篇幅适宜——所选内容的篇幅适宜，适用于精读教学，也可用于泛读。

4. 题型多样、难简适度——练习题型设计多样，设有案例的学习，方便学生对所学知识的巩固和复习，增加对该类内容的英文及相关知识的把握。

5. 本书后附有测试题，以供读者学习后进行自测。

本书的主要目的是培养全国高等院校商务英语方向学生的英文原文阅读能力，同时适用于有一定英语基础的广大商贸英语爱好者。

全书共分 13 章。本书在编写过程中参考了众多国内外出版的教材、文章和著作，并得到国际金融实际工作部门同志的帮助，特借此机会向这些同仁致以衷心的感谢。在本书的出版过程中，我们也得到了家人的理解和支持，特此感谢他们，如果没有他们的关爱，就没有这本书的出版。本书由哈尔滨工业大学的丁溪老师、唐赛老师主编；参与本书编写的有交通银行黑龙江省分行的张月滨，哈尔滨工业大学的常巍，哈尔滨学院的袁晶，绥化学院的庞敬春，黑龙江省社会科学院的王力力，哈尔滨工程大学的岳铁艳，黑龙江农业工程职业学院的马春雷，哈尔滨商业大学的张纯，渤海大学外语教研部的李冬梅，哈尔滨工程大学的王欢、崔中原，黑龙江外国语学院的霍畅、曲麟，哈尔滨林业大学的赵咏、王晓艳，哈尔滨学院的李浩宇，杰劳瑞森国际货运（上海）有限公司的佟思瑶，哈尔滨市市政公路建筑工程有限责任公司的栗凤榕，齐齐哈尔工程学院的刘莹。丁溪、张月滨负责全书的修改和总纂。由于作者能力有限，书中疏漏在所难免，恳请广大读者和同行惠予指正。

编　者

2013 年 4 月

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Part One　International Trade Theory

Part Two International Trade Practice

Part One International Trade Theory

Chapter 1 Introduction to International Trade

Section A The Need for International Trade

1. What is International Trade

International trade, also known as world trade, foreign trade or overseas trade, is the fair and deliberate exchange of goods or/and services across national boundaries. It concerns trade operations of both import and export. An import is the purchase of a good or service made overseas and an export is the sale of a good or service made at home. It includes the purchase and sale of both visible and invisible goods, the former of which is called trade in goods while the latter of which is called trade in services in the word of WTO.

2. Reasons for International Trade

Economic activity began with the caveman, who was economically self-sufficient. He did his own hunting, found his own shelter, and provided for his own needs. One person was more able to perform some activity than another, and therefore each person concentrated on what he did best. While one hunted, another might fish. The hunter then traded his surplus to the fisherman, and the fisherman to the hunter, and thus each benefited from the variety of diet. However, in today's complex economic world, neither individuals nor nations are self sufficient. Nations have utilized different economic resources; people have developed different skills. This is the foundation of international trade and economic activities.

There are a variety of reasons why nations trade, but most importantly, there are two reasons: domestic non-availability of resources: a nation trades because it lacks the climate, raw materials, specialist labor, capital, technology, etc. needed to manufacture a particular good; The other is the principle of comparative advantage: a nation also trades because it wants to maximize its economic wellbeing even if it has the resources for the goods and services they need.

(1) Resource reasons

Generally speaking, wealth is produced with three main resources, i. e., natural resources, capital and labor. Natural resources include land, raw materials, water, and other natural things, such as living species in air, in sea and on land. It is not difficult to see that these resources are distributed unevenly around the world, and this uneven distribution of resources is one of the basic reasons why nations began and continue to trade with each other.

Climate conditions and terrain

It is very important for agricultural produce. The difference in these factors enables some countries to grow certain plants and leaves other countries with the only choice to import the produce they consume.

Example 1: *Colombia, Brazil and Guatemala have the ideal climate for growing coffee beans. The United States is a major consumer of coffee, yet it does not have the climate to grow any of its own and therefore made Colombia and Brazil big coffee exporters, and the United States big coffee importer.*

Example 2: *the U. S. Great Plains states have the ideal climate and terrain for raising wheat. This has made the U. S. a big wheat exporter. (Instead of barter, which is the trade of goods without any exchange of money, the U. S. receives money in payment for what it sells. It pays for Brazilian coffee with dollars, which Brazil can then use to buy wool from Australia, which in turn can buy textiles from Great Britain, which can then buy tobacco from the U. S.)*

Natural resources

Some countries are the major suppliers of certain natural resources because the distribution of natural resources around the world is somewhat *haphazard*.

Example 1: *The Middle East has rich oil reserves and is the main source of oil supply to the world. It has close to 70% of the world's total reserves and produces about 40% of the world total output. Over 2/3 of the oil that Western Europe and Japan consume is imported from the Middle East, and the U. S. military oil consumption in Europe and Asia is largely purchased form that area, too.*

Example 2: *Larger deposits of copper are mined in Peru and Zaire, and diamonds are mined in South Africa.*

Technologies and labor

The U. S., Japan, and many European countries have strong research and development capabilities and advanced technologies. They also have skilled workers who are able to manufacture sophisticated equipment and machinery such as jet aircrafts. Other countries, who do not have enough number of well-trained engineers and workers, must import equipment from these countries.

Capital resources

Capital is in fact a produced wealth that has been cumulated over the years of economic development. For many reasons, capital favors certain economies and reject others. Because of the lack of capital, many developing countries are unable to modernize their industries and economies with advanced machinery, equipment, and plant they are not yet able to manufacture. This has given rise to the need for developing international trade.

Geographic location and transport costs

There are many examples of countries developing close economic relationships chiefly because they are geographically close to each other.

Example 1: *Sino-Japanese trade relationship is to some degree determined by geographic proximity and low transport cost despite the somewhat difficult political relationship due to historical reasons.*

Example 2: *The U. S. and Canada have a very close trade relationship because they share a long border with each other.*

Example 3: *EU may be another example for us to understand how geographic proximity contributes to the economic relationship between countries.*

Insufficient production

Some countries cannot produce enough items they need.

Example 1: *The UK has only 1.2% of its laborforce engaged in food production and produces roughly 60% of its food needs. It has to import roughly $25 billion annually, accounting for 30%—40% of total food requirements, primarily fruits and vegetables.*

Example 2: *Many developing countries do not have enough manufactured goods they need and therefore have to import them.*

(2) Economic reasons

In addition to getting the products they need, countries also want to gain economically by trading with each other. It was found that it made economic sense to a nation to specialize in certain activities and produce those goods for which it had the most advantages, and to exchange those goods for the products of other nations which had advantages in different fields. This is made possible by varied prices for the same commodity around the world, reflecting the differences in the cost of production.

Example: *China has been able to export large quantities of radios and television sets because it can produce them more efficiently than other countries. It is cheaper for countries like the U. S. and European countries to buy these than to produce them domestically.*

According to economic theory, China should produce and export those items from which it derives a comparative advantage. It should also buy and import what it needs from those countries that have a comparative advantage in the desired items. In a word, transactions are concluded mainly for economic benefit. When the domestic market is unable to help the traders generate more profit or when they are not satisfied with the benefit from the domestic market, they tend to open up new markets in other nations.

(3) Preference reasons

Even though a country can produce enough of an item at reasonable costs to meet its own demand, it may still import some from other countries for innovation of style.

Example: *The U. S. produces more automobiles than any other countries; it still imports large quantities of autos from Germany, Japan, and Sweden, primarily because there is a market for them in the U. S..*

(4) Political reasons

Sometimes, political objectives can outweigh economic considerations between countries. One country might trade with another country in order to support the latter's government which upholds the same political doctrine. Trade with some countries might be banned or restricted just not to benefit a government with political disagreements.

Even within a country, domestic political reasons can provide an important motive for leaders to promote international trade and abide by international trade rules.

Example: *Too much protection may negatively affect the economy and lead voters to seek new leaders while the economic gains from international trade, on the other hand, can help leaders gain support among the social groups and remain in power.*

In summary, the development of trade between nations is attributed to the imbalance between nations in terms of natural resources, technology resources, human resources, cost of production, political strength, tastes, preferences and consumption patterns, etc.

3. Benefits of International Trade

The benefits generated by trading internationally are great, which partly explains the ever expanding volume involved in international trade. Generally speaking, a nation is likely to get the following benefits from trading with other nations:

(1) Economic growth

International trade has become more and more important as it creates jobs, which are of great significance for the economic growth of individual countries as well as the advancement of the whole world. By trading with other nations, nations can gain more market share on its exported goods and take advantage of economies of scale. Economies of scale characterize a production process in which an increase in the scale of the firm causes a decrease in the long run average cost of each unit. In other words, when economies of scale are realized, even though the average cost of each unit is reduced, more profits are able to be generated from selling more units to more markets. With the increasing number of trading partners and quantity of products, these nations can gain more benefits, which in turn helps the development of its economy and raises the living standard of its people.

(2) Cheaper goods or services

As has been mentioned above, one of the major reasons for countries to trade with one another is that there is a cost advantage. And it is this cost advantage of the supplying countries that enables the demanding countries to buy certain goods or services of the same quality or higher quality at lower prices than the cost involved in producing them in their own countries. Furthermore, the ever developing technology in various fields and the ever escalating competition in the world market in the new millennium have been making prices of the goods even lower, which benefits consumers to a larger degree. Consumers thus are able to enjoy goods at much lower price.

(3) Greater variety

No nation has all the commodities or services that it needs, which makes the international trade possible. And the different tastes and preferences of the consumers urge international trade to go even further. Undoubtedly, as a result, international trade makes it possible for a nation to provide a wider variety of products for its consumers and thus help to improve the living standards of its people.

(4) Wider market

International trade can greatly expand the market. The expansion enables manufacturers to take advantage of economies of scale in both research and production. Besides, since markets around the world are often in different development stages, newly expanded markets can help extend the life of products. A product outdated in one market may be sold like hot cakes in another.

4. Differences Between International Trade and Domestic Trade

Driven by the reasons and benefits mentioned above, more and more nations, corporations and even individuals are involved in international trade. However, as there are great differences between international and domestic trade, beginners in international trade may be bewildered by its complexity and difficulty. Therefore, it is necessary for traders to understand the differences in advance so as to better prepare them for future trade activities overseas.

The fundamental characteristic that makes international trade different from domestic trade is that international trade involves activities that take place across national borders. Thus when trade is executed beyond national frontiers, it is invariably subject to the political, social, economic and environmental policies of nations. Such policies have either encouraged or hampered the free flow of merchandise in international trade. Special problems that are not normally experienced when trading at home may arise in international trade. In particular:

International trade brings together people with different language and culture. So when trading with other nations, one must take into consideration different language habits, meaning and cultural differences so as to avoid unnecessary disputes.

In international trade, deals might have to be transacted under foreign laws, customs and regulations or subject to international rules. As these rules and regulations are largely different from country to country and international rules adopted by some countries may not be accepted by other countries, before a specific transaction, it is wise for businessmen to be aware of these laws, customs or rules with a view to facilitating trading.

Unlike domestic transactions in which only domestic currency is needed, international transactions might involve foreign currencies. As exchange rate fluctuations can be very great, this will create many problems and risks for international trade. A wise trader should have a good prediction of the fluctuation of exchange rate as well as a sound interpretation of its relation to currencies used for pricing and settlement.

Risk levels might be higher in foreign market than in domestic market. The risks include political risks(of the imposition of restrictions on imports, etc.); commercial risks(of market failure, products not appealing to foreign customers, etc.); financial risks (of adverse movements in exchange rates, high rates of inflation reducing the real value of a company's working capital); and transportation risks. To be a good trader, one needs to be sensitive to various risks in international trade and learn ways to minimize the negative impacts on his business.

Compared to domestic trade, it is more difficult for dealers in international trade to get the necessary information of a particular firm in a foreign country. Control and communication systems are normally more complex for foreign than for domestic operations. It is also far more difficult to observe and monitor trends and activities in foreign countries. Therefore, managers engaged in international trade needs a broader range of management skills than those involved only in domestic trade.

5. The History and Role of China's Foreign Trade

China's foreign trade, although a small component of gross national product, plays an important role in sustaining and modernizing the Chinese economy.

(1) The period between 1950—1976

Foreign trade is the balancing sector in the planning process with imports making up for shortfalls in domestic production and providing goods that cannot be produced in sufficient quantity, or at all, in China. Exports are not viewed as an end in themselves but as a means to pay for imports. Foreign trade policy has been very cautious. Self-reliance has been the guiding principle. Despite its small share and conservative policy, trade has been quite important to China's economic development. Imports aided the rebuilding of China's industrial base in the 1950's, alleviated agricultural failures, and have provided industrial supplies and advance technology to spur economic growth and modernization. In addition, foreign trade has often provided a useful entree in China's relations with other countries.

The 1950's—lean to one side

Economic and political necessity led to heavy dependence on the U. S. S. R. The need to rebuild the economy amid the Western trade embargo imposed during the Korean War impelled China to pursue a policy of "leaning to one side", by which China based its industrial and technological growth on a rapid buildup of trade with the Socialist countries. As a result of the close economic cooperation with the former U. S. S. R. and Eastern Europe, trade between China and the Socialist world shot from only \$350 million in 1950 to almost \$3 billion in 1959. Trade with the West fell off after 1951. With the relaxation of Western trade restrictions in the second half of the decade, trade with the Western countries rose. However, this trade still represented only about 30 percent of total China's trade in 1959.

Dependence on the Soviet Union in the 1950's produced one of the largest technology transfers in history. Trade with the U. S. S. R. — about one-half of China's trade over the decade—provided the major impetus to China's industrialization efforts, supplying both capital goods and industrial raw materials such as petroleum and metals. From 1950 to 1959, the Soviets delivered 1. 35 billion dollars worth of equipment and completed about 156 projects, including factories for trucks, machine tools, and generating equipment. China exported raw materials and consumer goods in payment for these imports.

Despite the close cooperation over the period, tensions were building in the Sino-Soviet relationship.

The 1960's—reorientation to the West

The rift with the Soviet Union opened wider in midyear of 1960 when Moscow withdrew its technicians, blueprints, and all. This was an added blow to the Chinese economy, already overstrained by poor agricultural performance and the excesses of the Great Leap (1958—1960). From 1960—1962 China's exports fell as industrial production declined, and imports were cut back sharply. Trade with the Socialist countries plummeted form the \$3 billion level of 1959 to only \$1. 1 billion in 1964.

The initial impetus to trade expansion with the Western countries came from China's need for large-scale grain imports to offset harvest failures in the early 1960's. Grain imports from Canada, Australia, and other Western suppliers began in 1961 and have been a major import item since then. In addition, China began to purchase large amounts of fertilizer from the West to support its agricultural sector. With the economy stabilizing in 1963 China turned to Japan and Western Europe for purchase of plant and technology. From 1963 to 1966 contracts were signed for more than 50 plants worth more than \$200 million. Trade with the West was set back by the disruptions of the Cultural Revolution. Imports were trimmed back in 1967—1968, in part to correct the trade imbalance resulting from lagging exports. With calm returning in 1969, trade with the West recovered, but still not back to the level of 1966.

A rapid growth, 1970—1973

With the restoration of order to economy and the resumption of regular planning, China embarked on a program of increased emphasis on trade to spur economic development. At the same time rising industrial production in the 1970's created needs for larger imports of industrial supplies such as metal and rubber.

China's trade soared from \$4. 3 billion in 1970 to \$10. 3 billion in 1973 with most of the growth coming in trade with the Western countries. Trade with the Socialist world roughly doubled over the period, but its share of China's total trade slipped from 20 percent to 17 percent.

Retrenchment, 1974—1976

China's trade strategy unraveled in 1974. Rampant inflation in the West and heavy delivery of machinery and agricultural products pushed import costs to a peak while the slowdown in the Western economies cut demand for Chinese exports.

Although China's exports in 1974 grew by 30 percent over 1973, this was only half the rate achieved in the previous year. Much of this increase was achieved through larger sales of petroleum at the substantially higher OPEC prices.

In 1975 China made substantial progress in correcting its trade imbalance. This year its import bill for agricultural products was slashed by \$1 billion. An improved grain harvest in 1974 permitted China to cut imports of wheat and corn to 3.3 million tons, less than half the amount taken the year before. Sugar and cotton imports were also reduced and soybean purchases were nearly eliminated.

A combination of lower volumes and lower prices cut China's import by almost \$1.4 billion in 1976. As for exports, crude oil earnings fell by almost \$100 million as sales to Japan dropped off. Continued economic recovery in the West plus further price cuts enabled China to boost sales of light manufactures and other consumer goods enough to keep total exports at the 1975 level.

(2) The period after 1976

After 1976, China's foreign trade policies began to change. The first move was to encourage domestic enterprises to buy inputs from abroad rather than to discourage such purchase. Enterprises responded with such alacrity that China by 1978 found itself with a growing trade deficit, despite increasing prices for China's petroleum exports. Imports in nominal dollar terms rose 51 percent in 1978 and by 44 percent in 1979. Clearly, new and increasing sources of foreign exchange had to be discovered.

In 1979, reforms were introduced to facilitate exports of manufactures and (for the first time) to allow for foreign investment. Efforts were made to break up the monopoly on foreign trade held by the state corporations, and to transfer this authority to regional corporations. Special economic zones (export processing zones) were set up to free foreign investors and other exporters from red tape. Various export subsidies were introduced and China's currency was devalued from 1.7 yuan to the U.S. dollar in 1981 to 2.9 yuan to the dollar in 1985 to 4.8 yuan to the dollar in 1990 and to 8.7 yuan to the dollar in 1994.

Foreign trade responded to these incentives in dramatic fashion. Total volume of foreign trade has expanded from \$20 billion in 1978 to more than \$600 billion in 2002. During the past 23 years, foreign trade volume has, on average, outgrown both national production and the world trade. And China has experienced remarkable export growth, averaging 26.46% per year from 1981 to 2000, far higher than the world average of 5.9% over the same period. China's share in total world exports grew from 0.96% to 4.7% in 2002, making China the fifth largest international exporter in 2002.

Foreign trade has played a central role in moving China toward a market economy and contributed to the development of industrial and agricultural production, science and technology, increases national financial revenues and income of foreign exchanges. The national markets are broadened. A variety of products are available for consumers. And a lot of jobs are offered.

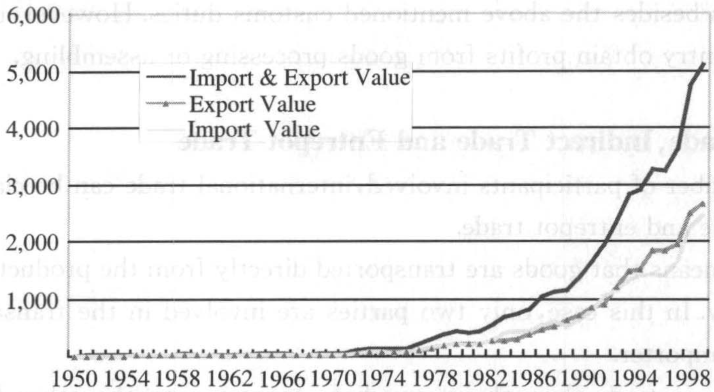

Figure 1-1 The Development of China's Trade After the War
(1950—2001, billion dollars)

Section B Classification of International Trade

While learning the differences between international trade and domestic trade may get traders better prepared for a future trade, knowing which type of trade they are entering into will help them shape the particular steps they need to follow in order to fulfill a trade activity.

There are various forms of international trade and they can be classified into various categories according to a number of different criteria.

1. Export Trade, Import Trade and Transit Trade

From the direction of cargo flow, international trade can be classified into export trade, import trade and transit trade.

Export trade means to transport the goods which are produced and processed in domestic market to international market for sale. On the other hand import trade is made in the reverse direction; it refers to the transaction to transport the goods from foreign countries to domestic markets for sale or use.

If goods are transported from the producing country to the consuming country via a third country's border, this is known as transit trade. Transit trade can be further divided into direct transit trade and indirect transit trade. Direct transit trade means the goods are not placed in the bonded warehouse of the third country, but further transported toward outside along the domestic transportation line under supervision of the customs of the third country. In this sense, the third country earns its profit mainly by imposing import and export duties on the goods when they enter into or leave the boundary of the third country.

In contrast, indirect transit trade refers to the fact that goods are first placed in the bonded warehouse of the third country and then transported further to the importing country