A TEXTBOOK OF COLLEGE ENGLISH IN ECONOMICS AND MANAGEMENT

戴贤远 编

经济管理专业英语

北京大学出版社

A TEXTBOOK OF COLLEGE ENGLISH IN ECONOMICS AND MANAGEMENT

经济管理专业英语

戴贤远 编

北京大学出版社
北 京

新登字(京)159号

图书在版编目(CIP)数据

经济管理专业英语＝A TEXTBOOK OF COLLEGE ENGLISH IN ECONOMICS AND MANAGEMENT/戴贤远编.–北京：北京大学出版社，1994.7

ISBN 7-301-02412-6

Ⅰ.经…

Ⅱ.戴…

Ⅲ.①英语-经济管理-高等学校-教材 ②经济管理-英语-高等学校-教材

Ⅳ.H319-43

出版者地址：北京大学校内 邮政编码：100871

排 印 者：北京大学印刷厂

发 行 者：北京大学出版社

经 销 者：新华书店

787×1092毫米 16开本 7印张 200千字

1994年7月第一版 1994年7月第一次印刷

定 价：6.80元

CONTENTS

PREFACE

If some people raise the question, what is the most difficult course for the Chinese students? There would be all kinds of answers given by different students at various stages of study, but eventually people would come to a similar conclusion: The most difficult course in China is English.

First, this course extends for a very long period, starting from either elementary school or middle school, ending with the last English class of graduate study.

Second, year after year, most students spend a lot of time on it. No one knows how many charming mornings are devoted to reading English, not to mention the total amount of time students spend studying through their school years.

Third, some students find, even after over ten years of study, that their listening and speaking are still behind those of a five-year-old American boy, while their writing, lags behind that of an eight-year-old.

For this reason, it is quite reasonable to think that English is really difficult. But, what are the key problems and how are they to be solved? In addition, of the four aspects of English study, namely, reading, listening, speaking and writing, which plays the most critical role? Lastly, when can we say a student has mastered English? It seems that the above problems are even tougher for students majoring in business administration which, compared with mathematics, physics and engineering, covers an even broader scope.

Now, let' s start to explore the solutions to the above problems.

What is the scope of *College English for Economics and Management*? Strictly speaking, a fixed boundary is absolutely out of the question, yet we may say the eight foundation courses in an MBA program are the basic areas covered. They are: microeconomics, macroeconomics, statistics for decision making, management information system, operations management, marketing, managerial finance, and organizational behavior management. The first eight parts of this textbook are targeted for these fields. Since *College English in Economics and Management* closely relates to money and banking, managerial strategy, international marketing, international economics as well as international business, texts related to these areas make up the last six parts. There is also an appendix entitled business writings in the back of this textbook. It is necessary to supply such an appendix for those students who will frequently use English as a basic tool in their work after graduation.

What are the biggest problems for Chinese students to learn English? My previous experience with high school students, undergraduate students, and graduate students tells me that none of them would exclude the obstacle of "learning words by heart." The other barrier would be "speaking." Poor pronunciation (actually it is a matter of accent in most cases) by the students is a source of embarrassment making them reluctant to speak. Writing in English is a skill seldom used in school and in future. Thus, people have ignored this toughest area.

Now that the problems are presented, how are we to solve them?

It is well known and broadly agreed that the first one or two thousand English words are kept in a beginner's mind through forced memorization. Yet all the students taking the class of College English in Economics and Management have passed this phase. Can a person keep in mind an additional five or six thousand words with the same method? Definitely not, especially for the last two or three thousand words in eight thousand common English words. The common failure of most undergraduate students and some graduate students in this stage has proved it.

The late professor Xiliang Xu, one of the best professors in his time in the Department of Western Languages and Literature of Peking University, once said, "It is not necessary to force words into a learner's memory on purpose, for many of the words kept in memory by enforcement simply wouldn't last long. Some disappear in just a couple of weeks. Words held in mind through reading are most stable." The reason is quite simple, but few people really understand it.

Here I would like to present a straightforward example. The first day on campus for a freshman is always exciting, yet he knows nobody. It seems to him that all the faces are strange. Afterwards, in classrooms or cafeterias, on athletic fields or with groups involved in arts and sports, he continues to meet people and continues to make acquaintances. First there are faces, then there are names. Day after day, he comes to know these people very well. No one has asked him to learn these people by heart on purpose, so how can he keep them in mind? It is the same with words. A word on page one may be new for people at first glance. But on the third page, if the word is met again, people will remember either the first or the last part of it. Till page eight, its pronunciation seems already familiar. On the fifteenth or twentieth page, if the word continues to show up, people even know how to use it. One thing needs to be mentioned—a student should never stop using a dictionary. Just like a person meeting a student on campus, without asking who she is, he will never know her name unless he obtains information from other sources. To learn more words, people have to read more. The more one reads, the more opportunities one has to meet words. A person who never visits sports team or an art group probably will never know people there. A person who does not read books in a certain field, will never learn the specialized vocabulary.

There are approximately six thousand English words which can be seen anywhere, including books, newspapers, magazines, and periodicals. The remaining two thousand words, though also called common words based on the theory of eight thousand common English words, might be found only once in every thirty pages. If one takes eight to nine encounters with a word to master it, the amount of reading required is quite clear. According to the general experience of people, it is impossible for a person to learn these words without a great deal of reading, while rote memorization is definitely not on the road leading to success.

Many students are still troubled by pronunciation in the stage of learning *College English in Economics and Management* due to the deep impression on the students by the high quality tapes. However, there are so many examples in the world which remind people of reconsidering the standard of "Spoken English". Actually this is a game theory of "pronunciation vs. accent". Why are some Chinese students with TOEFL scores over 600 not able to understand a Middle Eastern professor's simple greetings when they just arrive in the United States? Why are some very good Chinese professors in the Department of English not able to understand completely the black people's dialogues in the movie *ROOTS*? Why do announcers of English radio stations in different countries speak with different voices? Why do businessmen from the Middle East, Far East, or Europe all speak different kinds of English? The answer lies in their different accents. When people start to learn *College English in Economics and Management*, they should have a brand new concept, that is—when the words come to an end, if the speaker has been understood, then the communication is complete. As to the voice of speaker, it will surely be blocked or affected to a certain extent by native accent. People just need not be bashful about it.

However, there are two points in pronunciation which are very important: One is to avoid making mistakes in stress; the other is not to emphasize consonants, because either of the two cases would make a word sound distorted and disrupt communication.

So far, what we have discussed are just some ordinary problems, such as how to keep words in mind or how to get rid of shyness. Besides these, there are also some problems at higher levels as people study *College English in Economics and Management*. One of them is translation. This textbook is concerned with economics, business and management. Some sentences in the texts are very tricky in terms of the combination of reading, understanding and translating. On the one hand, the problem is caused by different customs in language expressions; on the other hand, it is caused by the art of language. When we say a sentence is difficult, we mean the kind of long sentence employing a different style of expression. As to the way leading to the solution, Mr. Lei Fu, a famous late translator, explained long ago. Although he was well known as the greatest master in the translations of literary works, his ideas can still help students learning *College English in Economics and Management*. Besides the concepts presented in this textbook, coping with the art of language is equally important.

Two paragraphs of words by Mr. Lei Fu are very important:

"In terms of the effect, in translation, as well as in copying a painting, one should catch the spirit of the words rather than the words themselves. As to the practice, to translate is much more difficult than to copy." (Lei Fu, "Preface for Retranslation," *Le Pere Goriot*, 1951.)

"If people think translation should not be plain, then it is necessary to assume that a good work of translation done in Chinese by the author, would contain the spirit and expression of the original work, and the integration and fluency of translation, then are all well taken care of. Phrases won't distort the original spirit of the words and the spirit won't bother phrases either." (Lei Fu, "Preface for Retranslation," *Le Pere Goriot*, 1951.)

Guided by Mr. Lei Fu's words, if students cut off the long English sentences and separate the subordinate clauses, prepositional objects, and appositives, and at the same time, use commas and semicolons to make the sentences translated into several very short subsentences, it will make the work of translation much easier.

Having solved the key problem in learning *College English in Economics and Management*, let's shift to other discussions on reading, listening, speaking and writing.

People learn their native language through the environment around them, either through others' talking or through the reflection of objects. The function of words in books ranks the last in the process of the formation of concepts in the native language. However, a second language is a totally different story, especially for Chinese students learning English. By and large, Chinese students learn English through their reaction to the words in books. Hence, the process of reaction in speaking, such as "object—Chinese—English", and the process of reaction in listening noted as "English—Chinese—object" widely exist among students. From this point of view, reading and writing compose the most important two factors in learning English. For a given sentence, if a Chinese student cannot catch the meaning through reading, then he cannot understand it through listening either. As to the ability of expression, if a Chinese student cannot write it, then he cannot express it through speaking either. Speaking obviously requires an even faster speed of reaction than writing.

The final question is: when can a student's English be considered adequate?

An absolute answer to this question is that there never is an end to studying; an objective answer lies in the needs and requirements in one' s work; and the general standard used to evaluate a Chinese student's English states that if the process of translation in reading, listening, writing and speaking disappears from one's mind, his (or her) English is fine. What is worth mentioning here is that although the process of translation no longer exists in one's brain, the process of word selection is still there, but all in English. By that time, the considerations of grammar are thoroughly excluded. Reading and listening are nothing but a process of catching meaning.

The above are the contents of the textbook and a discussion of the methods of learning *College English in Economics and Management*. I hope it will be helpful for the students who will use this book. Meanwhile, suggestions and criticisms concerning this textbook are surely welcome. In addition, the completion of this textbook greatly relied on the assistance of others. First, I would like to appreciate my most respected professor Dr. Paul E. Sultan for his contributions to the texts and for his patient work in editing part of the Key Terms and Concepts. Appreciation also goes to John E. Weinrich, Donna Hussain, Ronald M. Copeland, Peter H. Rushton, and Yihong Gao. Furthermore, I would like to express my appreciation to Richard D. Irwin, Inc., Scott, Foreman and Company, Prentice-Hall, Inc., John Wiley and Sons, Inc., and McGraw-Hill Book Company for their permission to reprint passages. Students and graduate students of Beijing Normal University made a lot of suggestions and comments in my classes, here I would also like to express my sincere appreciation to them.

Xianyuan Dai
Beijing Normal University
August, 1993

前　言

如果有人问：在中国的学校里，哪一门课最难？虽然不同的学生在不同的学习阶段有各种各样的看法，但最后人们总会得出一个类似的、被大多数人认可的结论——最难的课是英文。首先，这门课年复一年延续的时间最长，起于中学甚至小学，结束在研究生的最后一堂专业英语课。其次，这门课花的时间最长。不知有多少人把多少年的早晨给了这门课，更不必说在这门课上花的时间了。再次，有些同学念完研究生后，听与说方面不及母语是英语的五岁的孩子，写则不及八岁孩子。这样看来，英语是难，可它难在哪儿呢？最重要的是，怎样才能解决这些困难呢？另外，读、听、说、写究竟哪个重要？最后，英语学到什么程度才算可以了呢？这些问题对于经济管理专业的学生似乎更难，因为这类专业涉及广泛，远非数学、物理或工程专业可比。

下面我们就来一一回答上面提出的问题。

经济管理专业英语的范围究竟有多广呢？严格地说，这范围没有清楚的界限。但是，MBA专业的八门基础课可以说是经济管理专业英语的基本范围，它们是：微观经济学、宏观经济学、决策统计分析、管理信息系统、生产管理、市场学、财务管理与组织行为学。本教科书正是以这个系统为基础编的。鉴于英语与国际货币和银行、国际营销、国际商业、国际经济、国际贸易的密切联系，本教科书延伸部分的课文均选自这几方面。为适应同学们毕业后实际工作的需要，本书的最后一部分是工作与商业信函的写作的格式，这是将来从事运用英语的工作的同学必不可少的知识。

英语究竟难在哪？据笔者接触的一届又一届的中学生、大学生和研究生来看，无一不说是背单词难。其次就是“说”，因为发音不好，所以也就不好意思说。英文写作因为用得少，所以这一真正的困难事儿不怎么被人提起。现在我们就来看看解决“背单词难”和“开口难”这两个问题的办法。

学英语最初的一两千个单词是要背的，并且是毫无疑问的，但是所有学专业英语课的同学统统已经过了这个阶段。另外的五六千常用词再靠背行吗？不行，特别是从五千到八千的那三千词靠背就更困难，绝大多数本科生和相当一部分研究生不能跃过这个阶段就是一个证明，这也是人们越学越说背单词难的原因。

已故北京大学西方语言文学系教授徐锡良教授说过，学英语不用背单词，因为背下来的词多数迟早会忘掉，而阅读留在记忆里的词是最牢固的。这道理很简单，只不过多数同学没认识到罢了。打个比方说，一个大学生刚入学，校园里的张张脸对他来说都是陌生的。以后，在教室里，在操场上，在文艺队、体育队和食堂里，不断地碰见同学，先是面孔，然后是名字，久了了解得就更深。谁也没有有意背，为什么都记住了呢？词也一样，读第一页见到的很生，第三页再见到就记住个词头词尾的，第八页遇见这词发音也记住了，到第十五页、二十页，用法都会了。这里重要的是：阅读时一定不能懒得查字典，如同校园里碰见的人，你不打听，就不会知道他叫什么。想掌握单词，阅读量就一定要大，读得多，见词的机会和次数才多。不去文艺队、体育队，也就很少认识那里的人；不读某类书，也就不会那类词。英

语有大约六千个词是随处可见的，其余两千说是常用词，也许读三十页书才碰到一次。如果一个人见五六次或八九次才能记住一个词的话，学会最后那两千常用词的阅读量是可想而知的。根据人们的经验，不读相当的书，这些词是学不到的，而“背”对绝大多数人来讲是徒劳的。

多数同学到了学专业英语的时候仍被发音困扰，因为播音员和教学音带的声音确实是太好了。但是，世界各地实在是有很多的例子可以让人们重新从实用角度来看“说”，这实际上也是一个“发音”与“口音”的对阵。为什么“托福”考600多分的同学刚到美国时听不懂中东教授的简单问候？为什么有些英语系的教授听不懂电影《根》里美国南方黑人的对白？为什么不同国家的英语广播员的声音全都不一样？为什么生意场上中东人、远东人、欧洲人操各种各样的英语？问题全都在口音。所以，当同学们开始学专业英语时，对于“说”要有一个全新的概念——话说出来，如果对方听懂了，这个交流也就完成了。至于说话的声音，它永远要受口音或乡音的制约，大可不必为此不好意思。

发音只有两点最重要：一是重音错不得，二是清辅音不能读重了，因为重音错了或是清辅音读重了，会使词听起来面目全非，听话的人也就听不懂说话人的意思。

上面讲的道理解决了同学们记单词的困难和不好意思开口的问题，但这都是一般性问题。除了上述学专业英语的一些一般层次的问题以外，专业英语还有高一层次的问题，那就是翻译。本书是经济管理方面的专业英语教程，同学在阅读、理解和翻译课文时，有些句子和概念很难译，除了语言习惯外，也有语言艺术在里面。说到难翻译的句子，不外乎是一些中英文表达方式大不相同的长句子。至于解决的办法，著名翻译家傅雷早有表述。他虽是翻译文艺作品的，但他的论述对经济管理专业英语的翻译方法也是有指导意义的。因为经济管理专业英语的翻译中，除了严格的概念表述外，语言的处理是很重要的一部分。

傅雷先生有两段话是很重要的：

> 以效果而论，翻译应当像临画一样，所求的不在形似而在神似。以实际工作而论，翻译比临画更难。
>
> 倘若认为译文标准不应当如是平易，则不妨假定理想的译文仿佛是原作者的中文写作。那么原文的意义与精神，译文的流畅与完整，都可以兼筹并顾，不至于再有以辞害意，或以意害辞的了。（傅雷，《高老头》重译本序，1951）

领会了傅雷先生的话，再把经济管理专业英语里的长句子中的从句、介词宾语及同位语部分分别断开，在中文中以逗号和分号断开长句来写短句，翻译中的困难就会大大减少了。

解决了经济管理专业英语中的主要困难，再来谈谈抓重点的问题，也就是读、听、说、写哪一个最重要。

人的母语是从环境中学来的，或是学别人讲话，或是从景物反应到词或话，最后才是从书本上的文字中学。但第二语言则不是，尤其是中国学生学英语，多数是对书上的文字发生反应后学到的。因此，说的过程中的“景物一中文一英文”的反应过程及听的过程中的“英文一中文一景物”反应过程是普遍存在的。由此而言，读和写对中国同学的英语学习来说是第一位的，因为读不懂也就听不懂；不会写也就不会说，况且听和说对反应速度的要求要比读与写高得多。

余下的最后一个问题是：英语学到什么程度就算行了呢？

就这个问题来讲，绝对的回答是学无止境，相对的回答是要看工作需要，而一般的衡量标准是：在一个人读、听、写、说的过程中，如果翻译的过程在他的反应过程中消失了，他

的英语也就很好了。值得提一句的是，尽管翻译的过程在脑子里消失了，说和写的时候，词语选择的过程还是存在的，不过都是英文词罢了；读和听那时当然只是抓意思，不会再有语法方面的考虑。

以上是关于经济管理专业英语的内容及学习方法的讨论，希望能对使用本书学习这门课的同学有所帮助。书中如有谬误，待以后改进。另外，本教科书的编写工作得到了国际上一些教授和出版公司的大力协助，编者在此表示感谢。感谢我最崇敬的 Paul E. Sultan 教授为本教科书提供课文并校阅部分注释；感谢 John E. Weinrich，Donna Hussain，Ronald M. Copeland，Peter H. Rushton 及高一虹博士为本教科书撰写、提供课文或是校阅注释；感谢美国 Richard D. Irwin，Inc. 公司，Prentice-Hall，Inc. 公司，Scott，Foresman，and Company 公司，John Wiley and Sons，Inc. 公司和 McGraw-Hill Book Company 公司为本教科书的出版提供必要的重印版权许可。北京师范大学经济系 90 级本科生和 91 级研究生为本教科书提出许多有益的建议，在此一并表示感谢。

戴贤远

1993 年 8 月于北京师范大学

PART ONE
MICROECONOMICS

The Concept of Utility

Economists first began to analyze consumer behavior over a century ago when it was fashionable in psychological circles, to assert that much of human behavior could be explained by people's desire to realize as much "pleasure" and to avoid as much "pain" as possible. The pleasure-pain doctrine was quickly borrowed by economists[1] and applied to the sphere of consumer expenditures in what became the first systematic theory of motivated consumer behavior;[2] the basic economic thesis was that rational consumers would, quite intentionally, manage their purchases of goods and services so as to realize the greatest possible amount of overall total "satisfaction." Economists labels the want-satisfying power of goods and services as "utility."[3]

The concept of utility refers to the pleasure or satisfaction associated with having, using, consuming, or benefiting from goods or services. The utility inherent in a good or service derives from whatever qualities it has that gives it want-satisfying capabilities. The sources and causes of utility are legion: better health, esthetic beauty or design, ease of use, flavor and taste, durability, convenience, luxury, comfort, a sense of individuality, pleasure, prestige, status, pride, security, ego gratification, and power—to mention the most obvious. Hence, utility has both objective and subjective features and, most particularly, utility is a matter of individual taste, preference, perception, personality makeup, and state of mind.[4]

As a consequence, the utility that a good possesses or is perceived to possess is variable, not absolute. In the first place,[5] no two people necessarily will view a good as having the same degree of want-satisfying powers—one person may derive great utility from smoking cigarettes while someone else finds them distasteful; Cadillacs may be important status symbols to some people (and hence have great utility), yet have little or no appeal to other people. Different people buy the same product for quite different uses and motivations. Peanuts, for instance, are bought by some people to serve at cocktail parties, by others to make peanut brittle[6], and by some to feed to squirrels, with potentially different utilities to each buyer in each case. Moreover, the utility of a good can vary from time to time, or place to place. Rising gasoline prices quickly modified the utility many people placed on small cars.[7] Wool clothing does not have the same utility or want-satisfying powers for people living in short-winter climates as for those living in long-winter climates. But irrespective of the wide variations[8] that different persons may place on the utility of a good or service, the utility concept offers a purposeful basis for establishing consumer preferences for what and how much they will purchase[9] because it leads to comparisons of the amounts of satisfaction received from different consumption rates of different goods and services.

It is, of course, doubtful that the intensity of satisfaction one gains from an item can be represented precisely in cardinal rankings whereby numerical values are assigned to represent utility.[10] One may say that "broiled lobster is my favorite food" or "I enjoy broiled lobster more than any other seafood or meat"; but if asked "how much do you enjoy broiled lobster?" one can scarcely reply "about 17" and expect to convey understanding.[11] The subjective nature of the utility concept is, however, susceptible to ordinal ranking measure.[12] In ordinal preference patterns, one only has to be able to rank alternatives—from highest to lowest, best to worst, or most satisfying to least satisfying; no attempt is made to quantify the amount by which one alternative is better (or worse) than others.

Despite the fact that utility is not subject to precise quantification, it is still analytically useful to assume that utility can be represented by cardinal numbers. Doing so makes it easier to illuminate several important aspects of consumer behavior.

From Arthur A. Thompson, Jr. and John P. Formby, *Economics of the Firm: Theory and Practice* 6th ed. ©1993, pp. 36-37. Reprinted by permission of Prentice-Hall, Englewood Cliffs, New Jersey.

Key Terms and Concepts

Cadillac a brand name of car.

status symbols symbols which represent people's position or state, namely, wealthy or poor.

intensity of satisfaction a phrase used to describe how much the satisfaction is.

cardinal rankings one of the two ways to measure utility. In this way, numerical values are assigned to represent utility.

ordinal rankings one of the two ways to measure utility. In this way, utility is measured without a specified unit. Ordinal rankings provide the order of preference without absolute scale of difference in preference.

ordinal preference patterns all kinds of preferences ranked by certain kinds of preference standards.

NOTES

1. The pleasure-pain doctrine was quickly borrowed by economists... 这种乐与苦的信条很快便被经济学家借用了……
2. ... applied to the sphere of consumer expenditures in what became the first systematic theory of motivated consumer behavior;... ……（指前面说的乐与苦的信条）运用于消费者的消费行为中，并使之成为解释消费者行为的第一个系统理论；……
3. Economists labeled the want-satisfying power of goods and services as "utility." 经济学家把人们对商品和服务的需要与满足称为"效用"。
4. ... utility is a matter of individual taste, preference, perception, personality makeup, and state of mind. ……效用决定于人的口味、偏好、感觉、个性的构成及思维的状态。
5. in the first place 首先
6. to make peanut brittle 来做花生糖片
7. Rising gasoline prices quickly modified the utility many people placed on small cars. 汽油价格的上升，很快地改变了人们对小型汽车的效用的看法。
8. irrespective of the wide variations 不考虑各种不同的情况（指不同的人对商品和服务的看法不同。）
9. ... the utility concept offers a purposeful basis for establishing consumer preferences for what and how much they will purchase... ……对于人们买什么或买多少，效用的概念提供了一个有意义的根据来解释人们的这种偏好……
10. ... whereby numerical values are assigned to represent utility. ……因此数值就被用来代表效用。
11. ... expect to convey understanding. ……（人们很难）指望理解这其中的原因。

12. The subjective nature of the utility concepts is, however, susceptible to ordinal ranking measure. 但是，效用概念的实质还是适合于用顺序排列法来表示。

How Markets Function

A critical part of examining the market for a product is the structure of competition—whether there are many or few sellers in the industry. The terms "many" and "few" are delineated not so much by the numbers of firms as by the competitive interaction among firms.[1] There are "many" sellers of a product when no one firm has a big enough volume of business or enjoys high enough standing as a market leader for the remaining firms to react to its actions. Each firm is small enough and insignificant enough in the context of the whole market[2] that it is virtually an anonymous entity,[3] hidden by sheer numbers from the watchful eyes of other firms.[4] In contrast, we say there are "few" sellers of a product whenever the actions of any one firm will be noticed and reacted to by rival sellers. "Few" means few enough so that firms find it imperative to follow each other's moves closely. Fewness of sellers also means that each firm is large relative to the size of the market in which it operates; often, when firms are few in number each firm is large in absolute size as well. The single-firm industry, or monopoly, is the limiting case of fewness.

A second key element in market analysis relates to whether the products of sellers are identical or differentiated. The products of sellers may be considered to be identical whenever and wherever customers evidence no particular preference for one firm's product over that of another firm.[5] This may arise because the item is produced by a process that confers certain measurable qualities which can be graded and which are unrelated to the seller producing it. For instance, choice-grade beef is choice-grade beef, and one cannot tell (nor does it really matter) whether it came from ranch A or ranch B. In such cases, the products of firms in an industry tend to be perfect substitutes; examples include cotton, sulfuric acid, natural gas, coal, cement, and coffee beans.

On the other hand, where the products of firms are distinctive and somewhat unique, they are not perfect substitutes for one another, and buyers may have good reason to prefer the product of one firm over that of another. However, the ultimate test of differentiation is in the mind of the buyer, and the perceived differences in the products of various firms may be either real or contrived. "Real" differences involving performance, materials, design, workmanship, and service are obviously important aspects of product differentiation. But "contrived" differences brought about by brand names, trademarks, packaging, and advertising can also be important to buyers; for example, even though all brands of aspirin are chemically alike, many buyers evidence preference for one brand over others.

In addition, it should be recognized that a firm's product extends beyond the physical and functional characteristics of the item itself.[6] Although a large number of retailers in an area may sell Crest toothpaste, they may not be viewed as equally attractive to buyers of Crest. The sales clerks in one store may be more courteous, or its location more convenient, or its checkout system faster, or its delivery service more dependable, or its credit terms more accommodating. Such factors can cause buyers to prefer one seller over another, even though the item purchased is the same. The various brands of shoes, wines, cereal, cosmetics, tires, and soft drinks are all examples of differentiated products.

As might be expected, competition proceeds along different lines, depending on whether there are "many" or "few" firms and whether their products are identical or differentiated. Viewed from this perspective, four main forms of market structure and organization stand out:

1. Perfect competition—many sellers of a standardized product.
2. Monopolistic competition—many sellers of a differentiated product.
3. Oligopoly—few sellers of either a standardized or a differentiated product.
4. Monopoly—a single seller of a product for which there is no close substitute.

Key Terms and Concepts

choice-grade beef quality measure of beef packaged and sold at different prices.

perfect substitution refers to the products in very much similar qualities that a consumer would just as soon have one as the other.

Crest a brand name of toothpaste.

checkout system a system in store or supermarket to generate bills of payments for customers and complete the transaction with customers, usually automated in U. S.

credit terms period of late payment to be offered by a seller.

NOTES

1. The terms "many" and "few" are delineated not so much by the number of firms as by the competitive interaction among firms. 这里的词"多"与"少"不仅是看企业的数目，更重要的是看企业间的竞争活动。
2. in the context of the whole market 在整个市场范围内
3. an anonymous entity 不知名的实体
4. ... hidden by sheer numbers from the watchful eyes of other firms. ……企业的数目很多，因而单一的一个企业（指某个不知名的实体）就不怎么被其他企业注意。
5. ... customers evidence no particular preference for one firm's product over that of another firm. ……消费者不会对某一个企业的产品有特殊的偏爱，而对另一个企业的产品不感兴趣。
6. ... it should be recognized that a firm's product extents beyond the physical and functional characteristics of the item itself. ……应该认识到（就产品的效用而言），一个企业的产品不仅仅限于产品本身和功能上的那些特性。