

1.2 - The Global Economy

Import -

To import

means to

bring in

goods from

other

countries

to sell.

Export -

To export

means to

send your

goods to

other

countries

to sell.

* The global economy refers to a worldwide economy with a unified market for goods and services.

* America leads the world in importing and is one of the three top exporters.

* Statistics show that the amount of investment flowing into countries from outside their borders rose from \$54 billion in 1980 to \$1.4 trillion in 2000.

* Banks, pension funds, and private individuals

increasingly invest in international finance markets by buying foreign stocks, bonds, and currencies.

* Jobs from the United States and many European countries are moving to China and India, where labor costs are much lower.

* People move around the globe in search of new opportunities, safety, and security.

* Migration has a profound impact on the economy and social structure of countries.

* It can affect wage rates and employment, and change the dynamic of national labor markets.

* The U.S. was the largest producer of vehicles in the world in 2003, followed by Japan and Germany.

* The Toyota Motor Company operates twelve manufacturing plants in the United States.

* What countries do you think export more than the United States? - Germany and China export more than the United States.

* Do you know what the United States' main exports are? - The United States' main exports are semiconductors, computers, auto parts and civil aircraft.

* The U.S. financial meltdown, which began in 2007, was bad news for the economy.

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Unit 1

1.2 - The Global Economy - (Reading)

- * As the United States entered a recession, its imports and exports declined. Unemployment went up, and with less people employed nationally, the productivity and economy of other countries was impacted.
- * Stockmarkets fell worldwide, large financial institutions collapsed, and government in even the wealthiest nations had to come up with rescue packages to bail out their financial systems.
- * Closing the Gulf's fishing grounds meant losses not only for local fishermen, but for seafood companies, distributors, and consumers in other countries as well. The spill also had a negative effect on shipping lanes, impacting deliveries of steel, raw materials, grain, rubber, and produce in and out of the United States.
- * The 2010 financial crisis in Greece dampened the global recovery after the United States' financial meltdown. The drop in the Euro made our exports more expensive and less competitive, hitting export markets hard.

1.2 - The Global Economy - (Video - Globalization)

- * The average price of telephone call from NY to London has decreased by 99% since 1930.
- * The cost for transportation of products and people dropped by 65% since 1930 due to low fuel prices and the development of new means of transportation.
- * Air freight costs have dropped 88%.
- * The freight charges for a ton of coffee delivered from Asia to Europe only accounts for 1% its price.