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DEPT: TOURISM AND EVENTS MANAGEMENT

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COURSE TITLE: WORLD NATURAL RESOURCES AND TRADE II

ANSWERS

International trade is referred to as the exchange or trade of goods and services between different nations. This kind of trade contributes and increases the world economy. The most commonly traded commodities are televisions sets, clothes, machinery, capital goods, food, and raw materials. e.t.c

International trade has increased exceptionally that includes services such as foreign transportation, travel and tourism, banking, warehousing, communication, advertising, and distribution and advertising. Other equally important development are the increase in foreign investments and production of foreign foods and services in an international country. This foreign investments and production will help companies to come closer to their international customers and therefore serve them with goods and services at a very low rate.

SCOPES OF INTERNATIONAL TRADE

1. Exports and imports

- It includes merchandise of goods

2. Service trade

- It is also known as invisible trade.

- it includes the trade of services

- It includes services like tourism, hotel, transportation, training, research e.t.c

3. Licensing and franchising

- Under this permission is given to the organization of other countries

- To sell the product of a particular company.

4. Foreign investment

- It includes the investment of available funds in foreign companies to get returns

TOURISM AND INTERNATIONAL TRADE: the difference between trade and tourism is the fact, that the tourists travels to another country and consumes different goods and services there, whereas trade brings goods of the foreign country to the consumer. Therefore, the explanations of the different causes for international transactions have different weights for the explanation of tourism and trade. The theory of international payments, however, when it was applied to the real world, very soon took notice of the rising part of tourism payments in the balance of payments. Today, one can roughly guess an average part of tourism in total exchange of goods and services of nearly 10% and much more in some tourism countries.