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Unit 1

Part A Text

Text A

Business and Your Life

You Depend on Business

- 1 Modern business is well organized and operates smoothly. We often accept business services, therefore, without much thought of their importance to us. Have you ever considered the many ways in which you depend on business? Business supplies the food you eat, the clothes you wear, the home you live in, and the many other goods and services used in satisfying your wants.
- 2 Many times a week most of us are affected by business. During a certain week, for example, you may make telephone calls, have your eyeglasses repaired, ride in a taxi, consult your doctor, deposit money in your savings account, buy a new bicycle tire, or advertise for your lost dog.
- 3 Your home, too, depends on business in obtaining the goods and services your family needs. One family reported these business activities for a certain day: issued checks to pay



automobile insurance and electric bill; bought a rug and chairs; mailed a letter to order some books; paid the newsboy; hired a carpenter to repair a window frame; bought a United States savings bond at the bank; left a roll of film at the camera shop; had dinner at a restaurant.

What Is Business?

- 4 You frequently hear the word business in everyday conversations. Here are some expressions using the word: “How is business this month?” “What line of business is he in?” “Our firm does a cash business.” “Business hours are 9 to 5.” “John is taking a business course.” Although you may have a general understanding of the meaning of each statement, at this time you probably would have difficulty in giving a clear-cut explanation of business.
- 5 Business means different things to different people. To one person it means producing goods through farming, manufacturing, or some other industry. To another it means buying and selling merchandise. To a third person it means providing services. To a fourth it means engaging in an occupation to earn a living. Each of these instances — making goods, buying and selling goods, providing services, engaging in an occupation — illustrates the meaning of business. In this article, business means the work or activities by which goods and services are provided and obtained for money payment.

Some Activities Are Not Business

- 6 Enterprises such as the grocery store, the bus line, the newspaper, the electric company, and the bank are readily identified as being in business. They supply goods and services for payment. What about the laundry, the television repairman, the plumber? They, too, work for payment and are therefore engaged in business.
- 7 Not all activities in which work is involved are classed as business. If you help a friend repair a car or paint his house, you would be working. Unless you receive payment, however, you are not taking part in business in the true sense of the word. Here is the test of whether or not an activity can be classed as business: Is payment made for the goods supplied or service performed? If money payment is required, the activity is business.

Business Transactions

- 8 **Producer and consumer.** To carry on business, whether it consists of producing goods, distributing goods, or providing services, three factors — people, goods, and money — are necessary.
- 9 People refers to both producers and consumers. Producers are the firms and workers who produce

and distribute goods or services. Consumers are those who buy and use goods or services.

- 10 **Individual wants and community wants.** Goods means the products that persons or communities buy to satisfy their wants. Individual wants consist of the necessities, comforts, and luxuries of life. Goods that everyone must have, such as food, clothes, and shelter, are called necessities. Goods and services, such as books, telephones, electricity, and gas, which make life easier and more enjoyable, are called comforts. Nonessential high-quality goods, such as expensive jewelry, yachts, and custom-built cars, are called luxuries.
- 11 The needs that arise when people live in groups are referred to as community wants. Communities must have police and fire protection, water system, highways, stores, schools, and banks.
- 12 Money is exchanged for goods and services. Many years ago trade was carried on by barter, which is exchanging one article for another — for example, trading a knife for a pair of shoes. Today we usually pay money for what we want. The exchange of money for goods or services is a business transaction.
- 13 **We need business.** Business provides us with the things we use — food, clothes, and many other products and services. Any interruption of essential activities in your community would create much hardship. Few families keep on hand enough food and other essentials for more than a brief period, and any stoppage in the flow of products would result in considerable suffering. Imagine the situation if no railroads or trucks were operating; if there were no deliveries of bread, milk, or other goods; no electricity and gas; no store, bank, factory, or restaurant open!
- 14 If just one phase of business, such as transportation, were to suspend operations, factories would not ship their products. Soon workers would be laid off because of shutdowns; and with the loss in wages, families would have to curtail their buying. The resulting chain of events could easily bring on a condition of business paralysis. Only when the business activities of the community, the state, and the nation are functioning smoothly can there be prosperity for everyone.
- 15 For the consumer, business supplies the goods and services he must have to live and take care of his affairs properly. For the worker business provides employment and thereby a means of earning a living. For the business owner business activities offer the opportunity to render a service and to make a profit. For the investor business provides ways to put his funds to work.
- 16 Because it furnishes the things we use, gives us useful work to do, offers opportunities for saving

and investing, and aids the national defense, business is truly the backbone of modern life. In fact, business is the foundation on which the existence and welfare of our people depend.

(1,029 words)

New Words

1	deposit /dɪ'pɒzɪt/	vt./n.	存款
2	laundry /'lɔ:ndrɪ/	n.	洗衣店
3	transaction /trænzækʃən/	n.	交易
4	yacht /jɒt/	n.	快艇
5	suspend /sə'spend/	vt.	暂停
6	custom-built	a.	(汽车、机器等)按买主的要求制造的

Useful Expressions

1	electric bill	电费账单
2	business hours	营业时间
3	engage in	从事; 忙于
4	grocery store	小卖部; 食品杂货店
5	be classed as	被归类为
6	exchange sth. for sth.	用……换取
7	trade sth. for sth.	拿……交换
8	keep on hand	在手头保留
9	put sth. to work	开始使用, 投入使用
10	lay off	临时裁员
11	savings account	(可获利息的)储蓄帐户
12	savings bond	(美国政府发行的)储蓄公债

Exercises

Comprehension

Choose the right answer.

- 1 Which of the following is the best definition of “business” according to this text?
- A. Business is something that can bring you money.
 - B. Business refers to something you can buy with money.
 - C. Business means the work or activities by which goods and services are provided and obtained for money payment.
 - D. Business means buying and selling goods.

- 2 Which of the following activities can't be regarded as business?
- A. Dining at a restaurant.
 - B. Telephoning a friend.
 - C. Attending a concert.
 - D. Offering to carry a bag upstairs for a neighbor.

- 3 The three essentials necessary to do business are _____.
- A. producer, shop assistant, and consumer
 - B. goods, money, and people
 - C. capital, machines, and stores
 - D. goods, wants, and money

- 4 Which of the following is a necessity for life?
- A. Coca-Cola.
 - B. Mineral water.
 - C. Bike.
 - D. Grain.

5 Community wants include _____.

- A. banks and schools
- B. electricity and gas
- C. highways and police force
- D. Both A and C.

6 Barter is different from modern business transaction in that _____.

- A. goods are exchanged for services
- B. money is exchanged for goods and services
- C. one thing is exchanged for another without the involvement of money
- D. under the system of barter, money has more value

7 According to the passage, if modern business fails to function smoothly, _____.

- A. our life will hardly be affected
- B. our life will be greatly affected
- C. we can still live as comfortably as before
- D. we can not manage even for a short time

8 What would happen if one phase of business, such as transportation, were to suspend operations?

- A. Factories wouldn't be able to send their products by ships.
- B. Factories wouldn't be able to manufacture their products.
- C. Factories wouldn't be able to transport their products.
- D. Factories wouldn't be able to sell their products.

9 In the author's opinion, _____.

- A. prosperity for the nation is based on the prosperity of individuals
- B. if a nation's business activities operate smoothly, individuals can expect to be prosperous
- C. prosperity for the people can be achieved before the nation has smooth business activities
- D. a nation's smooth business activities and prosperity for its people can be achieved at the same time

- 10 We say business is truly the backbone of our modern life because _____.
- A. many times a day, people engage in business in one way or another
 - B. business provides people with jobs
 - C. our existence and welfare depend on business
 - D. business supplies goods and services, which satisfy our wants

Vocabulary

Choose the right meaning of the underlined part according to the context.

- 1 One family reported these business activities for a certain day: issued checks to pay automobile insurance and electric bill; bought a rug and chairs; mailed a letter to order some books . . .
- A. print
 - B. ask for
 - C. post
 - D. comment on

- 2 What line of business is he in?
- A. area
 - B. activity
 - C. feature
 - D. interest

- 3 Although you may have a general understanding of the meaning of each statement, at this time you probably would have difficulty in giving a clear-cut explanation of business.
- A. straightforward
 - B. absolute
 - C. definite
 - D. first-class

- 4 Each of these instances — making goods, buying and selling goods . . . illustrates the meaning of business.
- A. emphasizes
 - B. implies
 - C. explains
 - D. evaluates

5 Few families keep on hand enough food and other essentials for more than a brief period, and any stoppage in the flow of products would result in considerable suffering.

- A. special B. hard C. simple D. short

6 If just one phase of business, such as transportation, were to suspend operations, factories would not ship their products.

- A. example B. percent C. group D. aspect

7 Soon workers would be laid off because of shutdowns; and with the loss in wages, families would have to curtail their buying.

- A. postpone B. plan
C. cancel D. cut down

8 Only when the business activities of the community, the state, and the nation are functioning smoothly can there be prosperity for everyone.

- A. freedom B. wealth
C. opportunity D. security

9 For the business owner business activities offer the opportunity to render a service and to make a profit.

- A. obtain B. win
C. provide D. get rid of

10 Because it furnishes the things we use, gives us useful work to do, offers opportunities for saving and investing, and aids the national defense, business is truly the backbone of modern life.

- A. turns out B. decorates
C. completes D. supplies

Discussion

Questions for discussion.

- 1 Can modern people survive without business? Why?
- 2 What kind of business do you find most profitable? Give reasons.
- 3 What are the three kinds of individual wants? Give examples of each kind.

Text B

Competition in Business

- 1 American business life is based on what economists call a *free-market system*. In essence, this means that *if you have something to sell* — whether it's a product or a service — *you're free to charge any price and to sell to anyone willing to pay that price*. Conversely, as a consumer you're free to buy whatever you want and can afford, from whomever you choose.
- 2 In practice, of course, there are numerous exceptions to this principle. Nevertheless, there are two forces that can be said to dominate the operation of any free market: *competition* and *supply*



and demand.

How Competition Operates

- 3 If you set out to sell a product or service in today's society, chances are that someone else not too far away is selling something similar. And since potential customers are free to shop where they please, you will have to compete with your rival for their business. How can you go about this? One obvious strategy is to charge lower prices.

Competition Keeps Prices Down

- 4 If your rival is selling blue jeans, say, for \$28 a pair, you may try offering them for \$25. The catch, of course, is that you'll get \$3 less for each pair you sell and you'll still have to cover the same expenses — buying the jeans from the manufacturer, paying rent on your store, and so forth. How, then, can you charge less and still make a worthwhile profit? The answer — you hope — is that the lower price will attract more customers. Thus even though you make less money on each pair of jeans, you'll sell more of them and so come out with a good overall profit. In real life, needless to say, things do not always work out so logically. But more often than not, the choices offered by the free-market system do benefit both the customer and the business owner — just as they're supposed to in theory. This basic head-on type of competition tends to keep prices down, which is obviously good for the buying public. At the same time, it holds out the promise of great profits to the business that can sell more units of whatever its product or service happens to be.

Competition Encourages Efficiency

- 5 In addition, the nature of the free market is to encourage other forms of competition that serve the interests of both the business community and the society at large. A business owner may be able to lower prices without having to settle for a smaller profit per unit if ways can be found to improve efficiency and reduce operating costs. The merchant selling blue jeans, for example, may find that rearranging the store's layout makes it possible to display more items in the same amount of space or that a new lighting system cuts the electric bills. Likewise, someone who refinishes furniture for a living may discover that dipping a table or chair in a large vat of chemical solvents removes the old finish faster — and thus more economically — than doing the same job by hand.

Competition Promotes Quality

- 6 Instead of cutting prices, a business may decide to compete for customers by offering higher-quality goods or services than its rivals. The price may also be higher, but those customers

who can afford it will probably be willing to pay the extra amount. Thus although a business that deals in luxury goods will not attract as many customers as, say, an average discount store, it will make more money per item and may well end up with an equal or even greater total profit. A particular benefit of this competitive approach is that it provides a practical incentive for businesses to maintain high standards of quality and increases the choices available to customers of different income levels.

Competition Encourages Variety

- 7 The free-market system not only encourages variety in the price range for a given category of products or services but also encourages an immense variety in the *types* of goods and services offered to the public. Changes in popular taste, technology, and the like are constantly creating new business opportunities. The possibility of profit — however remote it may be — almost invariably attracts entrepreneurs willing to risk their time or money. The result is an astonishing diversity of businesses: virtually anything you might want to buy — any product or service, no matter how obscure — is probably sold somewhere.

Competition and Advertising Are Interdependent

- 8 Finally, the free-market system includes another major competitive tool, one that confronts us every day: advertising. The business that can attract more public attention or create a more favorable image for its products or services will gain a valuable edge over its competitors. To be sure, advertising does not itself improve the quality of the product being offered, and it may, in fact, add to the price. But it can spur people to buy more, and this, in turn, can help keep business operating at high capacity — and employing more workers.

Supply and Demand

- 9 As we have seen, prices in a free-market system are influenced by the competitive strategies of rival businesses. Price levels are not determined solely by the decisions of business managers, however. Price levels often respond to forces of supply and demand. In economic terms **supply** is *the quantity of a product or service that producers are willing to provide*; **demand** is *the quantity of a product or service that consumers are willing to buy at that time*.
- 10 In basic terms, **the theory of supply and demand** holds that *the supply of a product will tend to rise when demand is great* — when people are willing to pay more for it — *and fall when demand is low*. By the same token, people will usually pay more for something they want that's in short supply

(as anyone who's tried to buy a shovel immediately after a heavy snowfall knows); but if the product is widely available, people won't be willing to pay as much and the sellers will have to settle for lower prices. In other words, supply and demand are continuously reacting to one another, and the balance between them at any given moment is reflected by the current price on the open market. Thus the price of a product may drop, not because a businessperson is trying to lure customers away from the competition, but because consumer demand for the product has fallen off.

- 77 In broad terms, the forces of supply and demand combine with the profit motive in a free-market system to regulate what is produced and in what amounts. For example, a farmer in Maine might increase the amount of potatoes he plants in response to reports that a drought had damaged the potato crop in Idaho. Or a mining company, reacting to reports of increased demand for jet aircraft (which require large amounts of titanium), might decide to increase production of titanium or to open a second mine. Conversely, if reports indicated that the airlines weren't spending much on new equipment, the mine owner might delay developing more capacity and might even lay off workers. And the potato farmer in Maine might decide to plant some of his land to parsnips if the news from Idaho was that a bumper potato crop was expected. The result of all this — in theory, at least — is that the consumers will get what they want and the producers will earn a profit by keeping tabs on public demand.

(1,219 words)

New Words

1	refinish /ri:'fɪnɪʃ/	vt.	重新修光, 整修……的表面
2	dip /dɪp/	vt.	浸泡
3	vat /væt/	n.	大桶
4	solvent /'sɒlvənt/	n.	溶剂
5	incentive /ɪn'sentɪv/	n.	刺激, 鼓励
6	category /'kætɪgəri/	n.	种类; 范畴
7	invariably /ɪn'veəriəblɪ/	ad.	不变地, 一定地

8	entrepreneur /ˌɒntreɪprəˈnɜː/	<i>n.</i>	企业家
9	diversity /daɪˈvɜːsɪti/	<i>n.</i>	差异; 多样性
10	edge /edʒ/	<i>n.</i>	边缘, 优势
11	shovel /ˈʃʌvl/	<i>n.</i>	铁铲
12	motive /ˈməʊtɪv/	<i>n.</i>	动机; 目的
13	Maine /meɪn/	<i>n.</i>	缅因州[美国州名]
14	drought /draʊt/	<i>n.</i>	干旱
15	Idaho /aɪdəˈhoʊ/	<i>n.</i>	爱达荷州[美国州名]
16	titanium /taɪˈteɪniəm/	<i>n.</i>	钛
17	parsnip /ˈpɑːsnɪp/	<i>n.</i>	欧洲防风草
18	bumper /ˈbʌmpə/	<i>a.</i>	丰盛的, 特大的

Useful Expressions

1	be based on	根据, 以……为基础
2	in essence	本质上, 基本上
3	set out to do sth.	开始干某事
4	in practice	在实践中, 实际上
5	chances are...	很有可能
6	compete with sb. (for sth.)	与……竞争
7	go about	处理, 做, 忙于
8	in addition	另外, 加之
9	overall profit	总利润
10	work out	产生结果; 发展
11	more often than not	通常; 多半
12	add to	增加
13	at large	全部, 整个



14	deal in	经营, 买卖
15	end up	最后成为(处于)
16	gain an edge over	(稍微)胜过
17	operating cost	经营成本
18	discount store	打折店
19	in short supply	供应不足
20	fall off	跌落, 滚落下
21	in response to	作为对……的反应
22	partial payment	分批(部分)付款

Exercises

Comprehension

Choose the right answer.

1

What is a free-market system like in real life?

- A. Consumers can get whatever they have a fancy for.
- B. Consumer's behavior is only regulated by their purchasing power.
- C. The operation of the market is regulated by supply and demand.
- D. Economic activities are administrated by the government.

2

According to Para. 4, why is a seller willing to lower a price?

- A. Because he hopes to maximize his total profit by selling more of a product or service.
- B. Because he hopes to outperform his rivals and drive them out of the market.
- C. Because he hopes he can still make a little money by cutting down on the operation cost.
- D. Because he hopes a reduced price will help him to sell quick.

3 Which of the following is **NOT** mentioned as a means for a business to lower the price without having to settle for a smaller profit?

- A. Improving efficiency.
- B. Reducing expenses.
- C. Innovating techniques.
- D. Employing fewer workers.

4 The author uses the example of luxury goods to illustrate that _____.

- A. competition makes higher-quality products or services accessible to the general public
- B. a luxury product may become a common product for people of different income levels
- C. higher-quality products ensure much larger profits for a seller
- D. a seller can earn an equal or even greater total profit from higher-quality products

5 What role does advertising play in competition?

- A. It serves as an important tool to inform and persuade a larger audience.
- B. Apart from attracting attention and creating images, advertising has no value of its own.
- C. Advertising helps to contribute to a reduced cost.
- D. Advertising helps a business to get established in the market.

6 According to the text, what does the price of a product reflect?

- A. It reflects the profit margin a seller hopes to get.
- B. It reflects consumer's willingness to pay for that product.
- C. It reflects the balance between demand and supply for that product at that given moment.
- D. It reflects the decision of the business manager.

7 We can conclude from the text that, of all the things, _____ affects customer's demand most.

- A. the quantity of a product on offer
- B. customer's willingness to pay for a price
- C. the price of a product or a service
- D. the quality of a product or a service

8 Which of the following is true about the relationship between supply and demand?

- A. A limited supply of a certain product, regardless of its demand, will make consumers want to pay more for it.
- B. Supply for a product is placed in proportion to demand.
- C. When supply exceeds demand, prices inevitably go up.
- D. When supply exceeds demand, prices inevitably drop.

Vocabulary

Choose the right meaning of the underlined part according to the context.

1 Conversely, as a consumer you're free to buy whatever you want and can afford, from whomever you choose.

- A. theoretically
- B. controversially
- C. contradictorily
- D. by contrast

2 The catch, of course, is that you'll get \$3 less for each pair you sell and you'll still have to cover the same expenses.

- A. bait
- B. gain
- C. goal
- D. drawback

3 This basic head-on type of competition tends to keep prices down, which is obviously good for the buying public.

- A. straight
- B. face-to-face
- C. indirect
- D. common

4 But it can spur people to buy more, and this, in turn, can help keep business operating at high capacity — and employing more workers.

- A. persuade
- B. demand
- C. urge
- D. tempt

5 Price levels often respond to forces of supply and demand.
A. interact with B. act according to C. account for D. stand for

6 By the same token, people will usually pay more for something they want that's in short supply.
A. symbolically B. consequently C. accordingly D. similarly

7 If the product is widely available, people won't be willing to pay as much and the sellers will have to settle for lower prices.
A. accept B. negotiate C. charge D. bid

8 The result of all this — in theory, at least — is that the consumers will get what they want and the producers will earn a profit by keeping tabs on public demand.
A. keeping an interest in B. keeping track of
C. capitalizing on D. keeping pace with

Discussion

Questions for discussion.

1 What is the ultimate goal of a seller? What measures can he adopt in order to achieve that? And of all these, which one would be the most effective? Why?

2 What are the advantages of competition according to the text? Are there any disadvantages? If yes, what are they?

3 What is supply and demand? Suppose a company is focused on producing at full capacity, under what condition would that be possible?

Part B Fast Reading

Passage One

First read the following question.

- 1 Who determines the value of art?
- A. Artists, art dealers, or critics.
 - B. The public, art dealers, or museum directors.
 - C. Investors, critics, or museum directors.
 - D. Critics, art dealers, or museum directors.

Now go over the passage quickly and answer Question 1.

People tell a story about a well-known painter who was eating at an expensive French restaurant.

When the meal was over, he discovered that he didn't have any money, so he signed his napkin and handed it to the waiter. Was the owner of the restaurant disappointed? Not at all. He could sell the napkin as a work of art for many times the cost of the dinner.

Today, anything with a famous artist's name on it is valuable. The reason is that so many people buy art as an investment, in order to resell it at a higher price. And the easiest way to determine a work's value is the reputation of the artist. This is also true of some other businesses, like movies or books, where the reputation of the author or director is very important. But with a book or a movie, the opinions of millions of people determine success or failure, while in the art world, it is the opinion of a small number of critics, art dealers, or museum directors.

As a result, the price of an artistic work can go up quickly. For example, in 1959, a couple bought a painting by Jasper Johns for \$900. By 1980, critical opinion had decided that Johns was a major artist — and the couple sold their painting for one million dollars. With this kind of profit, it is easy to see why big companies as well as rich people spend a lot of money investing in art. It is also easy to see that it is the investors, and not the artists themselves, who make the biggest profits. Still, artists can get a lot of money for some strange things. In 1974, Carl Andre sold 120 bricks — with instructions to arrange them in a rectangle — to a British museum. The museum won't say what it paid for the bricks, but the amount was probably close to \$10,000, or \$83 for each brick.

Other artists find more original ways of capitalizing on their fame. The American pop artist Andy Warhol once put an ad in a newspaper, with his phone number, saying he would endorse anything for money. "Being good in business is the most fascinating kind of art," Warhol said. But the real point is that, like the restaurant owner, all many people really want is an artist's signature.

(376 words, 3'50")

New Words and Expressions



1	napkin /'næpkɪn/	<i>n.</i>	餐巾
2	reputation /ˌreɪpju'teɪʃən/	<i>n.</i>	名声
3	rectangle /'rektæŋgl/	<i>n.</i>	长方形
4	art dealer		艺术经纪人

Exercises

Choose the right answer.

2 People buy art in order _____.

- A. to store it
 B. to appreciate it
 C. to profit from it
 D. to show off to others

3 Who make the greatest profits out of art?

- A. Investors. B. Art dealers. C. Critics. D. Artists.

4 The phrase “capitalizing on” (Paragraph 4) means “_____”.

- A. spending
 B. investing
 C. taking advantage of
 D. making the best of

5 We can conclude from the passage that _____.

- A. the public appreciate art
 B. people can make money out of investment in art
 C. artists profit as much as investors from their works
 D. none of the artists care to associate art with business

Passage Two

7 We described business as all the work involved in providing people with goods and services *for a profit*. The last three words are important. **Profit**, simply put, *is the money left over from all sums received from sales after expenses have been deducted*. If it costs you \$1.00 to produce one of

your mousetraps and you sell it for \$1.50, your profit is fifty cents (before taxes, of course).

- 2 The element of profit is the foundation of our economic system. It is, indeed, the whole point — the “bottom line” for most business activities and enterprises. The American economic system is based on the idea that the owner of a business is entitled to keep whatever profits the business produces. It takes effort, after all, to put a desirable product or service into a useful form and then sell it to people. Furthermore, the owner may have to take a considerable financial risk. Most businesses need a substantial investment to get started, and if a new venture doesn't succeed (and most don't), whoever financed it stands to lose a great deal of money. It seems only fair, therefore, that someone who makes the effort and takes the financial risk should be rewarded with the profits.
- 3 Such an arrangement, moreover, is not only logical in theory; it has also proved extremely effective in practice. Most people simply do not work five days a week for the sheer fun of it: they work in exchange for compensation, usually money. Furthermore, they tend to work harder or take greater risks if they feel that their extra efforts may produce greater rewards. It is this basic human incentive, *the profit motive*, that lies at the heart of the American business system.
- 4 At this point we must note that not all businesses exist to make a profit. As we'll see, it is the nature of the American system to provide goods and services for which there is a sizeable demand or for which a relatively small number of people are willing to spend a large sum of money. But some small segments of society have needs that profit-oriented businesses can't afford to supply at prices that these markets can pay. Therefore, our society supports a number of nonprofit businesses, such as Underwriters Laboratories and Goodwill Industries. In other respects, these enterprises are much like profit-directed businesses.

(390 words, 3'50")

New Words and Expressions



1	deduct /dɪ'dʌkt/	vt.	扣除
2	mousetrap /'maʊstræp/	n.	捕鼠机
3	entitle /ɪn'taɪtl/	vt.	给……权利(或资格)



4	substantial /səb'stænʃəl/	a.	大量的, 可观的
5	compensation /kəmpen'seɪʃən/	n.	补偿, 薪资
6	segment /'segmənt/	n.	部分; 部门

Exercises

I

Decide whether the following statements are true (T) or false (F).

- () 1. A business makes a large profit when it sells a low-cost product at a high price.
- () 2. The American economic system is organized around a profit motive.
- () 3. American businesses are regulated in the amount of profit they can take out of their goods.
- () 4. New ventures have got a very promising market prospect in the American economic system.
- () 5. According to the passage, most people work five days a week for different purposes.
- () 6. According to the passage, people would be willing to invest more efforts on work if only they could receive better compensation.
- () 7. Nonprofit businesses are sponsored by the society, otherwise they cannot stand to lose profit.
- () 8. We can conclude that all businesses, profit-directed as well as nonprofit ones, operate more or less in the same manner.

II

Complete the sentences with the information given in the passage by filling each blank with one word.

- 9. The ultimate desire to earn a favorable financial return on a business venture is called _____. It is the _____ in the American system.
- 10. In the process of putting a desirable product or service into a useful form and then selling it to people, a business venture not only makes _____ but also takes _____. Therefore, it is fair that they should be rewarded with _____.
- 11. Nonprofit organizations such as _____ and _____ can not survive without financial support _____, but in other aspects, they operate like _____.