

International business concepts

Business



**ASSIGN
BUSTER**

International Business Concepts 1st Concept: Sovereign Wealth Funds

Sovereign Wealth Funds are investment funds controlled by governments holding great amount of stakes in foreign businesses aiming to gain profits and stimulate its national economy. Charles Orate, reporting for Washington Times, expresses our urgency as a nation to create an American Sovereign Wealth Fund. If our government soon capitalizes \$1 trillion currently have a head start with their SWF. But that is merely leverage. The leading reason as to why we absolutely need a SWF is to recover from our national debt.

Ever since the survival of the 1945 World War, our debt is no longer \$345 billion. Instead, it has heightened to a depressing amount of \$17 plus trillion. The ratios of our total debt to private sector incomes are distant values, causing a substantial deficit. The debt we have accumulated to this day is almost unfathomable. But if there is a will, there is a way out. If America were willing to have a politically independent Sovereign Wealth Fund, it would act as an economic stimulus. Our financial dilemma would be revived soon enough.

But the SWF must be dealt with phenomenal management in order to gain substantial returns. Also, to evade interrupting America's market prices, it would be wise to only invest internationally. Once America's SWF is established, the capital investment of \$1 trillion will achieve immense profits, in turn accumulating wealth to subside our national debt. Therefore, relieving our country from financial stress, rejuvenating America's credit rating, and rehabilitating our economy. An American Sovereign Wealth Fund will create a brighter and prosperous future. 2nd Concept: North American Free Trade Agreement (NAFTA)

North American Free Trade Agreement created a free-trade area among the United States, Canada, and Mexico. The three countries agreed to expand the flow of goods, services, and investments. Their objectives were to eliminate all tariff on imports, eliminate or reduce imitation trade barriers, promote conditions of equal competition, provide protection and enforcement of intellectual property rights, establish regional trade cooperation, and improve employment In North America. Forbes, a leading source for business news and financial Information, comments on the aged North American Free Trade Agreement.

Although It has been successful during It's previous decades, the agreement seems to be on " life support. " The NONFAT Is past Its 20th anniversary and yet there has been a lack of modern revisions. During February this year, President Barack Obama met with Canadian Prime Minister, Stephen Harper, andMexicanPresident, Unripe Penn Unite. They attempted to revivalist the NONFAT and strengthen their regional cooperation. But they were distracted by other international crises. In consequence, North America Is loosing business to China due to unaligned rules and unrecognized policies between the