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| Paragraph 2 |   |
| Concept | *Description* |
| North-South divide | The large differences between the rich North and poor South |
| International division of labour | A division of tasks between countries in the production of goods |
| Global Triad | The three dominant trade blocks in the world: North America, Japan and the EU |
| Asian Tigers | First generation NICs: Taiwan, South Korea, Hong Kong, Singapore |
| Baby Tigers | Second generation NICs: Thailand, Malaysia, the Philippines, Indonesia, Vietnam |
| BRIC countries | Brazil, Russia, India and China: four very large semi-periphery countries that are developing rapidly |
| Trade barriers | All obstacles preventing trade between countries |
| Low-wage country | Country in which workers work for little money |
| Millennium Development Goals | UN agreements to lessen the global North-South divide |
| NICs (Newly industrialised countries) | Former less economically developed countries in East and Southeast Asia which have developed into prosperous countries |
| Global shift | The global movement of areas of concentrated production, trade and transport to other areas |

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| Paragraph 3 |    |
| Concept | Description |
| Direct employment | Jobs that result directly from other activities |
| Indirect employment | Jobs that arise from activities initiated by other companies and result in another company being opened |
| Subcontractors | Companies that work for MNCs |
| Comparative advantage | The favourable circumstances in an area resulting in greater benefits than elsewhere |
| Export subsidy | Government money given to companies for products they export in order to be able to compete on the international markets |
| Import restrictions | Measure to protect domestic companies by keeping out goods from other markets |
| Tariff escalation | Import duties on products from developing countries the more the product is processed |

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| Paragraph 4 |  |
| Concept  | *Description* |
| Development aid | Money or goods given to a less economically developed country in order to help develop that country |
| Development cooperation | Another, more modern, term for development aid accentuating not only the aid, but also the cooperation between a recipient country and a donor country |
| Debt service | The percentage of the income of a country used to pay debts |
| Fair trade | Trade in which producers receive a fair price for their efforts |
| Privatisation | Private companies carry out government services |

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| Concepts  |  Definition |
| Joint venture | A foreign company or MNC sets up a new company together with the government or a company of another country |
| Flying Geese Model | The idea that MNCs are constantly in search of a place with the most comparative advantages |
| Protective measures | Import restrictions such as tariff escalation |

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| Paragraph 7 & 8 |  |
| Concept | *Description* |
| Multilateral aid | Development aid in which several countries together help one or more less economically developed countries often through international organisations |
| Bilateral aid | Development aid given by one country given to another country |
| Non-Governmental Organisations | Private organisation with projects in a developing country (e.g. Oxfam-Novib) |
| Recipient Countries | A group of almost 40 less economically developed countries targeted by the Netherlands for development cooperation |
| Donor darlings | A number of developing countries which receive more than a considerable amount of aid |
| Emergency Aid | Short-term aid provided or received by a country in the event of a natural disaster, war or famine. |
| Structural Aid | Long-term aid a country provides or receives for project or programme aid. |
| Programme Aid | Long-term aid designed to improve education, health care, agriculture or infrastructure |
| Project Aid | Help that is given for a particular task, such as building a dyke or dam |
| Tied Aid | Aid in which the donor country sets conditions on how the aid is to be spent by the country receiving the aid |
| Untied Aid | Unconditional aid, a donor country provides aid without imposing conditions on how the aid is spent |
| Joint Venture | A foreign company or MNC sets up a new company together with the government or a company of another country |
| Labour-intensive production  | The manufacturing of goods requiring relatively many hours of work |
| Relocation Process | Moving production activities elsewhere |
| Market-Focused Globalisation | Companies moving their production to another country to access new markets in order to sell more |
| Cost-Focused Globalisation | Companies moving production to another country where production costs are cheaper |
| Free Trade Zones | An area set-off, usually in less economically developed countries where MNCs can manufacture goods under highly favourable conditions |
| Export Processing Zones (EPZs) | See Free Trade Zone |
| Corporate Social Responsibility | Production with respect for people and the environment |
| Knowledge-Intensive Production | The manufacturing of goods requiring relatively much knowledge |