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acid rain: sulfur dioxide from coal burning energy plants reacts with water in the air to form acid rain, which causes environmental damage.

African Union (AU): The AU was founded in 2001 by the joining of the African Economic Community (AEC) and the Organization of African Unity (OAU). The AU has 53 African nations as its members. Its goals are to promote democracy, human rights, and a sustainable economy. The AU aims to have a common market with a single currency, a single defense force and one Head of State and cabinet of the AU for all African countries. The entire African continent is part

of the AU except for Morocco, which opposes the membership of Western Sahara and the Sahrawi Arab Democratic Republic, but still enjoys the benefits of the services to member states. Some of the primary issues that the AU is dealing with at the moment are peacekeeping in areas with regional conflict, such as Sudan, and controlling the AIDS epidemic.

agrarian reforms: large landholdings, usually established during colonial periods, are divided and sold or assigned to smaller landholders.

Agreed Framework: an agreement signed by North Korea in 1994, and sponsored by the US, Japan, and South Korea. Under the agreement, North Korea agreed to halt its nuclear weapons program. In exchange the sponsoring countries would provide North Korea with two light water nuclear reactors that are less suited to producing material for nuclear weapons. In October 2002 North Korea announced that it had violated the terms of the Agreed Framework by restarting its nuclear weapons program, and it said it considered the agreement nullified.

al Qaeda: a radical Islamic terrorist organization, responsible for several major attacks including the September 11, 2001 attacks on New York and Washington, D.C. Al Qaeda means “the base” or “the foundation” in Arabic. The group was founded in 1988 by Osama bin Laden. It is a sophisticated organization with cells or links to groups in over 50 countries. It is often referred to as a “hydra”, which is a creature with many heads. It is likened to a hydra for it is an organization with decentralized authority. Thus if one leader or “head” is arrested and thereby cut off from the group, another “head” will take his place.

annex: when one country incorporates another territory into itself. For example, in 1990, Iraq invaded and tried to annex Kuwait.

Anti-Ballistic Missile Treaty (ABM): treaty between the US and the former Soviet Union that limited the creation of missile defense systems. The US withdrew from the treaty in 2002, and it is no longer in effect.

anti-Semitism: Prejudice against Jews, ranging from

ABBREVIATIONS

ABM:	Anti-Ballistic Missile Treaty
ASEAN:	Association of Southeast Asian Nations
EC:	European Community
EU:	European Union
FDI:	foreign direct investment
GATT:	General Agreement On Tariffs And Trade
GDP:	gross domestic product
GNP:	gross national product
HIV:	human immunodeficiency virus
ILO:	International Labor Organization
IMF:	International Monetary Fund
LDC:	less developed countries
MFN:	Most Favored Nation Status
NAFTA:	North American Free Trade Agreement
NATO:	North Atlantic Treaty Organization
NGO:	Non-Governmental Organization
PPP:	Purchasing Power Parity
SALT I & II:	Strategic Arms Limitations Talks
WMD:	Weapons of Mass Destruction
WHO:	World Health Organization
WTO:	World Trade Organization

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dislike of Jews to the horrible violence of the Holocaust. There is a long history of anti-Semitism in Europe, as well as other regions. The Israeli-Palestinian conflict has led to a rise in anti-Semitism among Muslims and Arabs as well as those sympathetic to the Palestinian cause.

apolitical: having an aversion for or no interest or involvement in political affairs.

apartheid: a policy of separating different races, with one group imposing unfair and discriminatory policies on another.

appeasement: A policy of making concessions to an aggressor nation with the hope that the concessions will satisfy the aggressor and ensure peace. The classic example of appeasement is the Munich Pact of 1938, in which Great Britain and France's agreed to recognize Hitler's annexation of the Sudetenland, a region in the former country of Czechoslovakia. Hitler's aggressions lead to World War II. In the short term, appeasement may prevent conflict and thus unnecessary casualties. But in the long term, it may cause aggressors to think that a country that makes concessions will not put up much of a fight if challenged. It may embolden them to become even more aggressive, planning bigger invasion goals than they had originally intended.

arab street: A term referring to the popular sentiment of the politically unstable segment of the Arab world. The phrase generally refers to the younger, poorer, and less educated classes, rather than to those in power. Such people sometimes make decisions on an emotional level, rather than listening to both sides of an issue and then deciding where they stand. They may be easily swayed by images they see in the media or by persuasive speakers who want them to behave in a certain way.

arms control: Agreements that limit the number of type of weapons a country can develop.

Asian "tigers": dynamic and rapidly developing economies of East and Southeast Asia.

Asian Development Bank: established in August 1967 to promote regional economic cooperation. There are 36 regional members (including China, India, Japan, South Korea, Pakistan, and Vietnam), plus non-regional members including the United States, Canada, France, Germany, and the UK.

asset: something that provides a monetary flow to its owner. For example, a building that can be rented out for money by its owner or an account that can earn interest for its owner is an asset.

atoll: a coral island consisting of a ring-shaped reef enclosing a lagoon.

Association of Southeast Asian Nations (ASEAN): established in August 1967, to promote regional economic, social, and cultural cooperation among the non-Communist countries of Southeast Asia. Members include: Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

austerity measures: reduced government spending. In order to stabilize LDC economies, many Third World governments are being told by international organizations, such as the IMF, World Bank, Asian Development Bank, and other lenders, that they must reduce deficit spending. Generally, austerity measures result in less government support for health, education, and infrastructure, and therefore have important domestic and social implications.

authoritarianism: a form of government in which the state wields a large amount of authority, at the expense of individual rights. Often power in authoritarian systems is centered on a small group of leaders.

autonomy: a limited form of self-government. US states have a certain degree of autonomy, which allows them to make their own laws regarding local matters. Autonomy does not usually extend to control over foreign affairs.

Avian or bird flu: an infectious disease of birds caused by type A strains of the flu virus. There is only one strain—H5N1—that has caused human deaths. While avian flu has existed in wild birds for over 100 years, the first bird to human infection occurred in Hong Kong in 1997. This is the first time a disease has jumped directly from birds to humans and resulted in human deaths. A contributing cause of this jump is thought to be the crowded, unsanitary conditions of some Chinese farms. Humans are in very close contact with chickens and other barnyard animals on such farms. Because it was a new disease to humans, they had no built up immunity to the disease and six out of the 18 people infected died. To prevent the rapid spread of such out-

breaks in the human population, infected people need to be quickly quarantined. All infected birds must be destroyed. Since the original Hong Kong infection, 55 nations have had avian flu outbreaks and 220 million domestic birds have died or had to be killed. The economic losses to Southeast Asia alone are estimated at \$10 billion.

axis of evil: a phrase used by US President Bush in his 2002 State of the Union Address, accusing Iraq, Iran and North Korea of being threats to world peace and stability. It has become one of the most-quoted phrases of the Bush presidency.

Balkans: Countries in southeastern Europe including the former Yugoslavia, Albania, Macedonia, Bulgaria and Greece.

barefoot doctors: in China, peasants who were trained specifically to treat diseases and provide health care in rural areas.

bilateral: something that is between only two countries or two sides.

bio-diversity: the earth's vast array of plant and animal species. Many of the existing plant and animal species have yet to be identified and fully studied. Some scientists' project that existing species may hold untapped medical or scientific potential. Industrialization and deforestation currently result in the loss and extinction of plant and animal species.

bioenergy: comes from any fuel that is derived from biomass - recently living organisms or their metabolic byproducts. Biomass can include matter such as cow manure. Unlike other natural resources such as petroleum, coal and nuclear fuels, bioenergy is a renewable energy source. Like all methods used to generate energy, the combustion of biomass generates pollution as a by-product. However, because the carbon in biofuels was recently extracted from atmospheric carbon dioxide by growing plants, the combustion of a biofuel does not result in a net increase of carbon dioxide in the Earth's atmosphere.

black market: the illegal sale and purchase of goods and services. Because these transactions are informal, often no records are kept, cash is used, and people have no recourse through the court system if they are cheated. They hurt an economy for no taxes are paid and

they may prevent scarce goods from getting to the official marketplace. Governments usually try to prevent sales on the black market for this reason. Black markets thrive in economies where goods are tightly rationed. Examples of active black markets were in countries such as Russia, Poland, and Czechoslovakia when they were still under communist rule (from WWII to 1990). Everything from foods to currency to clothing was traded on the black market. For instance, in stores, meat was often in short supply and consumers waited in long lines in order to buy it. If an individual knew the right person and could pay a higher price, she could purchase meat on the black market.

bipartisan: representing, or composed of members of two (political or other) parties.

bonded labor: when someone is forced to work in slave-like conditions, without receiving wages, in order to repay a debt.

budget deficits: when governments spend more than they collect from taxes.

capital: wealth in the form of money, property or other investments.

capital flight: the rapid withdrawal of funds invested by business or financial interests in another country. Also describes the situation when people in a country choose to invest their money abroad rather than in domestic markets.

capital flows: the movement of money into or out of an economy

capitalist economy: an economy that limits government to a small role. Also known as a free market economy, it stresses the independence of businesses to make their own decisions. It is opposed to the planned economy, where governments make all decisions.

carbon credits – tradable permits: They provide a way to reduce greenhouse gas emissions by giving them a monetary value. A credit gives the owner the right to emit one ton of carbon dioxide or CO₂. International treaties such as the Kyoto Protocol set the amount of greenhouse gases countries can produce. Countries, in turn, set quotas on the emissions of businesses. Businesses that are over their quotas must buy carbon credits for their excess emissions, while businesses that are

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below their quotas can sell their remaining credits. By allowing credits to be bought and sold, a business for which reducing its emissions would be expensive or prohibitive can pay another business to make the reduction for it. This minimizes the quota's impact on the business, while still reaching the quota. Credits can be exchanged between businesses or bought and sold in international markets at the prevailing market price. There are currently two exchanges for carbon credits, the Chicago Climate Exchange and the European Climate Exchange.

carbon emissions trading: involves the trading of permits to emit carbon dioxide and other greenhouse gases (GHG). It is one of the ways countries can meet their obligations under the Kyoto Protocol to reduce carbon emissions. The world's only mandatory carbon trading program is operating in the European Union. It caps the amount of carbon dioxide that can be emitted from large installations, such as power plants and factories.

carbon sinks: in a natural chemical process, trees and other plants draw carbon dioxide, the main greenhouse gas, out of the air and stash the carbon in the ground or in wood, forming what experts have called carbon sinks and helping to cool the climate. Coastal regions of ocean water may also act as carbon sinks. The concept is new and somewhat controversial. In 2000, the inability of the EU and the US to agree on this issue stalled talks to finalize the Kyoto Protocol.

co-generation: the use of a heat engine or a power station to simultaneously generate both electricity and useful heat. The by-product of heat is captured and used for a heating purpose, such as through pipes to heat nearby buildings.

communicable disease: another name given to a contagious disease, or one that can be transmitted from one person or species to another. Communicable diseases are most often spread through direct contact with the infected individual or through coming into contact with contaminated bodily fluids or objects.

constitutional: a constitution is a legal document of basic rules for a nation. Constitutions set up rules such as how to elect leaders and protect individual rights. In many countries, courts decide which additional laws are allowed by the constitution. An allowable law is "constitutional."

caste system: a system of rigid social stratification characterized by hereditary status, marriages within a specific group as required by custom or law, and social barriers created by custom, law, or religion.

catalytic converter: a device that converts three harmful compounds in car exhaust into harmless compounds.

cede: to give up or grant something, typically by treaty.

civic administration: the administrative arm of government responsible for day-to-day operations. This would include departments such as police and fire, electricity and water.

debt cycles: the process where a country's debts have grown so large, that new loans are used to mostly pay off interest on older loans, leaving little money for development.

debt default: failure to make the required debt or interest payment without making specific arrangements with the lending government or institution.

debt forgiveness: an agreement arranged between a lending government or institution and the borrower to eliminate part of the debt or the interest on the principal borrowed.

debt restructuring/relief: various proposals for relieving the debt burden of developing countries. The indebtedness of many developing countries has been increasing dramatically since 1973. Most of those loans have been made by private commercial banks, rather than by foreign governments. Many governments are currently unable to "service their debt." Debt restructuring could involve complete or partial debt forgiveness, temporary or permanent debt moratorium, interest rate reduction, and extensions of the terms of the debt.

debt servicing: payment of the basic installments as due on the loans. Without the ability to service the existing debt, many countries find that they are unable to obtain additional loans that they need to maintain government services. Debt servicing is not debt payment. The service payments are usually only a part of the interest owed, and the debt continues to mount as unpaid interest is added to the original principle.

debtor countries: countries that have taken out loans from other countries in order to help build their own economies. Although most countries are debtor nations to some extent, many of the developing countries have not been able to develop as quickly as they had planned and, therefore, they have remained in debt far longer than anticipated.

Declaration on the Rights of Man and Citizen: a historical document written during the French Revolution in 1792. The Declaration rejected the idea that a king should have complete control over his people, and made a firm statement that all men are entitled to basic human rights.

deflation: An extended decline in the average price of all goods and services. This should not be confused with a decrease in price of some goods within an economy, as with manufactured goods in China. Japan is a current example of an economy experiencing deflation. Deflation is a serious problem in modern economies. It makes loans more expensive to repay, it forces companies to cut prices, makes profits smaller, and threatens the banking sector.

deforestation: the destruction of the world's forests, mainly rain forests, through direct human activity such as logging or slash-and-burn clearing for agriculture and grazing, and through the indirect effects of pollution and acid rain.

DMZ (Demilitarized Zone): a narrow strip of land along the border between North and South Korea where no weapons or military personnel are allowed. It is one of the most heavily land-mined areas in the world. Since the end of the Korean War in 1953 the DMZ has become a haven for wildlife and plant life.

depletion: using up or eliminating natural resources.

deportation: the act of removing or expelling a person from a country.

deregulation: the act or process of removing restrictions or regulations.

devaluation: the deliberate decrease in a fixed exchange rate. When a currency begins to decline in value, a government may try to support the value of its currency by buying it in large quantities, keeping its price up on the world markets. However, if it becomes

apparent that the market forces are stronger than the government's support, a devaluation will be announced: the government chooses a new, lower, level at which to support its currency.

developed countries: the top group of the industrialized and market-oriented economies of the mainly democratic countries. Many of the developed countries are also known as the countries of the North.

developing countries: an imprecise term for the poor, often indebted countries of the world that are trying to industrialize and develop economically. Many of the developing countries are also known as the countries of the South.

dollar peg: an economic term used when a country fixes or "pegs," the value of its currency to the value of the US dollar, usually at a one-to-one ratio. This provides financial stability and reduces the threat of inflation, because the country cannot just print money. But the country can still devalue its currency, relative to the US dollar. If it does, foreign investors may lose confidence in the country, defeating one of the main purposes of using a dollar peg. Dollarization will eliminate the devaluation dilemma.

dollarization: an economic term used when a country phases out its own currency and adopts the US dollar as its official currency. This eliminates the risk of inflation, because the country cannot just print money. It also offers economic stability, attracting foreign direct investment and trade and calms nervous foreign bankers. On the downside, if the value of the US dollar rises, the dollarized countries' exports become more expensive and thus less desired, reducing its access to foreign currency, and making foreign debt harder to repay. The country also loses the ability to use home-grown exchange rates and monetary policies to dampen domestic crises. Currently, three countries in Latin America have dollarized: Panama, Ecuador, and El Salvador. Other countries said to be considering doing so are Paraguay, Argentina, Costa Rica, and Jamaica.

dowry: the payment in money, goods or land by the family of the bride as a condition of marriage. Although outlawed, it is still sometimes used in South Asia.

dumping: the sale of export goods for less than they cost to produce, or for less than the normal selling price in their home market. Dumping is illegal under WTO

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rules. If a country can show that dumping has harmed its domestic industry, it may impose tariffs against the offending country to recover the damages.

economies of scale: the advantages of making many of the same things at one time. For example, if an automobile company mass-produces cars instead of producing them one at a time, each additional car can be produced at lower cost.

eco-system: all plant and animal life in one environment. The term stresses how all creatures affect each other.

El Niño: a periodic warming trend that occurs in ocean waters in the Western Pacific and that can dramatically alter traditional weather patterns on a worldwide basis.

embargo: an agreement, often involving many countries, to prohibit trade and other economic activity with a country that is violating international law. The economic embargo of South Africa by most nations in the world contributed to the dismantling of apartheid.

emerging market country: a country that is making an effort to change or improve its economy to try to join the world's wealthy nations. Emerging market countries include countries that have made financial and structural economic reforms, such as Brazil and Mexico. They also include the countries of Eastern and Central Europe that are making the transition from communism to a free market economy.

emissions: pollutants released into the atmosphere as a result of industrial processes.

endowments: the property, people, and funds that a country has. Endowments differ from country to country, and the amount of endowments a country has usually indicates how much it can produce on its own.

epidemic: a state of a disease when it spreads widely and rapidly through a population.

ethnic cleansing: a process in which the advancing army of one ethnic group forcefully expels civilians of other ethnic groups from towns and villages it conquers in order to create "ethnically pure" enclaves for members of their own ethnic group.

ethnic group: a group of people of the same race or nationality who share a common, distinctive culture.

euro: the name of the common currency that was adopted in 1999 as part of the unification of European nations.

euro zone: the area within the European Union that has adopted the euro as a common currency.

European Community (EC): Established in April 1965, to become effective in July 1967. The goal of the EC was to move toward the establishment of a completely integrated common market by 1992, and, eventually, toward a federation of Europe. Members include Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, and the UK, with Czechoslovakia granted associate membership.

European unification: the step-by-step integration of many sovereign European nations into a new economic and political community.

European Union (EU): drafted in 1984, and focused heavily on goals pertaining to political unification for Europe. The EU called for a federal-type Western European government, with a two-house legislature.

European Economic Community (EEC): formed before the European Community, it concentrated exclusively on economic matters. It was superseded by the EC.

external debt: money owed to a foreign country or bank.

extradition: When one country hands over a person suspected of committing a crime to the country where the crime was committed.

factors of production: things, which are necessary for economic activity, used to create things that have economic value.

fair trade: when farm products are sold in another country, the farmers can request a fair trade contract. Such contracts guarantee that employees are treated well and are paid fair wages. They help the communities in which the farms are located and allow the farmers to sustain their business. Consumers in the EU have the option to purchase fair traded goods such as sugar, honey, tea, and orange juice. In the US, fair traded products have only been available for five years. Consum-

fers can buy fair traded coffee, chocolate, and bananas. Because fair traded products provide a livable wage to farmers, they cost more to purchase. To give an example of cost, regular bananas in California cost 49 cents a pound. Organic bananas cost 69 cents. Fair traded bananas cost 89 cents.

Falun Gong: a Chinese movement with a following of about 70 million. Falun Gong's members practice an ancient Chinese art of breathing and meditation exercises, which they believe will lead to spiritual enlightenment and improved health. The groups' doctrines draw on martial arts, Buddhism and Taoism. Falun Gong gained international prominence in 1999 because of efforts by the Chinese government to ban it and stop its members from meeting, claiming that they were spreading fallacies and endangering social stability.

fascism: an authoritarian philosophy of government that glorifies the state and nation and assigns to the state control over every aspect of national life.

financial markets: places where corporate stocks, government bonds and foreign currencies can be traded. If a country's financial markets are open to international investment, then foreign investors can use the financial markets to invest their money in that country's companies without having to physically build and run the companies themselves. Financial markets serve many other purposes in addition to trading stocks, bonds and currencies, but for this scenario, it is sufficient to note that financial markets can be an extremely important source of accumulating funds to invest in big projects.

Five Principles of Peaceful Co-Existence: the formal principles that outline the terms under which China will establish diplomatic relations with other countries. Established by Mao Zedong in 1949, the principles are: mutual respect for territorial integrity and sovereignty, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence.

first world: countries that are highly developed and industrialized. They are significantly wealthier than the Third World countries, and face different issues. They frequently conflict with the Third World countries on the environment and human rights.

flaring: the burning of natural gas off oil wells during crude oil production. Flaring produces greenhouse gases

that contribute to global warming. It also causes health problems among people living nearby.

forced religious conformity: the imposition of a particular religion on an entire population regardless of whether they want to accept that religion or not.

foreign aid: government assistance, usually in the form of monetary grants, given from one country to another for the purpose of economic stabilization or development, or for mutual defense.

foreign direct investment (FDI): investment in the businesses or industries of one country by business or banking interests that are based in another country.

fossil fuels: fuels that were created as a result of natural processes of decomposition and compression. Coal is one of the most widely used fossil fuels.

free market: an economy that limits government to a small role. Also known as a capitalist economy, it stresses the independence of businesses to make their own decisions. It is opposed to the planned economy, where governments make all decisions.

Free Trade Zone: an agreement between two or more countries to do away with tariffs and trade barriers as a way to increase trade among the countries involved.

free trade: trade between countries, free from governmental restrictions or duties.

fundamentalism: a certain kind of religious conservatism that takes its sacred text as literal truth. It may be based on Christianity, Islam, or another religion. Fundamentalism advocates the adherence to Koranic (or Biblical) prescriptions and values in social and political life, as well as private life. It makes no concessions to modern developments in thought or customs.

G7, or Group of Seven: this term refers to the side meetings for finance ministers and governors of central banks from the other G8 countries minus Russia. At the time Russia joined the group in 1994, it was transitioning to a market based economy so its institutions were too new and its GDP too small to participate with the other developed countries.

G8, or Group of Eight: an informal, international fo-

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rum for the governments of Canada, France, Germany, Italy, Japan, the UK, the US and Russia to discuss the global economy. Together, the eight countries represent about 65% of the world economy. The group began as the G7 after the 1973 oil crisis and subsequent worldwide recession. The group's activities include year-round conferences and acid rain: sulfur dioxide from coal burning energy plants reacts with water in the air to form acid rain, which causes environmental damage.

G20, or Group of Twenty: an informal forum that promotes open and constructive discussion between industrial and emerging-market countries on key issues related to global economic stability. Members of the G-20 are the finance ministers and central bank governors of 19 countries: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the UK and the US. The EU is also a member, represented by the rotating Council presidency and the European Central Bank. A representative of the IMF and the World Bank also attend. The member countries represent 90% of global GDP, 80% of world trade as well as 66% of the world's population. By contributing to the strengthening of the international financial architecture and providing opportunities for dialogue on national policies, international co-operation, and international economic and financial institutions, the G-20 helps to support growth and development across the globe. The chairmanship rotates between members. In 2007 the chair is South Africa. In 2008 it will be Brazil.

gains from trade: the idea in international economic theory that when countries sell goods and services to one another, it is almost always to their mutual advantage.

generic drug: a drug that is manufactured by a company other than the one that holds the patent or trademark on the drug. Generic drugs are chemically identical to the trademarked drugs, but generally are sold much more cheaply. The reason the company that develops a drug charges more for the product is because it is very expensive to create a new drug, requiring years of clinical trials. If the trials are unsuccessful, the company has no way to recover the costs already incurred. Therefore they rely on an exclusive patent for several years to manufacture a successful drug. This profit helps them both to pay for the development costs for this drug

and the costs for drugs that do not succeed. Thus, manufacturers argue that generic drug companies are taking away their profit without sharing their costs. If their profits become too small, companies will not risk bringing new drugs to market. Generic manufacturers argue that they are saving lives by making the drugs affordable to patients in poor countries.

General Agreement on Tariffs and Trade (GATT): established in October 1947 to promote the expansion of international trade on a non-discriminatory basis through a series of international agreements. The aim of GATT is to encourage each country to produce those products which they can make most efficiently. The latest round of talks, known as the Uruguay Round, started in 1987 and ended late in 1993. Ninety-eight countries are currently members of GATT, with other countries, such as China, actively seeking membership. GATT was succeeded by the World Trade Organization in 1995.

genetically-modified: a genetically-modified organism (GMO) is any organism created by using genetic engineering to transfer DNA from one organism to another. Genetically-modified (GM) food is food that contains GMOs. Proponents of GM crop-growing argue that GM crops are more resistant to herbicides, pests and diseases, and will result in higher yields. Opponents say that the long-term effects of consuming GM food are unclear. They also worry that the environmental impact of GM is still unknown.

genocide: a particular ethnic group killing everyone from a different ethnic group. The Holocaust conducted by the Nazi regime against Jews was the first modern genocide. There have been genocides recently in Cambodia and in Bosnia. The United Nations has tried to intervene to halt genocides.

globalization: a term loosely used to refer to a recent worldwide phenomenon of increasing and accelerated linkages between countries and peoples around the world. Globalization encompasses such processes as the increasing integration of economic, technological and even political systems around the world. As a general rule, it tends to improve the economic situation of more people. But it widens the gap between the rich and the poor.

global warming: a phenomenon which has occurred as industrial emissions from the combustion of fossil

fuels has created a blanket of gasses around the earth's atmosphere. The heat of the earth cannot escape properly into the atmosphere through this layer of gasses, thus warming the planet.

goods: an economic term generally referring to tangible products used to satisfy people's wants and needs. Goods should be contrasted with services, which refers to the intangible performance of duties to satisfy wants and needs.

great powers: Countries with worldwide influence. Generally thought of as the members of the UN Security Council (the US, UK, France, Russia and China) as well as Japan and Germany.

green taxes: a financial policy that introduces taxes to encourage ecologically sustainable activities. Such a fee or tax increases the price of a resource, to either reduce the use of a resource or to reduce the production of pollutants.

greenhouse gases (GHG): gases that are released into the atmosphere through natural processes and human activity. These gases, especially carbon dioxide, build up and trap heat in the atmosphere, causing the planet to warm. Examples of naturally occurring gases are water vapor, carbon dioxide, methane, nitrous oxide, and ozone.

Group of Eight (G-8): established in 1985 to unite the seven most highly developed non-communist countries in the world. After the end of the Cold War Russia was slowly integrated into the group. The leaders of the G-8 countries meet periodically to discuss political and economic issues of common concern. The member states are Canada, France, Germany, Italy, Japan, Russia, the UK, and the US.

Green Party: in many European countries, the Green Party is the political party that most strongly supports government policies to protect the environment.

gross domestic product (GDP): The total output of goods and services produced in a country in a given year.

gross national product (GNP): The total output of goods and services produced within a country plus income from investments abroad in a given year.

hard currency: an internationally accepted means of exchange. Hard currencies are currently considered to be US dollars, Japanese yen, and the euro. Since most international obligations must be paid in hard currency, it is very important to have enough exports, which bring in hard currency, to be able to meet foreign debts.

HIPC (Heavily Indebted Poor Country) Initiative: an agreement among official creditors designed to help the poorest, most heavily indebted countries escape from unsustainable debt. It includes both multilateral and bilateral creditors, working in coordination with the IMF and World Bank. The HIPC Initiative was launched in 1996, partly due to pressure from many sides—including a campaign for debt relief by rock star Bono of U2. The HIPC Initiative enables poor countries to focus their energies on building the policy and institutional foundations for sustainable development and poverty reduction.

human immunodeficiency virus (HIV): the causative agent of the disease AIDS.

humanitarian disaster: a famine or conflict that threatens many civilian lives. The famine in Ethiopia, and the war in Bosnia are examples of humanitarian disasters.

hyperinflation: inflation growing at a very high rate in a very short time.

impeach: a legal process by which courts remove a high-level leader of a country, such as the president or a judge. To be impeached, a leader usually must be found guilty of a crime. South Korea's president has recently been impeached. However, the courts may overrule his impeachment.

imperial: the British colonial system that included regions such as India, Hong Kong, and much of the Middle East and Africa.^o

import quota: a limit on the quantity of a good that may be imported over a certain period of time. A government that wants to protect local producers from foreign competitors will sometimes set quotas on imports to keep the foreign goods from domestic consumers.

independence: the condition of being completely self-governing; not requiring or relying on any other country.

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indigenous: people whose earliest ancestors can all be traced to a certain place.

industrialization: the introduction on a massive scale of manufacturing and technically productive enterprises into an area.

infiltration: If a country wants to attack its neighbor without a formal invasion, it will secretly send troops across the border. North Vietnam used this strategy to undermine South Vietnam.

inflation: a rate of increase in the general price level of all goods and services. (This should not be confused with increases in the prices of specific goods relative to the prices of other goods.)

infrastructure: services and facilities that support day-to-day economic activity in a country. Infrastructure includes roads, electricity, telephone service, and public transportation. Infrastructure has traditionally been provided and maintained by the government. However, some countries are currently experimenting with privatization of some elements of infrastructure. Infrastructure is essential to economic development.

insurgent: a person participating in an armed rebellion as part of an irregular armed force that rises up against an established authority, government, or administration. Insurgents conduct sabotage and harassment. Insurgents usually are in opposition to a civil authority or government primarily in the hope of improving their condition.

institutions: 1) significant practices, relationships or organizations in a society; also
2) established organizations, corporations or systems, especially of a public character (examples include educational organizations, governmental structures and economic systems)

intellectual property rights: aim to provide certain rights for intangible products of the mind. Intellectual property rights deal with trademarks, copyrights, patents, industrial design, and trade secrets. They are especially important to companies that are heavily engaged in research and do not want their ideas copied by others without their permission.

Inter-American Development Bank: a regional multilateral development institution. It was established in

December of 1959 to help accelerate economic and social development in Latin America and the Caribbean.

International Labor Organization (ILO): The International Labor Organization is a UN specialized agency which seeks the promotion of social justice and internationally recognized human and labor rights. It was founded in 1919 and is the only surviving major creation of the Treaty of Versailles, which brought the League of Nations into being, and it became the first specialized agency of the UN in 1946. The ILO formulates international labor standards in the form of Conventions and Recommendations setting minimum standards of basic labor rights: freedom of association, the right to organize, collective bargaining, abolition of forced labor, equality of opportunity and treatment, and other standards regulating conditions across the entire spectrum of work related issues.

International Monetary Fund (IMF): established in 1944 as a specialized agency concerned with world monetary stability and economic development. Countries must meet certain fiscal and monetary standards in order to get support from the IMF.

investment: the purchase of productive assets such as factories and equipment. Investments are made with an expectation of future returns on the productive assets. Basically, investment powers economic growth.

iron curtain countries: iron curtain was a metaphor used in a speech by Winston Churchill to describe the division between the free countries of Western Europe and those of Eastern Europe that were dominated by the Soviet Union under communism. Also known as the Eastern Bloc, the Iron Curtain marked the political division of Europe for the forty years or so following the end of WWII and roughly followed the furthest point of advance by the Allied armies eastwards and the Red army westwards. Basically, where the armies stopped marked the split in Europe.

Islamic Fundamentalism: a movement or attitude that stresses strict and literal obedience to Islamic religious beliefs and principles.

Islamic legal code (sha'ria): Islamic religious laws that are based upon the Koran and the sayings of Muhammad. Sha'ria was developed over centuries by Islamic scholars, and it also draws upon several different

legal traditions. Sha'ria is intended to be applicable across the entirety of the Islamic world. It differs from tribal law, which is law based upon the traditions of one particular ethnic group.

Islamicization: large-scale conversion to the religion of Islam.

junta: a Spanish word for an assembly or legislative council. The word has come to mean a group or faction that has taken over control of the legitimate political system through military means, or through political intrigue.

Kyoto Protocol: a global warming treaty agreed to in Kyoto, Japan, in 1997 that calls for industrial nations to reduce their emissions of greenhouse gases by the year 2010 to 5% below the levels of 1990. The treaty does not require developing countries to make any cuts.

less developed countries (LDCs): countries with a low level of output, living standards, and technology. Per capita GNP/GDP are generally below \$5,000, and often below \$1,000. However, this group also includes some countries with relatively high per capita incomes, areas of advanced technology, and rapid rates of growth. Among the countries considered to be LDCs are Brazil, China, India, Mexico, Pakistan, South Korea, and Vietnam.

life expectancy: the number of years a person born right now can expect to live.

Maastricht Treaty: the EC treaty completed in December 1991 that outlines plans for a single currency, coordinated social policy, mutual defense force, and coordinated foreign policy. It must be accepted by all EC countries before it can officially go into effect.

“mad cow disease”: the common name for bovine spongiform encephalopathy, a disease that strikes the nervous system in cattle. Most cases of mad cow disease have occurred in the UK. Scientists believe cattle get the disease from eating feed that contains animal parts. Eating meat from cows infected with mad cow disease is suspected to cause Creutzfeldt-Jakob Disease, a fatal neurological disease. In 2003, the first US case of mad cow disease was found. Most countries now ban the feeding process that is thought to create the disease, including the US. Some countries have banned beef from the US until the US begins testing all

beef sold. The EU already tests all its beef. The US argues that such extensive testing is unnecessary. Instead, the US is offering to test high-risk animals.

managed democracy: a modified version of democracy in which the government reserves the right to act autocratically for the good of the country. Not all democratic rights are preserved, such as a free press. But it is said to emphasize the rule of law in countries that have been struggling with corruption and other issues that cause large social inequities in a society. However, some question whether such a country is a true democracy. President Putin of Russia coined the term as a way to describe his form of government.

market-oriented economic reforms: changes in economic policies and structures of a country that are intended to promote the free exchange of capital, goods, and services.

Marshall Plan: (April 1948-December 1951) a US-sponsored program designed to rebuild the economies of 17 western and southern European nations after World War II. The Marshall Plan aimed to create stable conditions in which democratic institutions could survive. Over a four-year period, the US government distributed billions of dollars worth of economic aid, helping to restore industrial and agricultural production, establish financial stability, and expand trade. The Marshall Plan was very successful. It contributed greatly to the rapid renewal of the western European industry. Several western European countries experienced a rise in their gross national products of 15 to 25 percent during this period.

Mercosur: a regional trade agreement that includes Argentina, Brazil, Paraguay and Uruguay. The treaty calls for transformation to a common market by the year 2006.

Micro-financing or microcredit: in an effort to create economic and social development from the bottom up, Muhammad Yunus started the Grameen Bank. He loans money to the very poor, so they can obtain a loan of as little as a few dollars without collateral. Around the world, 92 people, mostly women, have worked their way out of dire poverty with such loans. The concept is now being used by governments in the form of micro-financing to provide small stipends with conditions attached. For example, in Brazil, the loans are made to families if they maintain the health of their children,

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have them vaccinated, and keep them in school.

modernization: Less developed countries hope to improve their industries and agriculture by importing modern technology. Often, this process can have a negative effect on the environment and living standards.

Most Favored Nation Status (MFN): the application of the lowest tariff rate given to any other country. All members of WTO offer Most Favored Nation status to one another. Most Favored Nation status is granted between non-WTO countries on a bilateral basis.

multiethnic state: a country or nation which houses people of many ethnicities that are different from the main ethnicity in that country or nation.

multilateral: something that involves more than two nations or sides.

nationalism: excessive, narrow patriotism. Nationalism is the belief that the promotion of national culture and power is more important than any international considerations. Since the demise of communism, which held national identities in check, nationalism has again become one of the chief driving forces in world affairs. It is at the root of many wars.

nationalization: a process in which government takes over a business enterprise or service that has formerly been privately owned, often without compensation. Opponents of nationalization say it leads to overly large industries, and inefficiency. Supporters say that nationalized industries are easier to coordinate and can be expanded more easily and efficiently. For an example of a nationalized industry, see Mexico's Current Issues and Priorities section.

natural rights: rights believed to be given to all people, which are above those assigned by a government.

negative economic growth: a period of time when economic activity slows significantly, contracting or producing fewer goods and services than in earlier periods.

neocolonialism: the idea that developed countries continue to economically and politically exploit the developing world despite the end of formal colonialism. For example, Shell has taken oil from Nigeria while failing to observe the environmental standards it would have

to in most developed countries. Critics charge that this situation duplicates the system under which the colonial powers used their colonies as a source of raw materials.

NEPAD (New Partnership for African Development): an African-led strategy aimed at achieving sustainable development and poverty reduction in Africa. NEPAD offers a political and economic blueprint for growth across the continent. It is notable for being the first large-scale program for growth that will be managed by African nations themselves, rather than being funded and monitored by outside organizations such as the IMF.

non-alignment: when a nation refuses affiliation with either a communist block or a western block and acts as a mediator between, or a beneficiary of, both.

Non-Governmental Organizations (NGO): an international or transnational organization with private memberships. Examples include religious and humanitarian organizations.

normalization: the process by which a country brings its relations with another country back to normal after a period of rupture. Currently South and North Korea are moving toward establishing normal relations.

North American Free Trade Agreement (NAFTA): negotiated, signed, and ratified by the governments of the United States, Mexico, and Canada to foster greater trade among the three countries. In addition to addressing trade, the Agreement has provisions to deal with environmental, labor, and immigration issues that affect the three countries. If successful, NAFTA could become a model for a Western Hemisphere Free Trade Agreement that would link the countries of North and South America.

North Atlantic Treaty Organization (NATO): a collective defense agreement established in 1949 to link the countries of Western Europe with the United States and Canada. Originally designed to prevent the Soviet Union from expanding into Western Europe, NATO has not yet redefined its mission since the Cold War ended.

nuclear non-proliferation: the goal of restricting the spread of nuclear weapons and limiting their possession to countries that already hold them. Since 1970, the Treaty on the Non-Proliferation of Nuclear Weap-

ons (NPT), signed by 187 countries, has been the cornerstone of international non-proliferation efforts. The NPT established five nations (the US, Russia, the UK, China, and France) as Nuclear Weapons States. The other signatories agreed to refrain from acquiring nuclear weapons. Since then, however, India and Pakistan have declared themselves nuclear powers and North Korea has at least temporarily restarted its nuclear weapons program. There is concern that the NPT may have outlived its usefulness and that new methods of preventing proliferation must be developed.

oligarchs: extremely wealthy businessmen whose power can rival the central government. Mainly used to describe a small group of powerful businessmen in Russia.

Organization of Petroleum Exporting Countries (OPEC): established in 1960 to coordinate policies among the major petroleum-producing countries. The twelve members are Algeria, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the UAE (United Arab Emirates), and Venezuela.

OSCE: The Organization for Security and Co-operation in Europe. OSCE is an international organization, which serves as a forum for political dialogue in Europe. Its goal is to secure stability in the region, based on democratic practices and good governance. It is particularly concerned with crisis prevention, crisis management, and post-conflict rehabilitation. There are 56 member countries from Europe, Central Asia, and North America.

outsourcing: when businesses cut costs by sending jobs to foreign countries where labor costs are cheaper. In the past, developed countries have sent low-skilled manufacturing jobs overseas. Now, the use of the internet and a larger pool of educated workers in some countries such as India have allowed higher-wage professional jobs to be sent offshore. Because it is cheaper to live in these countries, wages can be as little as 10% of what citizens in developed countries would earn working in the same job.

pacifism: a philosophy rejecting war and violent action as a means of solving disputes, especially in international affairs. Pacifists believe that peaceful methods are a reasonable and desirable alternative to war.

Paris Club: refers to an organization that coordinates

the lending practices of large creditor nations. It includes the US, the EU, Japan and Canada. They coordinate their actions toward debtor nations with the IMF. The Paris Club is distinct from the London Club, which is a large association of private banks with loans to the developing world.

Pacific Rim: a general referring to countries that border both sides of the Pacific Ocean. Pacific Rim countries include the United States, Mexico and Canada as well as Japan, China and Vietnam.

paramilitary: an auxiliary military force that is organized and operated somewhat like a military force.

permafrost: is a geological term for soil that has been below water's freezing point for two or more years. Today approximately 20% of the Earth's surface is covered by permafrost. It is very difficult to grow or build anything in permafrost regions, but some cultures have found ways to overcome these difficulties and inhabit permafrost areas. Because of global warming, permafrost areas are beginning to thaw. Houses built on permafrost are sinking and carbon dioxide is being released as it thaws.

persistent organic pollutants: highly toxic pollutants that stay in the environment for years or decades before breaking down. These pollutants can spread across the world and end up thousands of miles away from their original source. They become concentrated in high doses in foods that we eat, posing a great health problem.

pluralistic: a society in which members of diverse ethnic, racial, religious, or social groups maintain a free and self-contained participation in their traditional cultures.

polio: an infectious disease, caused by a virus that mainly strikes young children. Polio can be fatal, but more often leaves its victims paralyzed. Following the development of a polio vaccine in 1955, the disease was practically eliminated in the developed world. Today polio has been eliminated from most of the world, but it remains a serious problem in seven countries. The WHO and other organizations are leading an effort to eradicate polio. Almost 50% of the new polio cases occur in Nigeria.

populism: a belief that government should focus on

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working for the good of the greatest number of people. Populists favor high government spending and a more even distribution of resources across society. Populists also argue against foreign and corporate domination of society and argue for more power for the poor and working classes.

Poverty Reduction and Growth Facility (PRGF): a system established by the IMF in 1999 to give special loans to countries targeted at reducing poverty. The loans have low interest rates, long repayment terms and a grace period. Countries that apply for a PRGF loan must first prepare strategies for how they will use the money to help fight poverty. The PRGF was designed to give recipient countries more flexibility in designing anti-poverty programs to fit their unique situations.

precedent: a legal decision that sets an example for future judges and courts to follow.

Purchasing Power Parity (PPP): Purchasing power parity (PPP) rates are used in order to make worldwide comparisons across countries more accurate. The basis for the calculation of PPPs is information on prices of an agreed list of products, which must be present in all the countries concerned and strictly comparable between those countries. The information derived from the PPP method provides the best available starting point for comparisons of economic strength and well being between countries.

privatization: the process of selling government-owned industry and services to private companies. Privatization is currently taking place in the countries of the former Soviet Union and Eastern Europe in their transition to market economies. It is also taking place in many LDCs that are trying to reduce government spending and generate income by selling unprofitable services and industries, and to develop economically.

producer: someone that grows agricultural products, manufactures articles for use, or provides some useful service (see also consumer).

proliferation: The spread of nuclear weapons to states that had not previously had them.

protectionism: a policy designed to shield the local economy from outside competition through high tariffs, subsidies, or trade restrictions.

quarantine: to isolate people infected by a disease from all contact with other people.

racial profiling: the practice by police or other government law enforcement agencies of using race as a factor in deciding whom to place under suspicion and/or surveillance.

radicalized: disposed to make extreme changes in existing views or institutions.

ratification: the formal confirmation by a country, usually through legislative action, that it will abide by the terms of a treaty.

recession: a period of reduced economic activity

regime change: a change in the rulership of a country. May be achieved by diplomatic and economic pressure, internal revolt, or through military invasion. Currently the US is pushing for regime change in Iraq.

regional trading blocs: neighboring countries that have agreed to reduce tariffs on products traded between them. The European Union and APEC are two such blocs.

reparations: compensation or remuneration required from a defeated nation or an entity connected to the defeated nation. Reimbursement for damage or injury during a war.

repatriate: to send people back to their homeland against their will, such as refugees.

repression: a technique used by authoritarian regimes to maintain their power. Oftentimes it includes such human rights abuses as mass arrests, censorship, torture, and even execution.

reunification: the rejoining of countries that were previously divided, usually as a result of war or other hostilities. An example is the case of communist East Germany reunifying with West Germany.

rule of law: a political system tied to a set of laws and policies that are clearly defined and accepted by the people.

sanctions: coercive economic or military measures usually adopted by several nations in concert to force a

nation which violates international law to change its ways.

schistosomiasis: disease caused by infection with parasites, characterized by chronic symptoms of the digestive and urinary systems, and sometimes by fever.

secession: withdrawing from a federation or association. An example is when a region within a country declares that it is no longer part of the country.

segregation: requiring the separation of a specific group from the rest of society.

separatists: a group of people who advocate the political separation of regions that are currently politically joined. In India, for example, separatists want the region of Kashmir to break off from India and join Pakistan instead.

Sever Acute Respiratory Syndrome (SARS): a flu-like disease caused by a virus, which is fatal in about 10% of cases. SARS first appeared in Southern China in 2002. It quickly spread to several countries in Southeast Asia and to Canada, via infected people unknowingly spreading it on airline flights. There has been only one major epidemic, from November 2002 to July 2003. As of 2004, WHO reported a total of 8,096 SARS cases with 774 deaths. It is believed to have spread to humans from civet cats, which are eaten as a delicacy in China. Animal to human disease transfers are rare, and it is not yet known how SARS makes the leap between species. But many scientists suspect that crowded, unsanitary sharing of living spaces with wild or barnyard animals making transfers such as SARS or bird flu possible. Once an epidemic has occurred, infected people must be isolated or the disease will spread. A vaccine for SARS is already being tested. If the tests are successful, people can be inoculated to prevent future SARS infections.

services: an economic term used to describe the performance of any duties or work for another. People who work as doctors, lawyers, bankers, or teachers provide services for the clients they interact with professionally. Services are contrasted with goods, which are manufactured products. Services, like goods, have economic value and can be sold in the market place.

simulation: a representation of reality. Unlike a “game” simulations do not have winners or losers. Rather, the

objective is to approximate reality in order to better understand it.

slash-and-burn agriculture: practices that involve cutting down and burning all existing foliage or ground cover in an area to make farm land. The farmed plot is often abandoned within a few years because the topsoil in such areas is often very thin and the soil erodes quickly.

socioeconomic status: a person’s position in a society or community based on that person’s class and wealth.

soil degradation: deterioration of soil caused by repeated tilling and erosion. The short-term effects are minor, but cumulative effects over the long term can be devastating to the soil.

sovereignty: the concept that a country has complete autonomy to determine its own policies. There is no higher authority that dictates the decisions of a nation-state.

speculative bubble: a dramatic increase in the price of a good or asset beyond its real value, cgenetically-modified: a genetically-modified organism (GMO) is any organism created by using genetic engineering to transfer DNA from one organism to another. Genetically-modified (GM) food is food that contains GMOs. Proponents of GM crop-growing argue that GM crops are more resistant to herbicides, pests and diseases, and will result in higher yields. Opponents say that the long-term effects of consuming GM food are unclear. They also worry that the environmental impact of GM is still unknown.

Stability and Growth Pact: an agreement accepted by all European Union members adopting the euro to ensure the credibility of the currency. The Stability and Growth Pact stipulates that all European Union members adopting the euro must keep their public deficits under three percent of gross domestic product (GDP) by 2004. Germany has exceeded this limit for two years. France is close to exceeding it.

stocks and bonds: stock is ownership in a company, represented by units of ownership called shares. A stockholder has a claim to the earnings and assets of a company. From an investor’s perspective, buying a company’s stocks is a way to own part of the company without having to build or manage the company yourself.

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From the company's perspective, to have people buy its stocks is an important way of raising capital for investment. A bond is a certificate of private indebtedness. When people purchase a government bond, they have purchased the right to receive payment for the value of the bond, usually with interest added. Issuing bonds is one way that governments can raise money for their budget spending programs.

Strategic Arms Limitations Talks I & II (SALT I), (SALT II): Agreements between the US and the former Soviet Union that limited nuclear weapons.

subversion: the crime of working to overthrow the government. In countries that limit political freedom, people who are non-violent but critical of the government may be accused of subversion. Using subversion laws to stop free speech violates international human rights law.

subsidy: a payment from a government to a producer which supplements the market price of a commodity. Subsidies can keep consumer prices low while maintaining a higher income for domestic producers. However, economists view subsidies as inefficient.

superpower: a country that has a strong military and a stable economy. Soon after the end of World War II, the United States and Soviet Union were the two superpowers, as they were the only countries with nuclear weapons. Even after other countries acquired those weapons, the United States and Soviet Union remained superpowers because of the large size of their nuclear arsenals, and because each was the center of a major alliance system. With the breakup of the Soviet Union, the United States became a hyperpower.

tariff: a fee that a government charges to the importer of a foreign product. Tariffs are passed along to the consumer through higher prices on those imported goods.

technology: applied scientific means for providing objects necessary for human sustenance and comfort.

theocracy: a country in which the religious leaders are also the government leaders. The religious leaders are thought to be guided in their decision-making by their God.

third world: an imprecise term referring to the poorest countries in the world. Most Third World countries are in debt to Western banks and governments, or other international lending organizations. Many depend on international aid to meet the basic needs of their people.

trade: foreign trade is the exchange of goods and services between countries. The inclination for one country to trade with another is based in large part on the idea of comparative advantage-which says that any country, no matter how technologically disadvantaged, can always find some sort of good that will let it enter the game of foreign trade. The cost of engaging in foreign trade depends on the quality, efficiency, and availability of transportation. Foreign trade has increased over the past few decades as the cost of transportation has declined. Although there are circumstances in which countries believe it is in their interest to put up trade barriers, the free flow of foreign trade is usually beneficial to all countries involved.

trade deficit: the amount by which the value of a country's imports exceeds the value of its exports. A trade deficit is the opposite of a trade surplus.

trade liberalization: the reduction of tariffs and trade barriers to permit more foreign competition and investment in the economy.

trade surplus: the amount by which the value of a country's exports exceeds the values of its imports. Trade surplus is the opposite of trade deficit.

trading bloc: a group of countries that come together with an agreement to provide each other with mutually beneficial conditions of trade.

transparency: the principle that governmental and economic decisions should be made in the open under clearly defined processes. Greater transparency is seen as a key in fighting corruption because it makes accountability easier.

treaty: a formal agreement or contract between countries.

two-party system: a system in which two political parties compete for control of the government. In contrast, in a one-party system, such as China's, a single political party effectively holds on to power. In a multi-par-

ty system, such as India's, multiple parties compete for power.

unilateral: made or entered upon by one party, without reciprocal obligation on the part of another.

United Nations (UN): consists of 159 member countries representing 98 percent of the world's population. The UN was established after World War II to solve international disputes that threaten world peace and security. It advocates the equal rights of women and men, of all races, and of small and large countries; it works to maintain justice and uphold international law; it promotes social progress and improved standard of living; it creates organizations to study world problems and administer various programs.

United Nations Conference on Trade and Development (UNCTAD): established in 1964 to deal with issues of trade, finance, technology, investment and sustainable development. UNCTAD's main goals are to maximize the trade, investment and development opportunities of developing countries, and to help them face challenges arising from globalization and integrate into the world economy on an equitable basis.

UN Security Council: the only body of the UN that makes decisions which member governments of the UN must follow. The Council is made up of 15 member states. When the UN was founded in 1945, the five victors of WWII became the five countries with permanent membership to the Security Council—China, France, Russia, US, and the UK. They have the power to veto any Security Council decision. The other ten members of the Security Council are elected for two-year terms. The elected members are chosen by nominations from a regional group—three from the African bloc, two from each of the Latin American and Caribbean, Asian, Western European blocks and one from the Eastern European block. Although these countries do not have veto power, their representation is important for the Security Council to be able to make the most effective resolutions.

UN Security Council Resolution 1441: adopted unanimously by the Security Council on November 8, 2002, the resolution set conditions for Iraq to disarm. The resolution accused Iraq of failing to comply with the terms of previous agreements, and demanded that Iraq give weapons inspectors "unconditional and unrestricted access." The resolution was drafted by the US and

the UK to put pressure on Iraq. It was Iraq's final chance to peacefully resolve the standoff over its weapons programs. The resolution promised "serious consequences" if Iraq were found in violation. Saddam Hussein submitted a written agreement to the resolution on November 4, 2002. Accusations that Iraq had failed to live up to the terms of the resolution were a major factor in the arguments the US and the UK made for war against Iraq.

vaccination: the inoculation of an individual with an organism or substance of a disease to induce or increase immunity by stimulating the body to form antibodies that attack the disease.

war crimes: acts committed during a war that violate international agreements on what is an acceptable part of war. Examples of war crimes include mass killing of civilians, rape, or torture of prisoners.

watchdog group: a group dedicated to guarding against and exposing illegal practices and abuses. Watchdog groups may monitor governments, corporations, or other organizations.

weapons of mass destruction (WMD): weapons that have the power to cause mass casualties or destruction of people, property, livestock, plants and animals. The term usually refers to biological weapons, such as anthrax bacteria; chemical weapons, such as poisonous gases; and nuclear weapons.

World Bank: officially called the International Bank for Reconstruction and Development. The World Bank was established in 1944 to promote economic rebuilding after World War II. Its primary purpose now is to lend funds at commercial rates and to provide technical assistance that helps economic development in the poorer member countries.

World Conference on Global Warming: international conference in Kyoto, Japan, in December 1997. Its aim was to formulate measures against future warming. Each member nation was to formulate and implement its own plans to counter global warming.

World Conference on the Human Environment: held in Stockholm in 1972, this conference examined issues of industrial pollution. It led to the founding of the United Nations Environmental Program (UNEP).

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World Health Organization (WHO): An intergovernmental agency connected to the UN, WHO is the world's largest health-related organization.

World Trade Organization (WTO): formed in 1994 to be a successor to GATT. Entry into this organization will mean trade benefits for all members. Formed by international agreement as part of the Uruguay Round of GATT, countries that have agreed to GATT can join the WTO. It has become the primary regulative body for international trade.