U3.02 - Print & Cut Flashcards

Cut along the card edges. Each card shows the question on top and the answer underneath.

CARD 1

What is globalisation?

The increasing connection between countries through trade, investment, technology, labour movement, communication and business activity.

CARD 2

What are the five impacts of globalisation in this dotpoint?

Employment levels; global spread of skills and technology; international cooperation; domestic market; and tax minimisation through tax havens and transfer pricing.

CARD 3

How can globalisation affect employment in developing countries?

Multinational businesses may move production or services to lower-cost countries, creating jobs, income and training opportunities.

CARD 4

How can globalisation affect employment in developed countries?

It can create export and high-skill jobs, but outsourcing may reduce lower-skilled jobs and contribute to structural unemployment.

CARD 5

What is brain drain?

The loss of highly skilled or educated workers from a country when they move overseas for better wages or opportunities.

CARD 6

What is brain gain?

The benefit a country receives when skilled workers migrate in, increasing expertise, innovation and productivity.

CARD 7

How does globalisation spread skills and technology?

Workers, businesses, education and investment move knowledge, production methods, software, machinery and management expertise across borders.

CARD 8

What is technology transfer?

The movement of technology between countries through selling, licensing, investment, installation or multinational business activity.

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CARD 9

How does globalisation increase international cooperation?

Countries become more connected and therefore cooperate through trade rules, agreements and organisations to manage shared economic and global issues.

CARD 10

How can international cooperation benefit businesses?

It can reduce trade barriers, improve market access, create clearer rules and reduce uncertainty across global markets.

CARD 11

How can globalisation affect the domestic market positively?

It can create export opportunities, increase consumer choice, improve access to technology and pressure businesses to become more productive.

CARD 12

How can globalisation negatively affect the domestic market?

Foreign competition can reduce domestic market share, profits and employment for businesses that cannot compete effectively.

CARD 13

What is tax minimisation?

Legal structuring of business operations to reduce the amount of tax paid, often by using differences between countries' tax systems.

CARD 14

What is a tax haven?

A country or territory with very low tax rates or favourable tax rules where a multinational may record profits.

CARD 15

What is transfer pricing?

The internal prices charged between related companies in the same multinational group for goods, services, loans, royalties or intellectual property.

CARD 16

How can transfer pricing reduce tax?

High internal charges can increase expenses in a high-tax country and shift more profit to a lower-tax country.

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CARD 17

Why do tax authorities scrutinise transfer pricing?

Unrealistic internal prices can reduce local taxable profit, government revenue and create legal, ethical and reputation concerns.

CARD 18

What is the key difference between a tax haven and transfer pricing?

A tax haven is the low-tax place where profit may be recorded; transfer pricing is the internal pricing method that may shift profit there.