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INTERNATIONAL MANAGEMENT

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布莱克韦尔

国际企业管理百科全书

EDITED BY  
JOHN J. O'CONNELL

*The Blackwell Encyclopedia of Management editors:*  
Professor Cary L. Cooper and  
Professor Chris Argyris

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 BLACKWELL  
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**The Blackwell Encyclopedic  
Dictionary of International  
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**John O'connell 编著**

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## Foreword

It is a privilege to introduce this book and its contributors to a great new readership – the people of China.

In a transforming economy the challenge is to find new ways of managing and organising that harmonise with national culture. In meeting this challenge the most important tools are ideas and knowledge. This book is a toolbox containing a wealth of powerful and influential ideas. This is knowledge that has been influential in shaping how we think about what goes on in organisations, and which has stood the test of time. You will also find here ideas that are emerging as signposts for the future development of organisations and management. One major barrier to adopting this knowledge has been its restriction to the readers of specialist journals and books. This has led, over the years, to a great proliferation of specialist concepts and terminology – impenetrable jargon to the nonspecialist, making it unnecessarily difficult for lay readers to understand and get full value from the insights of scholars. The present volume solves this problem by providing a systematic inventory of key concepts, with clear explanations of them by a collection of the world's experts.

In a transforming economy like China, it is my hope that a book like this will be immensely valuable to

- a) scholars and students who want a source book for key concepts, references to further reading, and linkages with other topics [cross references are indicated by words in SMALL CAPITALS]
- b) business leaders and professionals who want clear explanations of management and organisational terms, and ideas about how to apply them in business settings
- c) broad-minded and intelligent general readers who want quick digests of the essential academic knowledge on a given topic.

There are many ways of using a book like this. The cross-indexing system allows you to explore at will. If you pick a theme, you can follow a path of interconnected ideas through the main areas of business and management. For readers in China, as a region in the

midst of radical economic and social change, so of these might be as follows:

1. **Management style.** What kinds of leadership seem to work best and why? What are the preconditions for effective authority?

[see, for example, entries on: CEOS; DELEGATION; ENTREPRENEURSHIP; LEADERSHIP, MANAGERIAL BEHAVIOR; MANAGEMENT STYLE; POWER; RISK-TAKING; STRATEGIC MANAGEMENT; SUCCESSION PLANNING; SUPERVISION; TEAMBUILDING; TOP MANAGEMENT TEAMS; TURNAROUND MANAGEMENT; WOMAN MANAGERS]

2. **Organisational design.** How do you get the best out of people through how you organise tasks, communication networks and decision-making systems?

[see, for example, entries on: BUREAUCRACY; COMMUNICATION; DECENTRALIZATION; FAMILY FIRMS; INFORMATION TECHNOLOGY; JOB DESIGN; MATRIX ORGANIZATION; MULTINATIONAL CORPORATIONS; ORGANIZATION DEVELOPMENT; ORGANIZATIONAL DESIGN; ORGANIZATIONAL EFFECTIVENESS; RESTRUCTURING; SOCIOTECHNICAL THEORY; TECHNOLOGY]

3. **Human Resource systems.** What is current accepted wisdom about the effectiveness of key practices and processes? How do you make them work best?

[see, for example, entries on: ASSESSMENT CENTRES; DISABILITY; HOURS OF WORK; HUMAN RESOURCE STRATEGY; JOB ANALYSIS; MANAGEMENT DEVELOPMENT; NEGOTIATION; PARTICIPATION; PAYMENT SYSTEMS; PERFORMANCE APPRAISAL; PSYCHOLOGICAL CONTRACT; RACE; RECRUITMENT; SAFETY; SELECTION METHODS; TRAINING]

4. **Individual performance and adaptation.** Under conditions of change, which methods work best and how do people's motives translate into productive action?

[see, for example, entries on: ABSENTEEISM; CHANGE METHODS; COMPETENCIES; CREATIVITY; ERRORS; GOAL SETTING; INTERPERSONAL SKILLS; MENTAL HEALTH; MOTIVATION; PERFORMANCE, INDIVIDUAL, PERSONALITY; PRODUCTIVITY; QUALITY CIRCLES; STRESS]

5. **The cultural context for management.** How can we best understand and analyse how values and practices adapt to different national and industrial contexts?

[see, for example, entries on: CRISES; CULTURE; DOWNSIZING; EXPATRIATES; GOVERNMENT AND BUSINESS; INTERNATIONAL MANAGEMENT; MANAGEMENT OF DIVERSI-

TY; ORGANIZATIONAL CULTURE; POPULATION ECOLOGY; PRIVATIZATION; TECHNOLOGY TRANSFER]

**6. Strategic decision making.** What are the hazards and opportunities for how business plans are formulated? How can groups and teams be used to best effect? what biases distort judgement?

[see, for example , entries on: BEHAVIORAL DECISION THEORY; CONSULTANCY INTERVENTION METHODS; DECISION MAKING; DIVERSIFICATION; GROUP DECISION MAKING; INNOVATION; MERGERS & ACQUISITIONS; NETWORKING TOTAL QUALITY MANAGEMENT]

**7. Ethics.** What do we know about how principled business can be achieved in demanding market environments? How can employees be encouraged to act as good corporate “citizens” and businesses as socially responsible forces?

[see, for example, entries on: BUSINESS ETHICS; CONFLICT, CORPORATE SOCIAL PERFORMANCE; DISCRIMINATION; JUSTICE; LEARNING ORGANISATION; MORAL DEVELOPMENT; ORGANIZATIONAL CITIZENSHIP; POLITICS; VALUES]

This list is not exhaustive. There are almost as many ways of using this book as there are entries. For this reason it is my hope and belief that Chinese readers will find their own special interests served by its rich contents.

**Nigel Nicholson**

**London Business School**

**September 1999**

## ———— Preface ————

This book is comprised of practical, hands-on discussions of terms and concepts important to international managers. It provides a concise explanation of concepts and definitions of terms which frequently draw their attention. Each major term or concept is followed by a number of references from current literature to direct the reader to other writings if more in-depth knowledge is required. It is not merely a compilation of definitions, but also an explanation of terms and concepts which will many times include examples and real life applications. It is easy to read and practitioner oriented. You will use this book to discover the real impact of words/ideas used everyday in the realm of international management.

The subject matter of this book was developed by asking the question: "What information does an international manager require to enable him/her to successfully undertake the task of management in various locales and cultures?" In order to answer this question, one had to first determine why organizations sought to do business across borders. Was it merely the profit motive? Was it to increase market share and visibility? Was it to explore new and interesting possibilities for both personal and business growth? The realization that there were a large number of reasons for overseas activity brought about the need to determine what general topics, concepts and concerns were shared by managers regardless of the initial reason for them being involved in international endeavors. A review of literature and extensive interviewing took place to discover items in need of inclusion.

The initial list of major terms and concepts included: managing people, across-border money flows, trade terms and concepts, cultural differences, leadership differences, motivation and control in the international context, marketing, banking, compensation of expatriates, training and a number of other important areas. The list of terms and concepts associated with these topics extended far beyond the capability of a single volume to provide a reasonable review and discussion. The initial listing of specific terms and concepts was reviewed in order to determine which were the most commonly associated with the duties of one managing at the international level. This resulted in a list of approximately 1500 items selected for the current text.

Experts from all areas of international business/management were called upon to enter into more in-depth discussions of a number of topics. The reader will find these explanations throughout the volume. *The Encyclopedic Dictionary of International management* is intended to be a part of the international manager's library, not as a showpiece on the mantel, but as a tool to be used in the ongoing task of globalizing our thinking and understanding. I sincerely hope it lives up to its intention.

John O'Connell



## —— List of Contributors ——

**Max H. Bazerman**  
*Northwestern University*

**David Bennett**  
*Aston University*

**R. Ivan Blanco**  
*Barry University, Florida*

**Norman E. Bowie**  
*University of Minnesota*

**Michael Brocklehurst**  
*Imperial College, London*

**Derek F. Channon**  
*Imperial College, London*

**Jeffrey Cohen**  
*Boston College*

**James A. Craft**  
*University of Pittsburgh*

**Thomas G. Cummings**  
*University of Southern California*

**Dale L. Davison**  
*Thunderbird American Graduate School of  
International Management*

**Ismail Erturk**  
*Manchester Business School*

**Jayne M. Godfrey**  
*University of Melbourne*

**Llewellyn D. Howell**  
*Thunderbird American Graduate School of  
International Management*

**Kent A. Jones**  
*Babson College*

**Terry L. Leap**  
*Clemson University*

**Mark E. Mendenhall**  
*University of Tennessee*

**Michael H. Moffett**  
*Thunderbird American Graduate School of  
International Management*

**Allen J. Morrison**  
*Thunderbird American Graduate School of  
International Management*

**Nigel Nicholson**  
*London Business School*

**John O'Connell**  
*Thunderbird American Graduate School of  
International Management*

**Laurie Pant**  
*Suffolk University*

**David A. Ricks**  
*Thunderbird American Graduate School of  
International Management*

**David Sharp**  
*University of Western Ontario*

**Caren Siehl**  
*Thunderbird American Graduate School of  
International Management*

**Laura Westra**  
*University of Windsor*

**David Yorke**  
*Manchester School of Management*

# A

**A/B** *see* AIRBILL

**acceptance** It is very common to finance the purchase of imports or exports. This is generally accomplished through the issuance of a bill of exchange or a draft. It is also common for a third party (a bank for example) to guarantee the payment of the bill or draft. When this is done the bank "accepts" or guarantees payment by affixing its name to the front of the draft. The "acceptance" (guaranteed draft) is a negotiable instrument, that is it may be sold or otherwise transferred by the acceptor prior to its maturity date. An acceptance must have the signature or stamp of the acceptor and the date of the acceptance placed on the face of the instrument in order to be valid.

*See also* Bill of exchange; Draft

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- Johnson, H. (1993). *New global banker: What every U.S. bank must know to compete internationally*. Hinsdale, IL: Probus Publishing Company Inc.
- Zodl, J. A. (1992). *Export-Import: Everything you and your company need to know to compete in world markets*. Cincinnati, OH: Betterway Books.

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**acceptance financing** A method of financing imports and exports through a short-term line of credit. The lending bank may include specific documentation to show evidence of title to the merchandise. The required documentation normally consists of either a warehouse receipt or a bill of lading.

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- Logue, D. E. (1995). *The WG&L handbook of international finance*. Cincinnati, OH: South-Western Publishing Company.
- Zodl, J. A. (1992). *Export-Import: Everything you and your company need to know to compete in world markets*. Cincinnati, OH: Betterway Books.

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**accountability** The process of making management decision-makers responsible for their decisions. To identify persons making management decisions and developing a measurement standard to determine if decisions were correct. This is especially important in management where face-to-face contact between managers and home office personnel may be infrequent or nonexistent.

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**accounting differences** The differences that occur between nations with regard to accounting and reporting standards. The differences can be based upon social, cultural, legal, political, and economic factors. Social and cultural conditions can affect the way societies view secrecy, privacy, time, fate, and business, thus having a direct effect on what is reported in accounting statements. Legal requirements can vary widely from government to government, thus, accounting regulations vary as well. Political and economic conditions influence accounting differences the most as they tend to dictate what type of accounting is needed. For example, an unstable economy that is plagued with high inflation will need an accounting system that

## 2 ACCOUNTING EXPOSURE

addresses the issue of inflation. There is a growing trend for harmonization of accounting standards and procedures in the global economy. Organizations such as the International Accounting Standards Committee (ISAAC), and the International Coordination Committee for the Accounting Profession (ICCAP) seek to harmonize accounting standards across borders.

### Bibliography

Arpan, J. S. & Al Hashim, D. D. (1984). *International dimensions of accounting*. Boston, MA: Kent Publishing Company Inc.

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**accounting exposure** The risk of foreign exchange (currency) appreciation or depreciation which may alter the monetary values of accounting entries. Accounting exposure includes both translation risk and transaction risk. As an example, translation risk occurs when a parent organization must produce consolidated balance sheets for their multinational operations. In so doing, the parent company must translate the assets, liabilities, revenues, expenses, and income of their foreign operations into domestic currency terms. Transaction risk, occurs, on the other hand, when an organization is forced to pay for goods and services produced in another country. For example, a US computer manufacturer located in California would be required to pay a Japanese semiconductor manufacturer in Japanese yen, not in US dollars. The transaction, however, will need to be reported in US dollars on the US computer manufacturer's balance sheet. Changes in the value of foreign currency will affect the value of assets (translation) or the amount of foreign currency required to meet foreign obligations (transaction).

*See also* Translation exposure

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**accounting system** *see* ACCOUNTING DIFFERENCES

**acculturation** Acculturation is the process one goes through to become as comfortable as possible in another culture. Probably the most common method of acculturation is that of assimilating portions of the new culture to go along with those you already have. This does not involve giving up your own culture, but instead, adding those features of the new culture which allow you to function more effectively. There are also those people who attempt to avoid acculturation by separating themselves as much as possible from the local culture. They associate only with those persons of their own culture. This approach builds walls between cultures and is not suggested as an approach if intercultural understanding and dealings are intended.

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Mendenhall, M. & Oddou, G. (1985). The dimensions of expatriate acculturation: A review. *Academy of Management Review*, 10 (1), 39-47.

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**across-the-board tariff reductions** Tariffs may apply to literally hundreds or thousands of products or commodities imported and exported between countries. When countries reach a point in their international trade transactions in which a reduction in trade barriers is agreeable, working to reduce each individual tariff is time consuming and could be quite troublesome because of special interests in individual products. Instead of reviewing each tariff by itself, countries many times agree that it is time for agreements to reduce all tariffs by a specified amount (or in some cases to do away with tariffs for specific classes of goods or commodities). When these "across-the-board" agreements are reached, each country which is signatory to the agreement must abide by the arrangement. Across-the-board tariff reductions are also

referred to as linear tariff reductions (inferring that each party moves in the same manner at the same time).

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**ad valorem duty** Ad valorem duties are taxes which are paid on imported items. The duty is expressed as a percentage amount of the value of goods which clear customs. Thus, if a 5% ad valorem duty was due on \$50,000 worth of goods, the duty would amount to \$2,500.

*See also Duty*

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**adaptability screening** The process of determining one's ability to deal with overseas assignments. Screening takes the form of testing (among other skills) the ability to deal with change; handle stress; make decisions without full knowledge; and be at ease in cultures which are entirely different than that of the person being tested. Screening can be an essential part of planning for the success of an expatriate.

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Naumann, E. (1993). Organizational predictors of expatriate job satisfaction. *Journal of International Business Studies*, 61-4.

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**ADB** *see* ASIAN DEVELOPMENT BANK

**address commission** *see* CARGO BROKER

**admiralty court** A court having jurisdiction over matters covered by maritime law. The court deals with activities and breaches of law on seas or navigable waterways outside of a country's territorial waters. Each country normally assigns admiralty questions to a section of its legal system. For example, Federal District Courts in

the United States and the Admiralty Division of the High Court of Justice in England decide admiralty matters.

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**admiralty law** *see* MARITIME LAW

**ADR** *see* ADVANCED DETERMINATION RULING

**ADR** *see* ALTERNATIVE DISPUTE RESOLUTION

**aduana** A Spanish word referring to a tax on goods brought into a country. It refers to a custom's duty.

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**advance against documents** This is a loan made by a bank or the buyer of goods to the seller of goods. An advance is commonly made on the basis of a sales contract or a bill of lading. This allows money to be obtained by the seller prior to delivery of the goods. The loan is paid back (or deducted from the buyer's amount due) upon delivery of the goods and presentation of proper documentation to allow the release of funds from the letter of credit or other payment instrument.

#### Bibliography

- Zodl, J. A. (1992). *Export-Import: Everything you and your company need to know to compete in world markets*. Cincinnati, OH: Betterway Books.

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**advance import deposits** A refundable payment made to the appropriate government agency (commonly the central bank) to secure an import license. The deposit is returned to the importer within a short period of time after the import transaction takes place.

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#### 4 ADVANCED DETERMINATION RULING (ADR)

**advanced determination ruling (ADR)** An ADR allows a US company to secure an Internal Revenue Service opinion on pricing structures of goods purchased from foreign subsidiaries. An explanation is necessary to understand why an ADR may be a good idea. A United States company may elect to form a second company in an offshore location to act as a conduit for goods and materials purchased overseas. The reason for this would be to purchase all goods through the second company (which if properly formed will be in a country with much lower corporate income taxes) and then resell the goods to the parent organization. The intent of this arrangement is to allow the subsidiary to charge high prices (and pay low taxes on its profits) while the parent pays high prices for raw materials and deducts the high cost from parent company income. This process of establishing the price of goods is referred to as "transfer pricing." An advanced determination ruling is an application filed with the Internal Revenue Service of the United States to determine if the transfer pricing method used is valid. Many companies choose to undertake a determination before putting prices into affect. If the ruling goes against the company, adjustments must be made. If the ruling is favorable, the pricing structure may be used. Failure to secure a ruling ahead of time may place a company in jeopardy of IRS scrutiny along with fines and other payments associated with such scrutiny.

*See also* **Reinvoicing; Transfer price**

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**advised letter of credit** When an exporter's bank informs the exporter of the requirements to collect payment on a letter of credit, the exporter is said to be "advised." Thus, the term "advised letter of credit."

*See also* **Advising bank; Letter of credit**

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**advising bank** Financing imports is more involved than financing the domestic purchase of goods. This is because two or more countries are involved and it is not always possible to use the importer's bank for all transfers of money. To get around some of the problems it has become the custom to use letters of credit (or other similar payment devices) issued by the importer's bank and transferred to the exporter's bank. Once the exporter's bank receives the letter of credit it informs ("advises") the exporter of its receipt and the terms of payment. Thus, the exporter's bank is sometimes referred to as the "advising" bank. In reality, any time a bank informs its customers of the receipt of a letter of credit or other payment document it is an "advising bank."

*See also* **Advised letter of credit; Issuing bank; Letter of credit**

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**advisory capacity** When conducting international operations it is not always possible to be in every location in which a signature or delivery or other activity is required. In cases in which a person (the principal) cannot be or elects not to be present, an agent is commonly appointed to represent that person's interests and act on his/her behalf. It is possible for an agent to have various degrees of authority to act on behalf of the principal. Full authority could be granted which allows the agent to change or otherwise abridge the terms of the contract or agreement without notifying the principal. Limited authority or "advisory capacity" gives the agent capacity to act on behalf of the principal but no authority to make or agree to changes without the expressed permission of the principal.

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**advocacy advertising** Advertising which is aimed at supporting social or other causes. It has become very popular (and good business) for

business organizations to support environmental causes; humane treatment of animals; human rights; safety; and other causes. Advocacy advertising builds goodwill amongst those members of the public who share the same concerns as the advertiser.

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**aesthetics** A culture's artistic views and attitudes. The views range from brightly colored artwork, dress and design to more muted tones; from primitive to contemporary; and from realism to impressionistic. The art of a culture tells much of that culture's development over time. Aesthetic values and other traditions and customs will help determine the types of clothing acceptable in the workplace, the color of office decor and sometimes even the location of an office.

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**AFDB** *see* AFRICAN DEVELOPMENT BANK

**affective approach, to training** *see* EXPATRIATE TRAINING

**affirmative action** This term describes government action intended to eventually equalize employment opportunities for all citizens of a particular country. From time to time this may require the favoring of certain categories of workers over others. In the United States, affirmative action came into effect with passage of the Civil Rights Act in 1964. Affirmative action required employers to favor women and minorities when hiring in order to overcome past decades of discriminatory hiring practices throughout the country.

*See also* Equal opportunity; Pay equity

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#### affirmative dumping determination

Dumping is an international trade term used to describe situations in which a country prices its exports at less than the same goods would be priced if sold domestically. Thus, the country is selling exports for less than it is offering the goods to its own people. The effect of "dumping" is to decrease the sales of domestically produced products in the importing country. Harm caused by dumping includes local companies losing profits or market share. In the United States, if a local company (or the government of the United States) feels that dumping is occurring, a request may be made to the International Trade Commission (ITC) for a ruling. If the ITC makes an "affirmative dumping determination," or in other words agrees that dumping is occurring, duties may be assessed against the importer of the goods. Duties have the effect of increasing the price of the goods on the final market, thereby defeating the attempt to dump goods in the United States.

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**affreightment** *see* CONTRACT OF AFFREIGHTMENT

**AFIDA** *see* AGRICULTURAL FOREIGN INVESTMENT DISCLOSURE ACT OF 1978

**African Development Bank (ADB)** A financial institution supported by member countries to promote economic development

and trade in the region. The bank has 50 African country members and 25 members from outside the region, all of whom are interested in the further economic development of Africa. Loans are made to develop projects and industry in the area. Since many of the African nations are in the development stage, much of the bank's low interest funding goes to expand the infrastructure of the region (communications, transportation, agricultural base, and provision of utility services among others).

*See also* Regional development banks

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Ludlow, N. H. (1988). *A practical guide to the development bank business: How to identify it, market to it, and win it*. Washington, D.C.: Development Bank Associates Inc.

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**AG** Abbreviation for the German corporate form for large enterprises and company groups. The letters AG appear after the name of the corporation. AG stands for Aktiengesellschaft.

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**against all risks** An insurance term describing coverage from all sources of loss except those which are specifically excluded or restricted in the contract. The list of exclusions and/or restrictions is normally much more extensive in land-based insurance contracts (e.g., buildings and personal property) than in marine insurance coverages (e.g., cargo coverage and hull policies). All-risk policies do not normally cover damage from all sources of loss. The term is often misleading to insureds.

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**Agency for International Development (AID)** The Agency for International Development is an agency of the United States State Department. Its major function is to oversee the

provision of economic assistance to foreign countries. The AID has ongoing, as well as emergency funding available for projects.

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**agreement corporation** This is a United States term describing an organization which is established to conduct international banking activities. Also formally known as Edge Corporations (after the Edge Act which allowed their formation). An agreement corporation is a US bank branch or subsidiary of a US based corporation that is used mainly for international banking purposes. Agreement corporations have been allowed to operate since 1981 by US banking authorities as an answer to competition by foreign banking centers. These special corporations are exempt from normal banking and anti-trust legislation in regards to pricing and restrictive trade practices. This allows agreement corporations to be more creative and flexible in their activities than regular United States banks.

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**Agreement on Customs Valuation** Many imports are charged custom duties based upon the value of the goods imported. Under this system, the most important factor in arriving at the amount of duty, is the valuation placed on the import by a country's customs officials. The Agreement on Customs Valuation (also referred to as the Customs Valuation Code) set forth a standardized system for determining the value of imported goods. Instead of each country having its own system for determining values, the Agreement of Customs Valuation system is used for most of the world's imports. Standardization of this nature was and is the goal of the General Agreement on Tariffs and Trade (GATT). The valuation agreement came about as a result of the Tokyo Round of the GATT negotiations.

**See also** General Agreement on Tariffs and Trade

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**Agricultural Foreign Investment Disclosure Act of 1978 (AFIDA)** In response to pressures of US agricultural interests, the United States Congress passed AFIDA as a method of determining the exact nature of foreign agricultural holdings in the country. The late 1970s saw an outcry over foreign investment and ownership of what many considered to be sacred US holdings or activities. AFIDA provided a means of keeping track of foreign investment in the agricultural area.

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**aginaldo (Mexico)** A bonus paid to employees of companies operating in Mexico. This "gift" is normally 2 to 4 weeks pay and is given to the employee during the Christmas holidays. Aginaldo is an example of a custom which impacts the profitability and operation of businesses in foreign countries. International managers must become aware of and honor such practices or face labor unrest in the foreign country and top management unrest in their home office.

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**AID** *see* AGENCY FOR INTERNATIONAL DEVELOPMENT

**air consignment note** *see* AIR WAYBILL

**air freight** Cargo shipments made by aircraft. This is the most expensive form of shipment. It is also the most rapid.

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**air waybill (AWB)** When goods are shipped by air, the details of the shipping agreement are disclosed on what is referred to as an "air waybill." The information on the air waybill includes: the name of the owner of goods, the party to whom the goods are being shipped, the departure and destination points, the specific type of goods being shipped, and the value of the goods.

**See also** House air waybill; Master air waybill

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**airbill (A/B)** When an air carrier receives goods for shipment a receipt for goods is provided. That receipt is referred to as an "airbill."

**See also** Air waybill

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**airport tax** When leaving some countries by air, a person is required to pay what is referred to as an "airport tax" or "departure tax." This fee is generally less than \$20. It can be a surprise, however, especially to those travelers who have already converted all of their money to their home currency or spent all of the host country currency in their possession in anticipation of getting on the airplane.

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**alien** A person who is not a citizen of the country in which he/she lives. A "resident alien" has been given permission by the government of



## 8 ALIEN CORPORATION

the host country to take up permanent residence. A resident alien is not granted citizenship. An “illegal alien” is a person who has not been given permission by the host government to live there.

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**alien corporation** In the United States, an alien corporation is one which is formed in a country other than the United States. Thus, a Japanese corporation doing business in the United States would be considered an “alien” corporation by the US. In other parts of the world, a corporation doing business in another country is referred to as a Foreign Corporation. Thus, the Japanese company doing business in a country other than the US would be called a foreign corporation.

*See also* Foreign corporation

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**alliances** When two or more entities agree to cooperate to achieve a goal or objective. Alliances have been forged between countries to deal with environmental problems, human rights, and other problems. Alliances are also common in the international business arena to promote the goals of cooperating businesses.

*See also* Joint venture; Strategic alliance

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**allowances** Expatriates often receive, as part of their compensation, additional funds for specific purposes to allow them to live more comfortably or to compensate them for inconveniences. Allowances could include: relocation costs; the expenses of home leave for the expatriate and his/her family; cost-of-living adjustments; educational costs for children; and other costs deemed important by the expatriate

and agreed to by the employer. Allowances can add a great deal to the cost of sending an employee on an overseas assignment.

*See also* Compensation package

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**all-risk clause** *see* AGAINST ALL RISKS

**alongside** Cargo placed so it is capable of being loaded directly upon a ship. Cargo is placed “alongside” when it is on an adjacent dock, barge or other platform from which it may be transferred directly to the ship by the ship's tackle or other means (e.g., land-based cranes). The term is commonly used to assist in determining cargo pricing structure, the duration of responsibility on the part of the shipper, and delivery terms.

*See also* Free alongside ship; INCOTERMS

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**alternative dispute resolution (ADR)** International organizations often turn to alternative dispute resolution methods rather than attempt to settle disputes with a foreign entity under the laws of another country. Potential problems associated with having to take legal action in another country include: local laws which favor citizens of that country; completely different legal system which is unknown to the foreign company; and the potential for bad public relations associated with a foreign organization taking legal action against a fellow citizen. Alternative dispute resolution methods include arbitration, conciliation, and mediation. These methods are usually quicker and less costly than litigation. ADRs also do not result in decisions which are made public or which place fault. In the United States these benefits of ADRs are especially important. The use of alternative