

GLOSSARY OF TRADE AND RELATED TERMS

ASEAN	Association of South-East Asian Nations (Malaysia, Singapore, Indonesia, Thailand, the Philippines, and Brunei).
Autopact	A sectoral trade agreement (The Automotive Products Trade Agreement) entered into by the United States and Canada in 1965 in order to encourage the rationalization and growth of the North American auto industry. It provides for duty-free movement between the two countries of new automobiles and original equipment parts. In the case of Canada, only producers who benefit are allowed to import duty-free.
Balance of payments	A tabulation of a country's credit and debit transaction with other countries and international institutions. These transactions are divided into two broad groups: Current Account and Capital Account. The Current Account includes exports and imports of goods, services (including investment income), and unilateral transfers. The Capital Account includes financial flows related to international direct investment, investment in government and private securities, international bank transactions, and changes in official gold holdings and foreign exchange reserves.
Balance of trade	A component of the balance of payments, or the surplus or deficit that results from comparing a country's expenditures on merchandise imports and receipts derived from its merchandise exports.
Barter	The direct exchange of goods for other goods, without the use of money are a medium of exchange and without the involvement of a third party.
Beggar-Thy-Neighbor Policy	A course of action through which a country tries to reduce unemployment and increase domestic output by raising tariffs and instituting non-tariff barriers that impede imports, or by accomplishing the same objective through competitive devaluation. Countries that pursued such policies in the early 1930s found that other countries retaliated by raising their own barriers against imports, which, by reducing export markets, tended to worsen the economic difficulties that precipitated the initial protectionist action. The Smoot-Hawley Tariff Act of 1930 is often cited as a conspicuous example of this approach.
Berne Convention	International agreement providing for national treatment in the protection of intellectual property. Together with the Paris Convention, provides the basis for the multilateral intellectual property regime administered by WIPO.
BIAC	Business and Industry Advisory Council to the OECD.