Solutions

Each answer shows the steps, then the **result**.

2.1

- outsourcing = hiring another firm to do work; offshoring = moving that work to another country

2.2

- offer tax breaks/looser rules in a defined area to attract foreign investment and industry

2.3

(a)

- deindustrialization

(b)

- job losses, decline, unemployment, or need to restructure

3.1 B

- relocating work abroad = offshoring

3.2 A

- not tied to inputs/markets = footloose industry

3.3

(a)

- tax breaks, cheap land, or relaxed regulations

(b)

- foreign investment, jobs, technology, and exports