



# How Countries Buy and Sell Goods Across the World

KS4 GEOGRAPHY

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## What is International Trade?

**International trade** is when countries buy and sell goods with each other across borders. Every country has things it's good at making, and things it needs to buy from others. This creates **connections** between nations that depend on each other.

For example, **Vietnam** grows lots of coffee, **Japan** makes excellent cars, and **Australia** has huge amounts of natural resources like coal and iron. Each country trades what it makes best to get what it needs.

Think of it like a school playground where one friend is great at trading Pokémon cards, another has the best snacks, and a third can swap games. Everyone trades with each other to get what they want most.

## Why Do Countries Trade?

Countries trade because of something called **comparative advantage**. This means each country can make certain things more cheaply or better than others. By trading, everyone gets better products at lower prices.

**Transportation** has made global trade possible. Ships, planes, and trucks move goods around the world every day. Without these, countries would have to make everything themselves, which would be much harder and more expensive.

Think of it like your family buying ingredients from different shops instead of growing everything in your garden. The baker's shop has the best bread, the greengrocer has the freshest vegetables, and the butcher has good meat. Shopping around gets you better value.

## How Does Trade Connect Countries?

When you buy something made in another country, money flows back to that nation. **Supply chains** connect factories across different countries—a phone might have

parts made in **South Korea**, assembled in **China**, and sold in **Britain**. Millions of people's jobs depend on this global network.

**Trade agreements** between countries decide what taxes apply to imports and exports. These rules make buying and selling easier or harder. When countries argue about trade, it can affect prices in shops and jobs at home.

**Ports** and **airports** are crucial connection points. The **Port of Rotterdam** in the **Netherlands** is one of the world's busiest, moving goods between **Europe, Asia, and Africa**.

Think of it like a giant relay race where goods pass from one country to another until they reach your home. Each runner (country) plays an important role in getting the baton (product) to the finish line.

## The Impact on Daily Life

International trade affects what's in your home. Your clothes probably come from **Bangladesh** or **Vietnam**, your fruit from **Spain** or **Kenya**, and your electronics from **Taiwan** or **China**. This trade makes things cheaper than if they were all made locally.

However, trade can cause problems too. Shipping goods creates **pollution**. Workers in poor countries sometimes face unfair conditions. Understanding trade helps us make better choices about what we buy.