



How Countries Trade Goods With Each Other

KS2 GEOGRAPHY

KS3 ECONOMICS

Ages 10-14 ⌚ 3 min read

What is International Trade?

International trade is when countries buy and sell goods with each other across borders. Every country has things it's really good at making, and things it needs to buy from other places. **Britain** might sell machines to **Japan**, while **Japan** sends electronics to **Britain**. This happens because different countries have different natural resources, skills, and factories.

Think of it like your school: you might be brilliant at maths, so friends ask you for help. Meanwhile, your best friend is amazing at art, so you ask them to help with your poster. You're both trading your skills because you're each better at different things.

Why Do Countries Trade?

Countries trade for several important reasons. Some countries have natural resources like oil, coffee, or diamonds that other countries don't have. Other countries have excellent technology or factories that can make things cheaply and quickly. By trading, countries can get things they don't have enough of, and they make money by selling things they're good at producing. This makes people's lives better because we can buy things from all over the world.

How Does Trade Actually Work?

When a country wants to import goods (bring things in), ships, lorries, and aeroplanes carry products across oceans and continents. The goods pass through **ports** and **customs**, where officials check what's being brought in and collect taxes called **tariffs**. Companies pay these tariffs to the government, which raises money and sometimes protects local businesses from cheaper foreign competition.

Think of it like ordering something online: the item gets packed, travels in a lorry or plane, gets checked at the warehouse, and finally arrives at your door. International trade is the same thing, but on a massive scale.

Trade Deals and Rules

Countries make agreements called **trade deals** with each other to make buying and selling easier and fairer. These deals decide how much tax to charge and what rules apply. For example, the **UK** has trade deals with many countries. When countries work together like this, trade becomes smoother and businesses can plan better.

Without international trade, we wouldn't have bananas from **Costa Rica**, clothes made in **Vietnam**, or phones from **South Korea**. Trade connects our world and helps millions of people earn their living.