

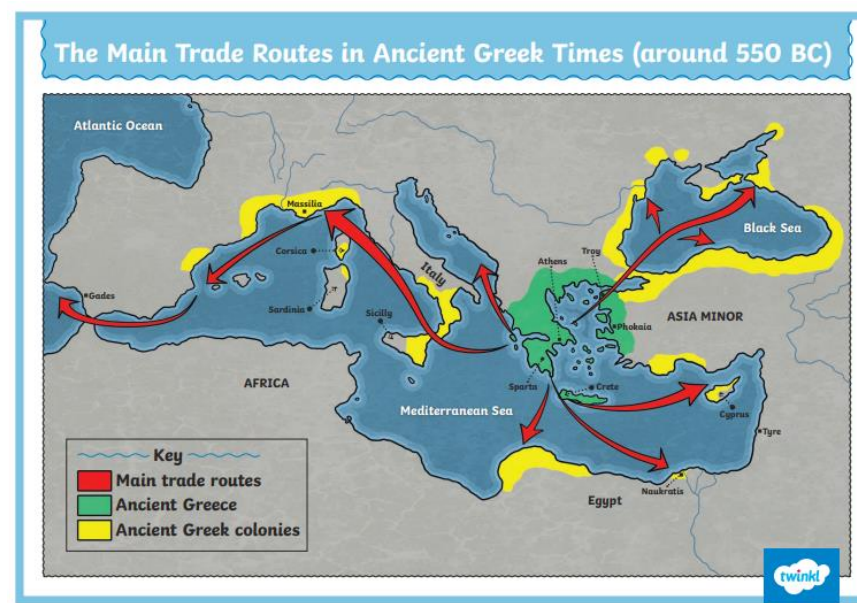
Key Vocabulary

trade	Buying and selling goods and services.
import	Goods or services purchased from one country and brought into another country.
export	Goods or services made in one country and sold to another
goods	Items that can be bought and sold. Sometimes they are called products.
global	Around the world.

What Does the UK Trade?

The UK **trades** a lot of **goods** and services. Some of the **goods** the UK **exports** are: scrap iron, whisky, tartan kilts, medicines, aircraft parts, cars, computers, oil and gas.

Some of the **goods** the UK **imports** are: coffee beans, bananas, medicines, aircraft parts, cars, computers, oil and gas.



Key Vocabulary

fair trade	A way of buying goods designed to make sure that the producers of these goods in developing countries are paid a fair and stable price for the goods that we buy from them.
globalisation	The spread of trade and ideas worldwide.
global supply chain	The different places a product and its parts come from, and travel to, on its way to the consumer (the person who is buying the product).
multinational	Something that operates in more than one country. A multinational business is based in more than one country.
economy	The word used to explain how money is made and spent in a particular area. This could be within a country or across the world.

How Does Fair Trade Work?

There are many steps involved in selling **goods**. Bananas, for example, are generally grown on plantations. This means the plantation owner has to make sure that the ground is taken care of and fertilized. They also have to pay for fruit pickers to harvest the fruit and for machinery for the plantation. **Exporters** then transport the bananas by ship and pay for their own fuel, any lost or damaged stock and port fees. **Importers** then transport the bananas from the port to ripening centres and pay for workers and transportation to move them. The ripening centres have to pay for their operating costs, gases used for ripening and staff. Finally, the retailer sells the bananas but also pays for staff to work in shops, advertising and the costs of any stock that goes off or isn't sold. There are lots of steps in the trade process but people involved are not always paid equally or fairly. **Fair trade** exists to make sure that people are not exploited. Look out for the **fair trade** logo when buying things so that you know that people have been paid fairly for their work

How Has Trading Changed through History?

Trade has changed a lot through history. This is partly due to developments in transportation but also due to the changing relationships of the UK with other countries. In Tudor times, the UK **traded** with the Americas, whereas in Victorian times, the UK mainly **traded** with other countries who were in the British Empire

The Global Economy

Globalisation has meant that more and more **goods** travel around the world before being sold in a shop. Sometimes, parts of a product are made in several different countries before being assembled in another one. Many companies are now recognised worldwide. These are **multinational** companies and they can have both a positive and a negative impact on society. Positives may include the creation of new jobs for people. Negatives may include greater damage to the environment (due to differences in the safety rules and environmental standards of different places).