

**Year 6**  
**Geography – Trade and Economics**

**Key Vocabulary**

<b>consume</b>	To be used by a person or country.
<b>economy</b>	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.
<b>export</b>	Goods or services made in the UK and sold to another country.
<b>Fair trade</b>	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
<b>global</b>	Around the world
<b>globalisation</b>	The spread of trade and ideas worldwide
<b>Global supply chain</b>	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)
<b>goods</b>	Items that can be bought and sold. Sometimes they are called products
<b>import</b>	Goods or services purchased from one country and bought into the UK
<b>industry</b>	Consist of people or companies which make a product or provide a service
<b>multinational</b>	Something that operates in more than one country. A multinational business is based in more than one country.
<b>product</b>	Something produced and sold in large quantities
<b>profit</b>	The amount of money you gain when you are paid more for something than it cost you to make or provide the service.
<b>supply</b>	Is the amount which someone has or is available to use
<b>trade</b>	Buying and selling goods and services

**Are you a Milecastle Megamind?**

How has trade changed over time?

Why is fair trade so important?

How do strong trade links make the UK a stronger nation?

**Key Learning**

The UK trades a lot of goods and services. Some good the UK exports are scrap iron, whiskey, tartan kilts, medicines, aircraft parts, cars, computers, oil and gas. Some good the UK imports are coffee beans, bananas, medicines, aircraft parts, cars, computers oil and gas.

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.

Globalisation has meant more and more goods travel around the world before being sold in a shop. Sometimes, part 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).

There are many steps involved in selling goods. The producer (for example a farmer) has to ensure they are able to produce or grow the product and employ people to help with production.

Exports then transport the goods. They will need to pay for fuel costs, lost or damaged stock and port fees.

Importers transport the goods and store them until the good are able to be sold. Finally, retailers sell the good. They will need to pay for retail premises, shop workers and advertising.

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 treated fairly for their work.

