

TRADE AND TRANSPORT AROUND THE WORLD



WHAT IS TRADE?

Trade happens when people or countries exchange things they have for things they need or want.

Money is usually used to make this exchange easier..

Buying food or clothes from a shop

A farmer selling crops at a market

South Africa selling minerals to other countries

A country buying cars or electronics from another country

Reasons for trade

Trade exists because no person or country has everything they need.

People and countries trade to satisfy needs and wants and to improve their standard of living.

- Unequal Distribution of Resources (Trade allows countries to get resources they do not have)
- Differences in Climate (Climate affects what crops can be grown.)
- Specialisation (People and countries focus on producing what they do best or most cheaply.)
- Surplus Production (When more goods are produced than needed, the extra goods are sold or traded.)

When country does not have enough of something or cannot produce it, it buys it from other countries.

Those goods are called **imports**.

Imports are goods and services that a country buys from another country and brings into the country.

When a country produces more than it needs, it sells the extra goods to other countries.

These goods are called **exports**.

Exports are goods and services that a country sells to other countries and sends out of the country.



Links between trade and transport

Trade and transport are closely linked because goods and services must be moved from where they are produced to where they are sold or used.

Trade = buying and selling of goods and services

Transport = moving goods and people from one place to another

👉 Without transport, trade cannot take place effectively.

How Trade Depends on Transport

Moving Goods From Producers to Markets



Goods are produced in farms, factories, or mines.

Transport is needed to move these goods to shops, markets, or ports.

Example:

Maize grown on farms is transported by trucks to mills and supermarkets.

Local Trade and Transport



Local trade uses roads, taxis, trucks, and trains.
Short distances → mainly road and rail transport.

Example

Bread from a bakery is transported by delivery trucks to local shops.

International Trade and Transport

Trade between countries requires ships, aeroplanes, trains, and trucks.

Large quantities → ships

Urgent or light goods → aeroplanes

Example:

South Africa exports fruit to Europe using ships.

Electronics are imported by air when speed is important.

Ports, Airports, and Trade Routes



Ports and airports are important links between trade and transport.
Good transport routes help goods reach markets quickly and cheaply.

Example:

Durban Harbour helps South Africa trade with other countries by sea.

Cost of Transport Affects Trade



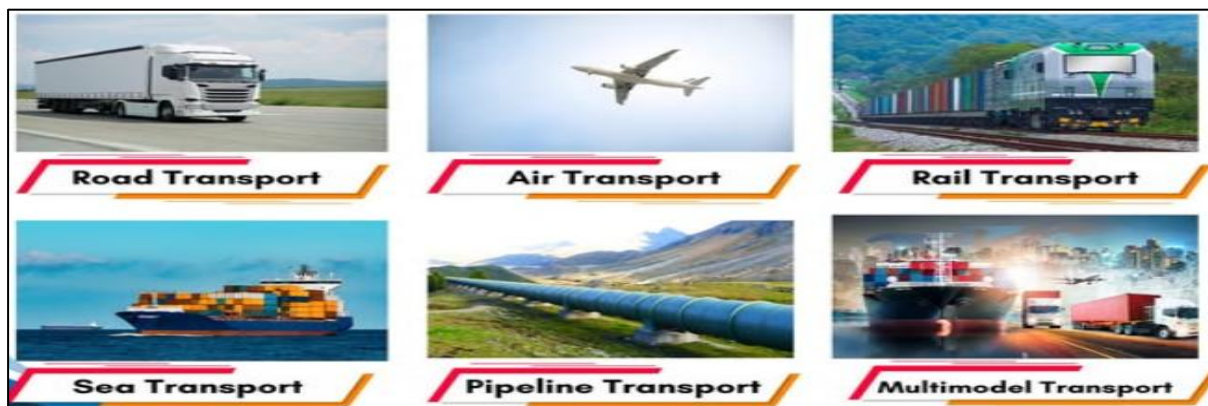
Cheap and efficient transport makes goods cheaper.
Poor transport increases costs and slows down trade.

Example:

Bad roads in rural areas make it difficult for farmers to sell products.

Trade	Transport
Involves buying and selling	Involves moving goods
Imports and exports	Makes trade possible
Needs goods to reach buyers	Uses roads, rail, air, sea
Can be local or international	Impacts on the price of goods

Different modes of transport and their uses



- People use different modes (kinds) of transport for different purposes.
- Transport can take place on land, in the air and across the seas.
- Each transport mode is chosen based on factors like cost, speed, capacity, distance, and the nature of goods being transported.

Mode of transport	Typical usage	Advantages	Disadvantages
Road	Door to door Ideal for mixed cargo Domestic transportation First or final leg	Most flexible Door to door Cheap	Limited to continental transport Traffic congestion Damage to roads
Rail	For domestic use	Ideal for heavy loads and long distances Environmental friendly	Connection to rail system is required Complete trains require many carts Low transport speed
Air	To ensure fast transport	Fast and safe	Expensive Limits the size of weight
Sea	Bulk shipment where long period of time is ok	Ideal for bulky and heavy goods Highly standardised containers used Less costly than air Intercontinental transports	Inflexible routes Long lead time Inflexible time tables (ship will not wait for a missing container)
Pipeline	Used for the continuous movement of liquids, gases, and slurry materials (e.g., oil, natural gas, water)	Reliable and efficient for consistent flow. Low operational costs once infrastructure is established.	Pipelines cost a lot of money to construct. Leaks can cause serious pollution. Pipelines can only transport liquids and gases.