

What is Trade?

Trade is what we call it when people buy and sell things. A producer might sell items or provide a service, and a customer pays them for it. This is trade.

How it works

Imagine a brother and sister called Tom and Yasmin. Yasmin's bike has a flat tyre but she's desperate to go on a weekend cycling trip with her friends. Her brother Tom has just been given a new bike for his birthday. Yasmin asks Tom if she can borrow his bike and, in return, she promises to buy Tom a CD. Tom agrees to the deal.

This is an example of trade.

The problem with international trade is that richer countries don't play by fair rules.

Richer countries often put a high tax on items that they buy from poorer countries, which makes these items more expensive for people to buy. This means that poorer countries don't earn as much for their goods as they could. Also, richer countries sometimes cheat by giving their own producers extra money (subsidies) to help them make a profit. This is unfair to the producers in poorer countries because their products are taxed *and* they don't get the same amount of help. It's really difficult for them to make a living.

Why is it important to make trade fair?

If we want to make it fair, we need richer countries to stop charging taxes on the products from poorer countries. We also need them to scrap the extra money they give to their own producers. That way, everybody will have the same chance of making a living.

What can I do to help?



Have you ever seen the Fairtrade mark on items in the shops? If you buy products with this mark on, you're making sure that the producer is paid a fair price for their goods.



Lucy Mansa is a cocoa farmer in Ghana who has joined a Fair Trade scheme. She says:

"We rely on the money we get from cocoa for everything: for food, clothes, medicines, and school fees. Getting payment for our cocoa beans used to be very hit and miss. When we didn't get paid, we went without. I am very happy since I joined Fair Trade - I can afford to send my children to school."

Read more about [Lucy's story](#) on Cool Planet for Children. Find out all about [Fair Trade](#) on Cool Planet for Children.