

International Trade
(3.7 - International Trade)



1. This is the buying (Importing) and selling (Exporting) of goods and service between countries

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Visible Trade
(3.7 - International Trade)



1. These are the physical products that can be seen going in and out of a country.

For example, Cars

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Invisible Trade
(3.7 - International Trade)



1. These are service that are going in and out of a country.
2. You can't see them

For example, Banking

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Importing
(3.7 - International Trade)



1. This is the buying of products and services from other countries.
2. The money leaves Ireland

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Visible Imports
(3.7 - International Trade)



1. These are the physical goods that Ireland buys from other countries.
- For example, Oil

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Invisible Imports
(3.7 - International Trade)



1. These are the service that Ireland buys from other countries.

For Example, Irish schools going on school tours abroad

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Why does Ireland import and export goods/services



The following are some of the reasons why Ireland imports goods from other countries

1. Climate
2. Raw Materials
3. Choice for consumers
4. Cost
5. Small domestic market

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Exporting
(3.7 - International Trade)



1. This is the selling products and services from Ireland to other countries.
2. The money comes into Ireland

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Visible Exporting
(3.7 - International Trade)



1. These are the physical goods that Ireland sells to other countries.

For example, dairy products

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Invisible Exporting (3.7 - International Trade)



1. These are the service that Ireland sell to other countries.

For Example, Spanish students coming here to learn English

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Why does Ireland export Goods and services

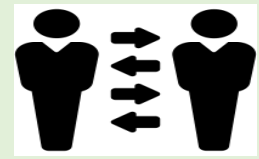


The following are some of the reasons why Ireland export goods to other countries

1. Earn foreign currencies
2. Increase sales and profits
3. Create employment
4. Demand for our goods and service abroad

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Ireland Trading Partners (3.7 - International Trade)



Exports - US, UK, Belgium, Germany and Switzerland

Imports - UK, US, Germany, China and The Netherlands

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Ireland Trading Partners (3.7 - International Trade)



The following are some of the goods and service that we export and import

Exports - Machinery, Computers, Chemicals

Imports - Cars, clothing, Petrol

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Balance of Payments (3.7 - International Trade)



1. This is the difference between total exports and total imports over one year in a country

Total Export - Total Imports

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Balance of Trade (3.7 - International Trade)



1. This is the difference between visible exports and visible import

Visible Exports - Visible Imports

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Benefits of International Trade



1. *Increase Sales* - Exports opens a bigger market to sell
2. *Spread Risk* - Ireland is not depending on one market
3. *Raw Materials* - There are some raw material that we can't produce in Ireland
4. *Lower Costs* - The more product Ireland makes the cheaper is to produce them (Economic of

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Challenges of International Trade



1. *High Costs* - Ireland is an island so more expensive to transport goods - plane/boat
2. *Languages* -be able to communicate in different languages
3. *Exchange Rates* - The change is the currencies form countries that don't use the

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Free Trade (3.7 - International Trade)



1. This is when there is an agreement between countries to not have any barriers when trading goods

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Barriers to Trade (3.7 - International Trade)



1. **Tariff** - tax on imports to make them more expensive -
2. **Quota** - a limit on the amount of a good that can be imported
3. **Embargo** - A country puts a complete ban on a product being imported
4. **Subsidiary**- This is a direct payment to the producer.

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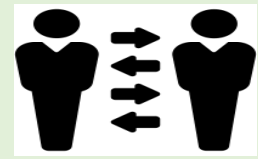
Reasons on barriers to free trade



1. To protect indigenous industries
2. To protect domestic employment
3. To protect against cheap labour
4. National Security - to protect the spread of disease

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Enterprise Ireland (3.7 - International Trade)



This is a state agency that helps Irish business export to other countries

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Globalisation (3.7 - International Trade)



This is when the world become interconnected due to increase trade and cultural exchange

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Balance of Payments (3.7 - International Trade)



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Balance of Trade (3.7 - International Trade)



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Visible Exports - Visible Imports

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Globalisation (3.7 - International Trade)



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Global Business (3.7 - International Trade)



1. This is a business that sees the world as one market.
2. They provide the same product using the same marketing mix (Standardised marketing mix).
3. This helps them build a global brand

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Reasons for Global Business (3.7 - International Trade)



1. To increase sales - the business has a small domestic market to increase sales and profits
2. Mass Production - The more they produce of a product the cost decreases - economics of scale
3. Development in ICT - It is easier to trade globally with the changes in ICT. For example, you can create a website

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