

## What is trade liberalisation and isn't it a good thing?

'Trade liberalisation' is the term for the process whereby a country opens up its markets to international trade i.e. reduces the taxes (known as tariffs) and other limits (such as quotas) on goods coming in. It also often comes alongside increased rights for investors and pressure to privatise its economy.

Trade liberalisation can be a good thing in the right circumstances if it's phased in correctly at the right time in a country's development. However for nearly thirty years EU countries have used institutions like the World Bank and International Monetary Fund, conditions attached to aid and trade deals like those negotiated at the WTO to force poor countries to 'liberalise' their economies. Economic Partnership Agreements are part of the same trend.

Rich countries are denying developing countries the chance to protect their fragile economies and industries (which is one of the ways in which the UK and almost every now-rich country developed) and throwing them in to open competition with developed countries before they are ready.

There is now ample evidence which shows that this liberalisation agenda actually increases poverty, especially when imposed from outside and not driven by country needs and timetables.

Instead, poor countries need the freedom and right to protect and support their industries and farmers until they are strong enough to compete internationally. They need trade justice.

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