

# Effect of trade liberalization on jamaican agricultural sector movie review sampl...

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Trade Liberalization in Jamaica began in the 1970s following the International Monetary Fund stabilization programs and further accelerated by the World Bank structural programs in the 1980s. During this period, the Jamaican government six agreements with the World Bank and eight with the International Monetary fund. In the 1990s, the trade liberalization in the country continued because of modification of CET (the common external tariff) and pressure from the World Trade Organization to comply with the international trade regime (Witter, “ Trade Liberalization; the Jamaican Experience”).

During the post-world war two period, Jamaica’s main exports were the agricultural products especially sugar and bananas, which accounted to about 40% of the total export revenue (Witter, “ Trade Liberalization; the Jamaican Experience”). However, trade liberations have negatively affected the agricultural sector in Jamaica. The liberalizations of trade increased the access of Latin America agricultural products especially bananas in the European Market and this hence reduced the exports from Jamaica and other Caribbean countries. Initially, Jamaica had a preferential access to the European Union market but the liberalization of trade lead to a reduction in the country’s export earnings on Sugar and bananas because of stiff competition from African and Asian countries with lower labor cost.

Consequently, Jamaica experienced a decreased dependence on the export of agricultural sector and shifted to the export of Minerals such as aluminum and bauxite and the tourism sector in which they have a comparative advantage (Witter, “ Trade Liberalization; the Jamaican Experience”). The trade liberalization led to reduction or the elimination of tariffs and other

trade barriers thus resulting in imports of cheap food products and this became a big blow to domestic players in the agriculture sector especially the dairy and the poultry farmers. Currently, the Jamaica's economy majorly depends on the export of minerals and the tourism sector.

### **Work Cited**

Witter, Michael. Trade Liberalization; the Jamaican Experience. UNCTAD, 2004. Web. 6 May 2013.