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Countries, India



Hiyasmin Guy Yoche Peter Zollo English 100 September 10, 2012 Free Trade Free trade has become one of the most controversial subjects of modern times. Though despite its challenges, the positive role it has been playing in the lives of millions of people around the world is commendable. It gives us access to new foods, products and experiences, and creates economic opportunity and markets. Free trade also allows countries to specialize in the production of goods that they have a comparative advantage and trading them for goods in which they have a comparative disadvantage. When countries engage in such trade, they can have more of both goods, which is a good deal. It also make the world a better place because more places will be able to enter the global market with their unique goods. With free trade, a developing country could lead to a progression that will help them strengthen their economy, gain personal liberation, and improve their quality of life. Free trade helps poorer countries strengthen their economy by giving them easy access to credit and technology which includes market information and in many cases outright subsidies. First world has more experience in managing the economy. In Nick Gillespie article, Johan Norberg states, " When unions, when protectionist, when uncompetitive corporations in the U.S. say that we shouldn't buy from countries like Vietnam because of its labor standards, they've got it all wrong". They're saying "Look, you are too poor to trade with us." And that means we won't trade with you. We won't buy your goods until you're as rich as we are. That's totally backwards. These countries won't get rich without being able to export goods... " (Gillespie 83). It is undeniable that sweatshops still are facing major issues and that we must fix it to improve developing countries economy even more,

however it is also the first key/step to development. As Jeffrey Sachs states, " Virtually every poor country that has developed successfully has gone through these first stages of industrialization" (Sachs 111). Sweatshops are a natural stage of development (Gillespie 82). In addition, small developing nations often do not have the production and innovation technology available for converting raw materials to valuable consumer goods. In fact according to Johan Norberg, " The reason why their workplace standards and wages are generally lower is lack of productivity, the lack of infrastructure, the lack of machinery, and so on" (Gillespie 82). Therefore, developing countries should be exposed to the global economy early to help them boost their economic growth . Free trade is one of the factors that could lead them to progression. It also gives businesses a possibility to market one product throughout the world. It presents increased competition in the marketplace. Without free trade agreements, producers in developing countries cannot compete in international markets because they lack advantages available to producers in the first world. Having access to new markets from other countries is also an opportunity for a developing country. Therefore, developing countries need more influences in from developed countries. Another reason why free trade benefits developing countries is for gaining personal liberation. Women who are traditionally dependent on their husbands, especially conservative countries such as Bangladesh, can now be economically independent of men and can have at least some choice in their personal lives. According to Norberg, " Globalization has also helped extend the rights to women that had been long confined to men" (Gillespie 81). Free trade is a big part of globalization. With free trade, it has helped many

women throughout the developing countries such as getting an education and finding a job. For instance, an interview of women in Bangladesh who are working in sweatshops, though exposed in harassment and lack of labor rights, expressed that this work was the greatest opportunity that they could ever have imagined and that their employment had changed their lives for the better (Sachs 110). The women expressed that due to the employment of sweatshops they have given a chance of personal liberation and more opportunities whereas in the countryside where most of these women come from were used to being forced to marriage and conceive a child at a young age (Sachs 110). As a result, it decreased the child mortality rate, increased the availability of family planning and contraception, better the public health for women, and made a significant change in the economic opportunities for women. Altogether, free trade gave many of these women the power they lack in the past: power to end oppression and gain personal empowerment/freedom. Free trade also improves quality of life in many developing countries through self determination and economic development. People gain new ideas and alternatives on how they would want to live their life. According to Norberg , " All goods, ideas, and people that cross borders under globalization allow people to see more alternatives, to see other ways of living" (Sachs 81). Adapting the ideas, consuming products, and absorbing the influences that people see in other countries could affect the living in poor countries. Johan Norberg further states, " When women and other oppressed groups in poor countries see how their counterparts in Western societies are treated, they begin to have ideas about how they want to be treated" (Sachs 81). For example, in Bangladesh, a country that was on

extreme poverty, has managed to achieved economic growth with some development assistance, and as a result citizens are more inspired to strive harder and to dream higher. Many new opportunities are opened up, especially for women, such as choosing when to bear children thus reducing the rates of child mortality. As Sachs points out, "With fewer children, a poor household can invest more in the health and education of each child, thereby equipping the next generation with the health, nutrition, and education that can lift Bangladesh's living standards in future years" (Sachs 112). However, in order for a developing country to attain these benefits, it would mainly depend on how productive a country is. According to Johan Norberg, "When workers are more productive, they tend to earn more (Gillespie 83). In productivity, working effectively fast is important. In addition, if the people earn more, their home could have proper sanitation, proper nutrition for children, political stability, and economic investment. By having all of these could increase the standard of living in a developing country. It is possible that they could experience a different life like other developed countries have experienced. We find many evidences that free trade has an impact in every country. Bangladesh shows us that even in circumstances that seem the most hopeless there are ways forward if the right strategies are applied, and if the right combination of investments are made (Sachs 109). In other words, free trade will continue to work if we all play it on an equal ground. Communication to other countries is a good thing and without it, an outlook for a better quality of life for poor countries does not look promising. In this highly competitive world, we are producing more than we are consuming and to continue in business we must have free access to the world market place

to sell our products and that applies to us as well as every other country in the world. With wealthier countries funding developing countries, could enhanced their product efficiency and help workers in poorer countries acquire additional skills which benefits the whole of society. This could be a big improvement for a developing country to stand out and be more confident to compete globally.