

Good the impact of trade barriers on the uk research paper example

[Countries](#), [England](#)



Business services hold an importance and strategic position in the in the UK economies. The business services contribute to the productivity and the employment sectors of the economies. It further increases the competitiveness of the UK within the European's industries. When the competitiveness of the business services increase it will help to improve the quality, lower the costs and to adapt to the global economy and technology. In UK, about 10% of the employment is directly contributed by the business services, and this does help in the creation of jobs and wealth at the same time triggering growth of other sectors of the economies (Rubalcaba, 2000). The economic freedom score of the United Kingdom is 74.9 and it ii rank the 14th freest economy in the 2014 Index . the United Kingdom has the modest improvements in labor freedom, trade freedom, government spending, and monetary freedom. The latter improvements are counterbalanced by freedom from corruption, deteriorations in business freedom and fiscal freedom. Out of the 43 countries in the Europe region, UK is ranked 5th but the economy of the UK has slightly declined over the past two decades. There is notable advancement in the freedoms of trade and investment, but this has been counterbalanced by joint decrease in management of public finance and regulatory efficiency. The economy of the UK has been consistent over the past years; however, from 2006 it has put a lot of pressure into the budget for public spending. The growth of the economy was mostly witness during the time of the Prime Minister M. Thatcher following his markets reforms. However, the economy has been negatively affected since the time Prime Minister D. Cameron came into power in the year 2010(The heritage Foundation in partnership with the Wall Street

Journal, 2014).

The trade barriers are tariffs and taxes apply by the concerned authority to protect or favor the local producers. Original tariffs have been coordinated by a body known as the General Agreement on Tariffs and Trade and later which up to now is being handled by the World Trade Organization (WTO).

The non-tariff barriers carry more merits than demerits and hence difficult to be completely removed.

The UK government had imposed both the trade barriers to UK importers and exporters. The UK government is aiming at removing trade barriers to their exporters but, on the other hand, tightening trade barriers to UK importers. The following trade barriers have been imposed on the UK importers: sanctions, embargoes, and restrictions.

Sanctions and embargoes are trade restrictions that are put in place by a given body or government against the target country with the focus of maintaining or restoring peace and security internationally. The latter is political trade tools and mainly put by the United Nations (UN) and the European Union (EU). The above trade controls concern the UK to involve in any deals concerning the transport of the military goods from one overseas country to another. The EU that UK is among them and the UN have shortly listed countries where sanctions have been affected, and there is a strict control of trade taking place. Arms embargo trade controls have been imposed on countries such as the Democratic Republic of Congo (DRC), North Korea, Eritrea, Iran, and Somalia among many others. The other non-arms goods restrictions in relation to UK export include visa and financial sanctions. Financial sanctions prohibit transfer of funds to a sanctioned

country and freeze the assets of corporate entities, government, and residents of the sanctioned country. Financial sanction is also applicable to entities, government, and individuals who are residents in the UK. It is then the responsibility of the exporters to check if their goods can be traded with a particular country because it may result in goods being delayed, fines, seize or imprison. Under sanctions and embargoes not only is applicable to the restrictions on the export of ammunitions goods from UK to the sanctioned countries but it has banned completely importation of certain goods from some countries. The examples are shipping of goods from Iran and Syria (Hubert, F. et. al., 2001).

The impact of embargoes barriers to the UK

The UK will not give out export license for the exportation of the light weapons and small arms, and ammunition to the sanctioned countries. The importers will have to apply for an export license for the exportation of goods and the UK government will have to approve it before the exporters can proceed with their businesses. It causes time consuming and delays. The exporters may get a legal export control license, but it may be a process of doing his business, the situation changes and the license sometimes may be canceled. It will discourage the business persons and the UK government in particular will be affected negatively due to decrease in revenues collections.

Apart from the sanctions and embargoes trade restrictions, the UK exporters are able to access the world markets. The UK government is obligated in reducing any other unnecessary trade barriers. The UK is targeting to give equal accessible market and that will tremendously encourage fair and free

completion which is beneficial to both suppliers and consumers. UK is aiming at not only removing the trade barriers but also investing in other countries that are not members to the EU.

The non-tariff barriers faced by UK which can create unnecessary to free and fair trade are:

First, the poor rules to protect the intellectual property and indicators of the geographical features. The latter barrier will greatly discourages the intellectual and indicators because they may not reap well from their own sweats.

Secondly there is the misuse of measures concerning the sanitary and phytosanitary. These are measures introduced by other countries without prior notice to WTO, and it will affect UK by closing its market. The market will be closed in some other countries if they fail to give early warning and it will negatively affect UK effort to market its products.

Thirdly, government is giving unfair subsidies to the individuals or entities. The UK government is unfair sometimes in giving subsidies to the importers and exporters and this in one way or the other create demote businesses.

Fourthly, there is existent of the non-automatic channels of licensing. The UK lacks comprehensive channels for the application export control license or the procedures available are full of bureaucracies that are cumbersome. It will delay the running of the business and sometimes makes difficult.

Fifthly, the existent of the measures that are not justifiable to trade defense, for example, anti-dumping actions. The law has made the running of the businesses very costly, and it causes bit sluggishness for the growth of the businesses (Neumayer, E. (2001).

Sixthly, some other trade barriers may arise due to breach of the legal rules and commitments created with the other country. It may be because of the misunderstanding of the agreements, intentional or poor interpretation. The outside markets for the UK products will abruptly reduce and, as a result, reduces the employment and the creation of the wealth.

The other non-trade barriers are discrimination in taxation and additional fees, customs procedures, quantitative restrictions, government procurement, restrictions to access raw materials, quality restrictions, and barriers in services and investments.

The Cambodia is one of the members of the regional association of the Southeast Asian Nations. The Cambodia has been experiencing an economic growth between the years 2004-2007 with a GDP growth of 10% per year. In contrary growth rate of Cambodia decline in year 2008 and year 2009 it reduced up to -2% due to world economic sluggishness. The sectors of oil, gas, and mining are still very young in Cambodia, but it boosts a huge potential for the economy of the country. Cambodia is characterized with high population growth, basic infrastructures, and very minimum economics development due to social unrest for many years. If the UK government would impose sanctions on that third world countries then the economy will become worse but peace and security may increase (Hall, K. R., 2011).

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