

# Termites in the trading system by jagdish bhagwati

[Literature](#), [Russian Literature](#)



Jagdish Bhagwati conveys both India and china's remarkable upturn of GDP in the late 1980s and early 1990s, which resulted from the abolition of trade barriers. This illustrates how trade liberalization usually does to the global states' economies owing to its free interaction characteristic besides thriving trade across their boundaries. Jagdish Bhagwati believes the remedy to the current global economic crises only rests in adopting trade liberalization or free trade rather than the present protectionism (Bhagwati 38).

Jagdish Bhagwati refutes "Section 24 allowance" or "allowance for Preferential Free Trade Agreements (FTA)" which the current US regime is applying besides other global states (Bhagwati 20). Since it yields to numerous economical predicaments presently faced by the global states' besides posing the issue of economic unpredictability. This is evident in the incumbent US regime where president Obama prefers protectionism approach and seems to forget its grievous impacts on economy notably in the 1930s (Bhagwati 78). Jagdish Bhagwati does not approve the utilization of Preferential Free Trade Agreements (FTA) as a remedy to the present challenges. This is because he refers to the approach as an effective and malicious approach meant to undermine free trade or its liberalization. Therefore, Preferential Free Trade Agreements (FTA) normally erects barriers that prevent the flourishing of the economy not only for the US but also for other global states (Bhagwati 134).