

Trade liberalisation has worsened unemployment problem

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Massive trade liberalisation during the 1980s and 90s has benefited the country's consumers but it has been responsible for the closure of many nascent industries.

Rapid trade liberalisation has aggravated unemployment problem in countries like Bangladesh as the local markets have been flooded with goods imported at cheaper rates from foreign countries.

Commerce Secretary Feroz Ahmed said this Thursday during a national dialogue on 'Trade, Development and Poverty Linkage', which was organised by Unnayan Shamannay-Bangladesh and CUTS-India, two NGOs, on the Dhaka University (DU) campus.

Presided over by Atiur Rahman, professor of Development Studies in DU, the dialogue was also addressed by Professor Selim Raihan and Professor Abdur Razzaque of Economics department of DU and Professor Abu Eusuf of Development Studies.

Stressing the need for fixation of minimum wages for garment workers the secretary said, "Whether the proposed raise in wages will increase the productivity of labourers or not has been a matter of controversy but for the sake of humanity we must increase wages."

Lambasting a section of businessmen responsible for spiralling price hikes he said a few businessmen are controlling the country's import business and for this reason a special form of monopoly is prevailing in the import business.

He said, "Farmers are not enjoying fair prices of their produce as a vested group is eating up the benefits anyway."

Selim Raihan suggested product diversification and wide cooperation among the trading partners saying that three types of liberalisation --domestic, multilateral and regional -- should be fully active if any country wanted to reap economic benefit.

Enamul Huq of East West University said, " Liberalisation does not reflect the opening of all the markets; it also demands a watchful government and time-bound regulatory framework."

Under trade liberalisation tariff has fallen significantly but prices of different items have not come down as syndicate is controlling the prices in the market, said Professor Abdur Razzaque.

Abu Eusuf underscored the need for strong and concerted efforts by the government and the private bodies to achieve desired economic growth and its fruit through trade liberalisation.