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AN EVALUATION OF TRADE LIBERALISM AND AFRICA DEVELOPMENT

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Abstract
Most African countries are still battling with social and infrastructural underdeveloped. The paper tries to work and anaylse African societies on the premise that African economy can be enhanced towards attaining development. The challenges of trade liberation which is centered on African economy; because of trade when there are taxes or tariffs on import, it would make the economy not to be well structured. The challenges of trade liberalization are positive impacts on African economy development. In other to have good trade policies in Africa, WTO had to be formed to organize trade agreement and other trading policies to organized African countries trading system. In trade liberalization, it involves restriction on barriers on the free exchange of goods between African Nations. The paper looks at how trade liberalization has also impacted on African economic development both the negative and positive sides.

Introduction
Trade liberalization is the regime or trade regime in which all barriers to the free movement of goods and services are eliminated between countries. It is an aspect of globalization designed to liberalize free trade between the northern and southern hemisphere in the 21st century.
Thus, the argument that developing country regardless of their level of development and industrial base should embark on the liberalization of their trade regime in order to expand products and exports, especially exports of manufactured goods and as a result promote their economic development.
It is against this backdrop that the World Bank and IMF have forces African countries to embrace trade liberalization with the aim of expanding GDP and exports structures into manufactures.
Alongside trade liberalization, all countries have signed some type of trade agreement with neighbors and or trade partners, they are all signatories to at least one free trade agreement (FTA) through which they grant and receive preferential market access.

Trade liberalization provides incentives, tradeable, bilateral and reginal trade agreement which makes trade more attractive with partners. However, the benefits and cost of trade liberalization of African countries constitute an increasingly controversial issue, the view that trade liberalization is necessary and has automatic and generally positive effect on development is being challenge empirically and analytically.
The World Trade Organization (WTO) is an international Governmental Organization that promotes, motivates and adjudicates international trade.The goal of WTO is to improve the welfare of its member states specifically lower trade barriers and proving a platform for negotiation of trade.
When the WTO was established in 1995 after the Uruguay Round table was concluded, developing countries was expected to benefit significantly from increase access to the market of developed countries for products (especially in textiles and agricultural sectors) in which they had a comparative advantage, however, several years later officials from many developing countries are complaining that their countries have not been benefitted and the expected benefits to them have not materialized due to the non-implementation of the commitment of the developed countries.
Some of these problems includes

1. The high tariff which remained against the developing countries on their industrial products to be exported.
2. The Uruguay Round agreement on textiles and clothing was aimed at phasing out special treatment of the textile and clothing sector by allowing quotas to be placed on their export in these sectors.
3. Developing countries are also concerned that the supposed tariff reduction which improve markets access is being substituted with dumping measures.
   The WTO ministerial meeting in Seattle in December 1999 presented an opportunity especially for developing countries to review the frame work, rules and regulation and effect of multilateral trading system on the interest of the developing countries, but the WTO failed to recognize the problems outlined by African states rather the WTO were strongly promoting several issues such as investment, competition policy, transparency in government procurement.

Also, the work will serve as an expended tool of knowledge to researching spirited individuals and corporate organization. It will also provide veritable source of knowledge to Africa policy makers and also reference materials in future.

DEMENSIONS OF GLOBALIZATION

1. Political Dimension: It involves the tendency towards ambitious supernational forms of social and economic law-making and regulations where individuals' nations cooperate to pursue regulations whose jurisdiction transcend national borders.
2. Technology Dimension: Technology allow for the existence of deterritorialization which can be manifested through the proliferation of highspeed transformation, communication and information technology which constitute the most immediate source for blurring geographical and territorial boundaries.
3. Socio/Cultural Dimension: Socio/Cultural dimension of globalization manifest in transfer of culture and other social behaviour from one country to another.
4. Economic Dimension: It is the emergence of around the world, around the clock "financial markets where major cross border financial transaction is made in cyberspace at the brink of an eye. It represents better access to external financing for corporate national and sub-national borrowers as well as the emergence and existence regulated foreign exchange and speculative market leading to inflated wealth of investors and artificial inflation of commodities, goods and in some labour. Economic dimension also includes the total removal of a forms of trade barriers there by creating an environment for free flow of trade and cross border transaction. Economic dimension also refers primarily to the success of the increase of international trade and free markets economy, what is starting new however that these recent economic activities have effectively created a world market where workers, consumers and companies have the potentials to enter into economic relationship with other workers, consumers and companies in the world are associated with massive amount of financial capital, traded daily on different stock markets across the globe, as well as with global trade development.

Some of the key aspects of economic globalization are:

1. Financial Liberalization
2. Investment Liberalization
3. Trade Liberalization

FINANCIAL LIBERALIZATION.

Todd Workman (2001) says that financial liberalization is when restriction on financial markets and financial innovation such as sub prime mortgage loans are introduced to the in the long run because they lead to more efficient financial markets promoting lending and growth.

Marxist Economist opines that financial liberalization ranges a whole set of measures such as the autonomy of the central banks of finance to move in and out of the economy, which implies the full convertibility of the currency, the abandonment of all priority sectors and an end to government imposed differential interest rate, the complete freedom of banks to pursue profits unhindered by government directives, the removal of the ownerships of banks and the end to voting caps. He also posits that financial liberalization refers to deregulation of economic financial markets and liberalization of the capital accounts.

INVESTMENT LIBERALIZATION

Investment Liberalization is the cross-price elasticity of exports with respects to bilateral relationship between countries. Investment Liberalization is when financial structure of a country or region is open to market force from the control of government or other control.

TRADE LIBERALIZATION

The policy of trade liberalization was advocated long way by Adam Smith (1776). He considered the policy to be the best for economic development. He opined that it is always save to leave the economy to be propelled by an invisible hand, i.e., the force of competition, motivated by individual elf interest.

He builds his case for trade liberalization on the role which division of labour plays in economic progress. Expansion of international trade is an important method of widening the market and of promoting the division of labour. Restriction on international trade limits the size of market, trade restrictions diminish the coast for international specialization and thereby lower domestic productivity.

This view has severally been supported by other classists like David Ricardo and J.S. Mill who emphasize the role of market 'mechanism' and 'competition' in functioning and growth of the economy.

According to the classical theory of international trade "free trade is the best policy" and it leads to the optimization of world's resources through international division of labour. Trade liberalization has been seen as a classical area for mutual economics gains among countries for developing countries; a more open trading system means greater opportunities to earn foreign exchange through exports, since the availability of foreign exchange is vital for the purchase of the imported capital goods and raw material necessary for rapid growth.

Cline (1999:27) enumerates the classical benefits of a move towards trade liberalization as including saving to consumers through lower prices i.e., an increased consumer surplus and the liberalization of domestic resources that were formally used inefficiently for use in more productive activities. In addition, the static welfare benefits accrued from increased domestics efficiency and technical provided by the new competition from abroad.

Following the same line of reasoning Harberler identifies four key point in discussing the beneficial effect on trade liberalization, firs it provides material means (capital, goods, machinery, raw and semi finished material) indispensable economic development, secondly and even more importantly trade liberalization provides the means and is a vehicle for the dissemination of technological knowledge, the transmission of ideas for the importation of know how skills, managerial talents and entrepreneurship.

Joshua, S. Goldstein (2001:56) saystrade liberalization is a successful trade strategy to achieve mutual gains from cooperation with other states. Investors Guide (2001) says trade liberalization is the removal or reduction of restrictions or barriers on the free exchange of goods and services. He also opines that trade liberalization is the policy by which a government does not disseminate against imports or interferes with exports by applying tariffs (to imports) or subsides to export or quotes.

AFRICA ECONOMIC DEVELOPMENT

On the 4th of November 2007, the BBC News outlined that the economic outlook of Africa is improving after a decade of growth of 5.4% for the continent that matches global rate.

Richmond Knight (2007) opines that Africa is the poorest and most economically underdevelopment continent, but Africa has natural resources especially oil which could be used for economic development to fight poverty and meet peoples need for housing, education and healthcare.

Chief Economist, Steve Radelett (2010) quotes that economics in many African countries have shown tremendous growth between 1994 and 2009, per capital growth rates averages, more than 3% per year and average income have increased 50% in a period marked by global financial turmoil.

World Bank Chief Economist, Johnpage (2007) quotes "he is broadly optimistic that there is a fundamental change going on in Africa". He opines for the first time in about almost 30years we have seen a large number of African countries have begun to show economic growth at the rates that are similar to the rest of the developing world and advanced economies. He also stated that Africa has learnt to trade more effectively with the rest of the world to rely more on the private sector and to avoid the very serious collapse in the economic growth that characterized in the 1970's, 1980's and even the early 1990's.

PRINCIPLES OF THE TRADING SYSTEM

The WTO established a framework for trade policies. It does not define on specify an outcome that is concerned with setting the rules of the trade policy games. Five principles are of particular importance in understanding the PREGATT 1994, GATT and WTO.

1. Non- discriminatory: it has two major components, the most favoured nation rule and the national treatment policy. Both are embedded in the main WTO rule on goods, services and the intellectual property but their precise scope and nature differ across these areas. The MFN rules require a WTO member must apply the same condition on all trade, with other WTO member i.e., WTO members has to grant the most favourable conditions, under which it allows trade in a certain product type to all other WTO members
2. Reciprocity: it reflects both a desire to limit their scope of free riding that may rise because of the MFN rule and a desire to obtain better access to foreign market.
3. Binding and Enforceable Commitment. The tariff commitment made by WTO members in multilateral trade negotiation and on accession are enumerated in a schedule lest of concession. These schedules ceiling binding can change its binding, but not only after negotiation with its trading partners and compensation for trade loss, if satisfaction is not obtained.
4. Transparency: WTO members are required to published their trade regulations to maintain institutions allowing for the review of administrative decision affecting trade, respond to request for information by other members and other to notify changes in trade policies for the WTO.
5. Safety Values: in specific circumstances government are able to restrict trade not only to protect the environment but also public health, animal health, plan health.

WTO and AFRICA

The world bank classifies economies into categories, according to their capital GNP, high income industries mainly from the west, have been referred to as the developing countries as least developing countries. GATT was initially seen as a club for its members were poor, which include many countries parties by GATT, membership of the WTO has grown to 153 by 2008 and an over whelming majority of its members are developing countries (LDC), which are mostly African countries.

African countries have an ambivalent relationship with the WTO, of which they are a part of they understand the benefit of trade and the need for international agreement that guide and enforce trade rules. The WTO agreement are negotiation often process multilaterally by packages , that means WTO members negotiate on several trade related issues simultaneously in a certain period of time. The agreements which constitute the WTO rules are reached by consensus among all members, such shall be highlighted below.

AGREEMENT ON AGRICULTURE

This all-important subject is covered by four main portions of the agreement, the agreement itself, the concession and commitment members are to undertake on market access, domestic support and export subsidies, the agreement on sanitary and Phyto sanitary measures and the ministerial decisions concerning the least development and net food importing countries.

In conformity with the underlying philosophy of WTO, this agreement affirms a decision move towards the objectives of increased market orientation, based on long term reform of agricultural trade and domestic policies. Some of the essential components of these arrangement are to be found in provision that encourage the use of les trade distorting domestic support policies to maintain the rural economy that allow action to be taken to ease any adjustment burden and also the introduction of tightly prescribe precious that allows flexibility in the implementation of the commitment.

There is commitment in the area of market access to domestic support and export competition period of negotiation from a world trade round. A new world trade round is often launchedwhen the WTO member realize limits of existing rules in protecting their right and facilitating trade. These limits may become apparent when new problem stems from the existing trade develops into the area the current set of WTO rules was the outcome of the Uruguay round negotiation as stated earlier Africa understands the benefits if these trading rules and are keenly aware of the financial and technical assistance and preferential treatment they receive as result of the WTO initiative. The Uruguay round greatly expanded the power of the GATT system and the agreement under the GATT successor organization.

The WTO have established discipline in new areas, that go beyond the remit of the old GATT. Thus, the various agreement decision and commitment (WTO rules) discussed shall be limited to the agreement involving and of importance to Africa, such as agreement in agriculture and Non-agricultural goods, industry, service, trade related aspect of industrial property and environmental protection.
Thus, the Agreement (WTO Rules) and the consequent and overall effect domestic suppose measures that have at most minimal impact on trade policies are excluded from reduction commitment, such policies include general government services for example in the area of research, disease control, infrastructures and food security. It also includes direct payment to producer.
exchange balancing.

There are rules that apply to the domestic regulation of a country. It applies to foreign investors often, as industrial policy, they are rules that restrict international firms to operate more easily with foreign market. In the late 1980's there was a significant increase in foreign direct to investment design to protect and foster domestic industries and to present the outflow of foreign exchange reserve e.g. of those restriction include local content requirement (which require the export of specified percentage of production volume) local equity restriction, foreign exchange restrictions, licensing requirement and employable restrictions; these measures can also be used in connection with fiscal incentives as opposed to requirement.
Some of these investment measures distort trade in violation of GATT and therefore prohibited until the completion of the Uruguay round of negotiation was being launched, the United State proposed that there was a need to bring under discipline, investment measures that distort trade. It also suggested that the negotiation should cover policy issues affecting the flow of foreign direct investment.
In particular, it suggested that it would be necessary to consider the feasibility of applying the FDI, the GATT principles of national treatment (which would give foreign companies the same right to as domestic companies to invest in and to establish local operation) and MFN treatment (which would prevent countries from discriminating among sources of investment.)

THE EFFECT OF TRIMS ON DEVELOPING COUNTRIES (AFRICA)
In trims agreement, investment measures such as the [local content requirement and foreign exchange balancing, limiting the import of input by firms to as a certain percentage of their export] will be prohibited for most African countries. January 2000, such measures had been introduced to protect a country's balance of payment, promote local firms and enable more linkages to the local economy, the prohibition of these and investment measures will make the attainment of developmental goal much difficult and cause African countries to lose some important policy option to pursue their industrialization.
The developed countries have turned the position of African state against restrictive and abusive businesses practice upside down. It is now the developed countries which are insisting that African countries should not protect their national interest via trims. Trims have the effect of removing from the ambit of investment measures, policy option which can be use to promote integrated national development e.g., compiling the use of local input (including labour), restricting import to promote local production or to protect a country's balance of payment.

TRADE RELATED INTELLECTUAL PROPERTY AGREEMENT.
The trips agreement is an annex of the Marrakesh agreement establishing the world trade organization. Trips is an international agreement administered by WTO that sets down minimum standards by intellectual

property. It was negotiated at the end of the Uruguay round of the GATT in 1944. The trips agreement introduced intellectual property law into the international trading system for the first time and it remain the most comprehensive international agreement on intellectual property till date.

In 2004 African countries concerned where insisting that an overly narrow initiated around talks that resulted in the DOHA declaration. Specifically, trips contains requirement that nation law must meet for the copyright, including the right of performers, producers of sound recording and broadcasting organization integrated layout circles, design, patent and monopolies for the developer of the new plant varieties, trademark, trade dress and undisclosed or confidential information. Trips also specifies enforcement procedures, remedies to dispute resolution procedure.

Protect and enforcement of all intellectual property right shall meet the objection to contribute to the promotion of technological innovation and to transfer dissemination of technology to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare and to a balance of right and obligations.

IMPLEMENTATION OF TRIPS AGREEMENT ON AFRICAN STATES.

The obligation under trips apply to all member states, however Africa were allowed extra time to implement the applicable changes to their national law into their transition according to their level of development. The transition period for least developing countries to implement trips was extended to 2013 and until 1st January 2016, for pharmaceutical patents with possibility of further extension.

EFFECT OF TRIP AGREEMENT ON AFRICA'S ECONOMIC DEVELOPMENT INTEREST.

The trips agreement is the most controversial component of WTO, the African continent had a collective loss in the Uruguay round. Which was most accurately felt in the trip agreement through which countries are obliged to introduce intellectual property right legislation, which standard of protection that are similar to those in northern countries, these will have an adverse effect on trade and may impede the transfer and dissemination of technology. It will reduce access to technology, which Africa can borrow from the north. It should be noted that the present industrial countries did not have patent IPRS laws or as strict as those that will now be imposed through the trips agreement during their industrializing period and these enable them to incorporate technology organization from abroad in their local system.

The agreement will also give to increase technical payment such as royalty and license fees to transactional companies in the northern countries that own most of the world patent, thereby inflating prices of many products by restricting competition. The intellectual property right will enable some country to raise the price of their product beyond the cost and thus earn rent interm of monopoly, revenue and profit e.g., Microsoft companies owned by Bill gate which gives him the patent right policy and receive rent in terms of monopoly, revenue and profit.

The TRIPS agreement has inflated price of commodities expatriated to Africa e.g., the price of medicine especially HIV/AIDS patent are inflated and these possess a problem to HIV/AIDS patent in Africa because of lack of access to patented drug due to their high prices. A recent report also shows that there is scarcity of baby milk in South Africa due to increase in price of baby milk because of restricted policies such as patent rights,

The Trips agreement also open the door to the patenting of life form, such as micro-organism and modified genetic materials. Many environmental lists are concerned that this will be detrimental to the African environment, many non-governmental organization and farmers group in Africa states are concerned that the practice of bio piracy (patenting in the north of biological material and resources, originally in the south) will intensify, unless appropriate generic system are established in African states that protect the traditional knowledge and generic resources of farmers. These farmers may be further disadvantaged by plant variety protection regulation.

African countries fight to oppose the use of trips right to patent life forms, a trend that threaten African countries over control over genetic stock for vital agricultural products.

Other Agreement under Negotiation that will Affect Economic Development.

Given the awesome task facing many Africa countries, with respect to appreciate the full implication of WTO agreement let alone its implementation, more time and energy of member should be focused on further clarification interpretation and enhancing the capacity of Africa rather the developed countries have put pressure on African countries to negotiate new issues which are not of immediate importance to them such as government procurement, competition policies, labour, social and environmental standards investment rules etc.

1. Government: Is a push for multilateral agreement on transparency on government procurement. These negotiations are taking place in Doha ministerial conference. These negotiations will be limited to transparency aspect therefore will not restrict the scope for countries to give preference to domestic supplies and suppliers.

2. Trade and Competition: the objective of trade and competition policy is clarification of care principle, industry transparency, non-discrimination and procedural fairness and provisions of hard-core cartels, modalities for voluntary cooperation and support for progressive enforcement of competition institutions in developing countries through capacity building.

3. Trade and Environment: This negotiation deals with relationship between existing WTO rules and specific trade obligation set at in multilateral environmental agreement negotiation shall deal with material reduction or appropriate of tariffs and non-tariffs barriers on environmental goods and services investment rules. The dimension that is important under this heading in the attempt by some developed countries since 1993 to promote the adoption of a multilateral investment the motive force behind the movement is to further constrict the sovereign space of liberalization and deregulation principles of unto as well as the IMF and World bank.

Generally, states adopt a mix of policy option that will regulate issues of entry and establishment of foreign inventions and foreign investments equity ownership, standards of treatment whether national or most favoured nation 9MFN0 transfer of funds and repatriation of profits, nationalization and indigenization.

4. Labour Standards: The process serves to deepen the market orientation and widen the market more for goods of industrialized countries. Even when the whole idea isin short terms to transfer production from the more developed to developing countries, which may lead to temporary loss of jobs in the consolidation of market orientation; the widening of the market and ultimately the creation of jobs in developed countries.

Over all Effect of WTO regulatory policies rule and agreement on Africa's development interest.

Statistics showed that current trade liberalization rules and policies called from WTO have led to increased poverty and inequality and have erode democratic principles with a huge negative effect on the poorest countries and the bad effect of WTO rules exist in aspect of job losses, farming and agriculture recession etc.

1.Job losses: There are too bad effect of WTO when it comes to job employment given rise to insecurity and job losses in Africa, through the expansion of trade and growth income in developing countries via trading rules, it leads to diminishing of employment in African countries. The globalization of the employment market and mobility of companies and capital has also increased for instance, weak labour can allow competition and destroys infant industries, resulting to job losses. It also forces a reduction in environmental and social standards around the world merger acquisition and corporate restructuring are also increasing employment insecurity in Africa. Ironically, WTO champions of free trade creates a condition among Africa for job losses, when multinational corporation are dissatisfied with a certain country, they can easily shift to another African country where conditions are favourable to them.

2. Recessing Agriculture. There is truth behind the claim that WTO policy called Agreement on Agriculture has led to the loss of farmers in Africa. There are farmers who are not able to compete against the global agribusiness corporation, this is particularly where agricultural subsidies to farmers in the Europe and Japan have even to almost one million us dollar a day more than six times the amount these countries provides in development assistance, together with other measures such as tariffs and quotas, these subsides makes it difficult for Africa to compete with rich countries to drive small farmers in Africa out of business even in their home countries.

Benefits of Trade Liberalization to African countries.

There has been a significant increase intrade liberalization to African countries through improved resource allocation within and across industries static gains and trough technical change, learning and growth leading to improve productivity growth.

Trade liberalization is one of the determinants of economic growth in African; growth requires increased productivity
These are some of its benefits to African economic development:

1. More specialization
2. More use of comparative advantage
3. Better access to technology and knowledge
4. Better and cheaper intermediate goods and capital goods
5. Benefits of scales
6. Increased competition

Negative Impacts of Trade Liberalization on African Economic Development.
Trade rules and as a result African countries average income is lower today than 20 years ago'
Trade and Goods: African states faces higher tariffs on processed goods than on commodities. This is one of the reasons that the poorest African countries are heavily depended on a few commodities e.g., Burundi where 98% of the exports are coffee tea and cotton; a trade dominated by basic commodities means that these countries do not develop these infrastructural technologies, including education and training. Therefore, the African populace remain essentially in the services of the more complex industries in the first world which favours first world development but not African.
Unfair Trade Barriers: Trade liberalization in African countries has caused a wide disparity between the first world and Africa. The first world has raised trade barriers protecting their companies even insisting that Africa should lower their trade barriers more and more, and this incur problems to Africa. When these tariffs are reduced or eliminated these countries will have to impose large increase in their taxes in order to keep their budget in line.

From the above indications it can be clearly seen that there is no clear link between trade liberalization and economic growth in Africa. These means in recent years new trade agreement have often been promoted on the basis of their potential benefit to Africa. African potential leaders, international financial institution and even advocacy group have argued that rich countries such as the United States has an obligation to expand trade in order to help Africa to grew and develop.
These claims are often exaggerated, as can be seen from an examination of the economic literature on trade liberalization in African countries and with the changes required by such agreement as the types agreement when the benefits and cost of continued liberalization along the lines set out in these argument are facing a net again and current studies as shows that the current trade liberalization (rules and policies) eroded democratic principles, with a disproportionately large effect on African countries among many other negative effect are highlighted below

1. Poverty: The removal of all rich countries barriers to the merchandise exports of Africa countries, including agriculture, textile and other manufactured goods would result in very little additional income for the exporting countries.

The United Nation estimates that African countries loses about 2billion Us dollars per day because of trade liberalization. Some of the widely used economic model shows that many African countries will actually lose from trade liberalization in all important sectors such as agriculture and textile it only results to endemic poverty as one UNICEF study commented a new face of apartheid is spreading across the glob as millions of people live in wretched conditions side by side with those enjoy unprecedented prosperity.

2. Inequality: The richest fifth have 80% of the world's income and the poorest fifth have 1%, this gap has doubled between 1960 and 2000 (UN Human Development Report, 1999). It can be seen in the first world the gap between upper executives and workers salaries are never being bigger than, it is in fact many tines bigger than it was twenty years ago.

Trade liberalization is negatively correlated with income growth among higher income group, in other worlds it helps the first world richer and Africa poorer.
The United Nations estimates that African countries lose about two million Us dollar per day just because of unfair that the projected benefits are merely hypothetical, the hypothesis is entirely misleading and is in fact false that trade liberalization adversely affects African's economy positively.
The periods 1960 to 1980 saw greater improvements and growths in Africa than the periods from 1980 to 2000, yet 1960 to 1980 was the height of the Keynesian economics because of its trade agreement by WTO therefore trade liberalization is not the key to rapid growth and development in Africa.
Therefore, instance some challenges of trade liberalization
Although free trade has benefits, there are a number of arguments put forward by protestors who oppose free trade liberalization. These include with the removal of trade barriers, structural unemployment may occur in the short term. This can impact upon large numbers of workers, the families and local economics often it can be difficult for these workers to find employment in growth industries and government assistance is necessary.
Increased domestic economic instability from international trade cycles as economics become dependent on global markets

This means that businesses, employees and consumers are more vulnerable to downturns in the economic of our trading partners e.g., Recession in the USA leads to decreased demand for Australian exports leading to falling export incomes, lower GDP, lower incomes, lower domestic demand and rising unemployment.
International markets are not a level playing field as countries with surplus products may dump them on world market are below cost. Some efficient industries may find it difficult to complete for long period under such conditions. Further, countries whose economics are largely agricultural face unfavourable terms of trade whereby their export income is much smaller for high value-added imports leading to large cads and subsequently large foreign debt levels.
Developing or new industries may find it difficult to become established in a competitive environment with no short term protection policies by government, according to the infant industries agreement or infant economies.

Free trade can lead to pollution and other environmental problems as companies fail to include this cost in the price of goods in trying to complete with companies operating under weaker environmental legislation in some countries.

Pressure to increase protection during the G8C,:
During the global financial crisis and recession of 2008 – 2009, the impact of falling employment meant that protection pressure started to rise in many countries. In new South Wales, for example, the state government was criticized for purchasing imported uniforms for policies and fire fighter at cheaper prices rather than purchasing Australian made uniform from Australian companies. Similar pressure was faced by government in the United State, Britain and other European countries.
The challenges of trade liberalization can still be explained through trade and security.
Firstly, is to argue that it is unimportant that country to be able to grow all that a country needs,all that is to be able to grow the food its needs ie to export goods, to and to earn enough money to pay for food imports that has ben defined as self reliance. Others argue that countries should be self sufficient so that they meet the food needs fully for domestic production. This may imply supporting if not protecting farmers, not all countries can be expected to be self sufficient in food. Some countries may even be able to be self reliant, if they have very limited export opportunities and high food needs relative to local production. Thus, government should not begin by choosing a strategy of self sufficiency or self reliance.
Although it is a benefit to net food importers, it represents a clear disadvantage to developing countries that are aiming for self sufficiency they cannot afford and many cases are discouraged by the world bank and if they permit impot tariff free this amount to unfair competition among domestic producers. In cases where subsidized imports compete with local production, it could be appropriate to levy a tariff equivalent to the

subsidy. In fact, the distortion in world price is, many cases, substantially due to massive transfer to agriculture and very high impot tariffs in many developed countries. The combination of which has a much distortional effect on world prices than export subsides.

Conclusion

WTO rules and obligation are imbalanced and inequality, it generates serious problem to trade liberalization in Africa. Some of these problems are poverty, inequality and marginalization in world trade, etc.

Though there are some positive impacts of trade liberalization on Africa such as foreign investment, better access to technology, etc. but the negative impact of trade liberalization is immense.

Recommendations

In other to widen policy option for trade liberalization in Africa, African countries should organize themselves to strive for a more global system to increase Africa.

Secondly, those areas where African countries face problems in implementing their obligation poise by WTO, a systematic exercise should be reviewed and amend the existing rules.

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