International Journal of Law
www.lawjournals.org
E-ISSN: 2455-2194
Received: 18-09-2026, Accepted: 18-10-2026, Published: 02-11-2026
Volume 12, Issue 4, 2026, Page No. 119-125

Appraising the positive and negative impact of trade liberation and globalization

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DOI: https://doi.org/10.66856/ijl.2026.12.4.12114

Abstract
There has been a rapid growth of the world economy in recent times. This growth can be traced partly to the current rise in international trade and can also be traced to both technological development and several efforts put in place to reduce trade barriers. To reach this pinnacle of growth, several countries have opened their boundaries for economic development offered through trade while others have been pessimistic about the benefits. Absorption into the world economy has promoted economic growth and development. This paper sought to examine the impact of international institutions like World Trade Organisation, International Monetary Fund and World Bank in promoting trade liberalization and globalization. This paper critically appraised the positive and negative impacts of Globalization and Trade liberalization on the economy of a country. Doctrinal research method was used in this paper with reference made to both primary sources (books) and secondary sources (both hard copy and online journals). This paper observed that the institutions mentioned have helped countries improve their access to world market and enhanced their participation in the global trading system. This paper recommended the need to promote our local content to enable us reap from the amazing impact and not be swept away by trade liberalization and globalization.

Keywords: Trade liberalization, globalization, development, institutions

Introduction

There has been a rapid growth of the world economy in recent times. This growth can be traced partly to the current rise in international trade. And can also be traced to both technological development and several efforts put in place to reduce trade barriers. To reach this pinnacle of growth, several countries have opened their boundaries for economic development offered through trade while others have been pessimistic about the benefits accruable. Absorption into the world economy has proven a powerful way for countries to promote economic growth, development, and poverty reduction. Over the past 20 years, the growth of world trade has averaged 6 percent per year, double as fast as world output (IMF, 2001). But trade has been an engine of growth for much longer. Since 1947, when the General Agreement on Tariffs and Trade (GATT) was established, the world trading system has benefited from eight rounds of multilateral trade liberalization, as well as from unilateral and regional liberalization (IMF, 2001) [4]

Trade liberalization is the elimination or reduction of restrictions or barriers on the free exchange of goods between nations (Banton, 2021) [1]. These barriers include tariffs, such as duties and surcharges, and nontariff barriers, such as licensing rules and quotas. Certain economists often view the easing or eradication of these restrictions as steps to promote free trade. Liberalization can be referred to the loosening of government control. Liberalization from an economic stand point, can be referred to reductions in the restrictions on international trade and capital (Smith, 2013) [21]. Trade liberalization is the opposite of protectionism. In this, the government decides to move back towards free trade. Trade liberalization is non- discriminatory by applying to all liberalizing trading partner. Policy makers dealing with trade liberalization are concerned with notions like market access. By granting market access for each other's exporters, government hope to be seen as reciprocally providing benefits for each other's export sectors with an effectiveness or visibility that may not be possible through unilateral liberalization (trade agreement imposed by a nation without regard to others).

The second half of the 20th century saw an important shift toward both liberalization and deregulation. The liberalization of trade progressed through the signing of a succession of free trade agreements such as the General Agreement on Tariffs and Trade (GATT) in 1947, the Single European Act in 1986, and the North American Free Trade Agreement (NAFTA) in 1992 (Smith, 2013 [21] p.4). By the 1970s free trade had extended to most Organization for Economic Co-operation and Development (OECD) countries, and many developing countries followed suit from the 1980s.

Between 1991 and 1996, there was a shift toward the removal of foreign investment regulations: according to United Nations Conference on Trade and Development (UNCTAD) figures. 599 national foreign direct investment (FDI) regulations across the world were in the direction of further liberalization with financial markets benefitting immensely from free trade. The foreign exchange market was the first financial market to liberalize, in the mid-1970s, followed by the deregulation of domestic stock markets in the 1980s (for the advanced industrial nations) and the 1990s (for the newly industrializing countries). At this point, Liberalization and deregulation can be said to have played a huge role in causing massive rise in international trade, foreign direct investment, foreign exchange and portfolio capital. At this point, Liberalization and deregulation can be said to have contributed to the globalization of the world economy. The outcome of liberalizing and integrating processes is globalization.

Globalization on the other hand, is the means by which ideas, knowledge, goods and services spread around the world. It can also be described as an integration of the

world's economy through trade, financial flows and know how (Siddiqui, 2017) [20]. In other words, Globalization is used to explain the integration process in the world economy.

From an economic context, it is used to describe integrated economies marked by free trade, the free flow of capital among countries and easy access to foreign resources including labor markets, to maximize returns and benefit for the common good (Lutkevich, 2021) [13]. Globalization is an uncertain concept which refers to the increased international mobility of goods, services, money and finance, information, people and ideas (Haen, 2021). Various authors have preferred their viewpoints about what globalization stands for. Mcgrew (1990), states that globalization constitutes a:

Multiplicity of linkages and interconnections that transcend the nation states (and by implication the societies) which make up the modern world system. It defines a process through which events, decisions and activities in one part of the world can come to have a significant consequence for individuals and communities in quite distant parts of the globe.

Cerny (Reich, 1998 [19], p.5), suggests that globalization redefines the relationship between territoriality and authority, shifting authority from the level of the state to supranational and sub- national units, perhaps offering more to grasp onto, in operational terms but precious little or causal terms. Lawrence (1996 [12], p.8) states that globalization shifts authority to specifically the local and regional level.

It is an expansion of economic activities between countries in areas such as trade, foreign investment and capital flows. There are two phases of globalization. The 1 st phase between 1860 and 1913 was characterized by intersectional trade (Lawrence, 1996 [12], n9). This development led to a new international division of labor where colonies specialized in the production of raw material while manufactured goods and high technology was produced by the metropolis. The first wave of globalization was in Europe, it was propelled by steamships, railroads, the telegraph, and other breakthroughs, and also by increasing economic cooperation among countries. The globalization trend eventually waned and crashed in the catastrophe of World War I, followed by postwar *protectionism*, the Great Depression, and World War II. The second phase which began slowly in 1950 and was applicable to few developed economies of West Europe and North America was characterized by the removal of trade barriers (Lawrence, 1996 [12], n9).

The term globalization became very popular in the 1990s at the end of the cold war as states began to cooperate with each other. The process of globalization involves the eradication of barriers to trade, communication, and cultural exchange. With the elimination of the above stated, there is free entry which is believed will promote the inherent wealth of all nations (Jones, 2021) [11]. After World War II in the mid-1940s, the United States led efforts to revive international trade and investment under negotiated ground rules, starting a second wave of globalization, which remains ongoing, though buffeted by periodic downturns and mounting political scrutiny (Jones, 2021 [11], p.17).

After World War II, the United States helped build a global economic order governed by mutually accepted rules and overseen by multilateral institutions. The idea was to create a better world with countries seeking to cooperate with one another to promote prosperity and peace. Free trade and the rule of law were mainstays of the system, helping to prevent most economic disputes from escalating into larger conflicts. *G*lobalization typifies the growing mutually dependent relationship that exists in world's economies, cultures, and populations, brought about by cross-border trade in goods and services, technology, and flows of investment, people, and information.

Globalization just like most major technological advancements, benefits society as a whole and at the same time are harmful to some groups. Understanding the relative costs and benefits can pave the way for alleviating problems while sustaining the wider payoffs. The need for places of settlement, production and exchange of goods and services has brought about innovations in transport and technology. But not until the 19th century did global integration take off (Jones, 2021 [11], p.17). Several institutions have played a huge role in promoting globalization and ensure trade liberalization. The institutions established include:

1. International Monetary Fund
2. World Bank
3. The United Nations
4. North Atlantic Treaty Organization
5. World Trade Organization

For the purpose of this research, reference will be made to institutions like World Trade Organization, International Monetary Fund and World Bank.

Impact of International Institutions on Trade Liberalization and Globalization

Economic globalization arises where countries develop their economy according to rules and regulations formulated by international organizations such as World Bank, International Monetary Fund and World Trade Organization (Jones, 2021 [11], p.17). The 3 key important components of globalization are World Trade Organization, World Bank and International Monetary Fund. Taking these three components into consideration, current globalization is associated with financial aspect of world economy that is the expansion of financial markets, increase in the portion of income generated by the financial sector worldwide. Below, are the various roles the institutions listed above have played in trade liberalization and globalization.

a. WTO Impact on Trade Liberalization and Globalization

World Trade Organization (WTO) is an international organization that dealing with global rules and regulation of trade between nations. Prior to the establishment of WTO, unilateral trade (commerce treaty that a nation imposes without regard to others) was in practice but all changed with the establishment of WTO on January 1, 1995. Prior to WTO, the General Agreement on Tariffs and Trade (GATT) provided general rules and regulation for trade. The international movement towards open market prompted by the World Trade Organization (WTO) has its premise that trade liberalization will benefit all those who are concerned (Mazumder, 2008) [14].

WTO encourage the implementation, administration of multilateral trade Agreements (trade agreement between three or more in which all signatories are on equal footing) and establishes the necessary framework for the

implementation, administration and operation of the Plurilateral Trade Agreements (trade agreement between more than two countries but not a great many). Members joined the system as result of negotiation and they enjoy privileges that other member countries give to them and the security that the trading rules provide (World Trade Organisation, 2021) [1].

WTO shall administer the Trade Policy Review Mechanism (known as "TPRM") provided for in Annex 3 to this agreement. The aim of the Trade Policy Review Mechanism is to guarantee improved adherence by its members to rules, disciplines and commitments made under multilateral trade agreement or plurilateral trade agreement. The purpose of some of these foreign institutions is how to assist developing countries to have a stable economic growth. In a bid to achieve this goal, they seek to reform economic structure of the developing countries by encouraging them to adopt an open market policy.

In carrying out its functions, WTO has several aims or objectives it seeks to carry out. Most of the objectives that promote trade liberalization and globalization are:

1. To establish and enforce rules for international trade. The international trade rules by World Trade Organization are established under 3 agreements which are; rules relating to international trade in goods; the agreement on Trade Related Aspects of Intellectual Property (TRIPS) and General Agreement on Trade in Services (GATS).
2. To provide a forum for negotiating and monitoring further trade liberalization.
3. To cooperate with other major economic institutions involved in global economic management. These economic institutions are the international monetary fund, the United Nations Conference on Trade and Development and the World Bank. With globalization comes the need for these institutions to work together to guarantee the economic integration so desired. These institutions are also formidable in the area of formulation and implementation of a global economic policy.

Post the World War, there has been a rapid growth in world trade. In 2005, the world's real good exports accelerated to 6.5 percent. In value terms, the world merchandise exports increased by 13 percent to 10.1 percent trillion dollars. Germany retained their top position on the list with $971 billion and 7 percent wealth while US placed second with $904 billion and 10 percent growth. Among the Asian countries, China's export earning records $ 762 billion with 28 percent growth exceeding Japan's export record of $ 596 billion with only 5 percent growth.

India earned $90 billion in 2005 with 19 percent growth. According to WTO, world merchandise trade grew 8 percent in 2006. World commercial service exports rose by 11 percent to $2.7 trillion in 2006 since 2000. In 2006, the trade expansion in developing countries was favourable. Share of world merchandise export reached all time record of 36 percent. Country like China since 2000 has more than doubled its share in world merchandise exports and ranks as the third largest exporter and importer in merchandise trade. In spite of export growth, China remained the third largest merchandise exporter in 2006

In the latter half of 2006, the merchandise exports of China exceeded those of United States for the first time. All economies are increasingly open in today's economic environment of globalization. International trade which WTO projects, plays a vital role in shaping economic and promotes prospects of countries around the world especially those of developing countries.

b. International Monetary Fund (IMF)and World Bank (WB) Impact on Trade Liberalization and Globalization

To understand the role institutions like World Bank and International Monetary Fund has played in trade liberalization and globalization, it is of utmost importance to trace the origin of these institutions. The stock market crash in 1929 which led to an economic crisis made stakeholders like United State to come up with a blueprint that will prevent rise of economic instability suffered during the depressions (Wigwe, 2011 [22], p.78). This is to say that the journey to establish the Bretton Woods institutions (World Bank and International Monetary Fund) was one that began long before 1944. The involvement of USSR towards the end of the negotiation gave rise to a change of name from Inter- Allied Bank to World Bank and Inter Allied Stabilization Fund to International Monetary Fund.

The International Monetary Fund and the World Bank were both established at an international conference convened in Bretton Woods, New Hampshire United States in July 1944 (International Monetary Fund, 2021) [7]. The aim of the conference was to establish a framework for economic cooperation and development that would lead to a more stable and prosperous global economy. At the initial time of establishment, the functions of the institutions were clearly separate, but the distinctions with time is now blurry and interchangeable. The work of the IMF and WB are constantly evolving in response to emerging economic developments and challenges.

Both of the institutions were created to help restore and sustain the benefits of global integration. World Bank was set up to ensure reconstruction of areas destroyed by war and to provide infrastructural development while IMF was set up to regulate member states foreign exchange and to reconcile problems associated with member states balance of payment accounts.

The IMF also focuses on the functioning of the international monetary system and on promoting sound macroeconomic policies as a precondition for sustained economic growth. One common feature the Bretton Woods Institutions share is the culture of consensus building on the foundation of trust and mutual respect among the more than 180 countries that are members. Irrespective of this foundation, the institutions understand the need for change and internal reform. To strengthen its cooperation among its members, IMF has implemented many reforms in recent years.

According to the International Monetary Fund Article of agreement, (2021 [7], art.1), the functions of the IMF that encourages trade liberalization and globalization are:

1. IMF promotes monetary cooperation and provides policy advise and capacity development support to preserve global macroeconomics and financial stability. In other words, IMF helps countries to build and maintain strong economics
2. The IMF also provides short- and medium-term loans and helps countries design policy programs to solve balance of payment problems when sufficient financing cannot be obtained to meet net international payments obligations.

3. To facilitate the expansion and balanced growth of international trade.
4. To contribute to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy
5. To assist in the establishment of a multilateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions which hamper the growth of world trade.
6. To give confidence to members by making the general resources of the Fund temporarily available to them under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.
7. To shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members.
8. To promote exchange stability, to maintain orderly exchange arrangements among members, and to avoid competitive exchange depreciation.

One outstanding purpose of the IMF is to provide a framework that facilitates the exchange of goods, services, and capital among countries, and that sustains sound economic growth and that a principal objective is the continuing development of the orderly underlying conditions that are necessary for financial and economic stability (IMF, 2021, art.4). The IMF (2002) has executed many reforms in recent years designed to strengthen its cooperative nature and improve its ability to serve its memberships. The steps taken so far are:

1. IMF has continued to be an open and transparent organization. Its information's are now available on its internet website.
2. It has taken steps to strengthen economic governance. It is promoting the use of standards and codes as vehicle for sound economic and financial management and corporate governance.
3. It encourages true national ownership of reforms by streamlining the conditions attached to IMF supported programs
4. IMF in a bid to listen and learn, recognizes and values the role of civil society organizations in articulating the moral foundations for collective action and building grass roots support.
5. IMF consults annually with each member government. Through these contacts known "Article IV Consultations" the IMF attempts to assess each country's economic health and to forestall future financial problems
6. The fund also operates the IMF Institute, a department that provides training in macroeconomic analysis and policy formulation for officials of member countries.

World Bank like its counterpart the IMF have also contributed to trade liberalization and globalization. Some of the notable steps taken by the World Bank (Siddiqui, 2017) [20] are:

1. Promoting long term economic development and poverty reduction by providing technical and financial support to help countries reform certain sectors or implement specific projects such as building schools, health centres, protecting the environment among others.
2. World Bank helps countries improve their access to world market and enhance their participation in the global trading system.
3. To further the process of help for self-help, the IMF and World Bank established in 1999 a new approach to their lending programs that gives a central role to a country-led process for reducing poverty. A key component is the country-owned Poverty Reduction Strategy Paper (PRSP). This approach has now been accepted as a promising way to design poverty reduction strategies that can command broad support, both within a country and among its development partners.
4. The IMF and World Bank are spearheading an effort under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative that has already provided $40 billion of debt relief to 25 poor countries.
5. The IMF and the World Bank have continued to collaborate in assisting low-income countries achieve their developmental goals without creating future debt problems.
6. In April 2020, the G20 endorsed the Debt Service Suspension Initiative (DSSI) in response to a call by the IMF and the World Bank and the idea behind it is for the IMF to grant debt service suspension to the poorest countries to help them manage the severe impact of the COVID-19 pandemic. Since then, the initiative has delivered about $5 billion in relief to more than 40 eligible countries. The suspension period, originally set to end on December 31, 2020, has been extended through June 2021. The IMF and the World Bank are supporting implementation of the DSSI by monitoring spending, enhancing public debt transparency, and ensuring prudent borrowing.
7. To help countries adapt and build resilience to climate change, the IMF and the World Bank introduced on a pilot basis in 2017 joint IMF-World Bank Climate Change Policy Assessments (CCPA) that provided overarching assessments of preparedness, macroeconomic impact, mitigation, adaptation, and financing strategies for small, vulnerable, and capacity-constrained countries.
8. Setting the stage for the 2030 development agenda. In 2015, with the replacement of the Millennium Development Goals (MDGs) with the Sustainable Development Goals (SDGs) under the 2030 Global Development Agenda, the IMF and the Bank engaged in the global effort to support the Development Agenda. Each institution has committed to new initiatives, within their respective remits, to support member countries in reaching their SDGs. They are also working together to better assist the joint membership, including through enhanced support of stronger tax systems in developing countries and support of the G-20 Compact with Africa to promote private investment in Africa.
9. The IMF and the World Bank are also working together to make financial sectors in member countries resilient and well regulated. The Financial Sector Assessment Program (FSAP) was introduced in 1999 to identify the strengths and vulnerabilities of a country's financial system and recommend appropriate policy responses.

10. In 1980's the international debt crisis and mismanagement provided an opportunity for IMF and World Bank to impose Structural Adjustment Programme in developing countries. Opening up of domestic market was one key element of SAP.

Challenges Faced in Impacting Trade Liberalization & Globalization in Nigeria

There are certain challenges faced in establishing and developing the concept of trade liberalization and globalization in Nigeria. Nigeria, being a developing country endowed with great potentials to become a developed and industrialized nation. Utilizing the resources abundantly endowed for Nigeria to move ahead seems to have been besieged by numerous structural problems. The government of Nigeria is implementing a mix of microeconomic and trade policies with a view to revamping the economy and thereby improving the welfare of the people. These policies however seem to be implemented within a framework of weak economic structure. Listed below are some factors that have continued to be a hindrance to Trade liberalization in Nigeria:

1. **Political/ Institution Uncertainty:** Though Nigeria is the giant of Africa, the Boko haram insurgency, violence perpetrated by the fight for self-determination and Banditry has become an aversion for foreign companies. Ghana among many factors plus its hosting of the secretariat of the African Continental Free Trade Area has established the country as a conducive place for business. In 2019, Ghana ranked 13 places higher than Nigeria in the World Bank' ease of doing business index (Princewill and S Busari, 2021) [18]. Quite recently, Twitter announced that it will set up its first Africa base in Ghana. In a statement announcing the decision, Twitter (Princewill and S Busari, 2021) [18], described Ghana, "as a champion for democracy. A supporter of free speech, online freedom and open internet''. If there is a country that should have been engage in this economic venture, it should have been Nigeria with 39.6 million twitter account unlike Ghana with 32 million population. Another huge economic venture enjoyed by Ghana is the establishment of Google Artificial Intelligence Laboratory in Ghana even though it has a regular office in Lagos. Google has 5 of those Labs in the world located in Paris, New York, Tokyo and now Ghana. Foreign expatriates have earmarked Ghana as a bench mark for political stability in Africa with its longstanding culture of smooth transitions of power. Government as an institution has failed in the management of some of the public corporations in the Country.
   Notable among its failures is its handling of the management of NNPC. The failure of President Buhari led administration to reform oil and gas sector has pushed Nigeria National Petroleum Corporation revenue loss to over N546 billion (Jeremiah, 2018) [10]. In 2017, data from its financial statement showed N82 billion in operational losses. The inability of the National Assembly and the presidency to address bypass of due process in the signing of about 825 billion contracts indicates that transparency and accountability are lacking in the sector. Another company that has suffered similar fate is the Ajaokuta Steel Mill located in Kogi State Nigeria. It is the largest steel mill which would have attracted Foreign Direct Investment but was mismanaged and remained incomplete 40 years later. After several attempt at privatization, the Nigerian government took back control in 2016 with no evidence of production till date. It is important for Nigeria to enhance democracy and our role in enabling the Africa Free Trade Agreement.

2. Weakening Rule of Law: The government has turned out to be the worst breakers of the established laws put in place to govern the citizens. The 1999 Constitution stated (1999 [2], s.39), "that every person shall be entitled to freedom of expression including freedom to hold opinions and to receive and impart ideas and information without interference." Unfortunately, the Nigeria government has continued to breach this right. First with the suspension of twitter operations in Nigeria and consideration of two harsh Bills relating to freedom of expression online including one which proposes the death penalty for 'hate speech'. These Bills represent an attempt of the Nigerian Government to censor and punish social media users from expressing their opinions. This total disregard by the government of the rule of law is the reason foreign expatriates are hesitant to do business in Nigeria.
   The Petroleum Industry Bill which has been long awaited at the first reading raised some concerns about the unfair 3 % attributed to the Host communities. The Bill was supposed to be an answer to the already declined oil and gas sector. By only assigning 3 %, the host communities will continue to vent their anger through the bursting of pipelines which will turn away foreign expatriates from doing business in Nigeria.

3. The privatization policy pursued by Obasanjo regime allowed the plundering of national assets for the benefits of an elite few. If the principle of privatization is strictly followed in Nigeria, foreigners will be encouraged to invest or partner up. Unfortunately, the government accords the privatization rights to either their rich friends or where their interest lies and these individuals end up running the companies down. A typical example is the Delta Steel. In the wake of the privatization policy of the Federal, DSC was sold to Global Infrastructure Holding Limited which operated the plant for some years and had issues. By 2014, Premier Steel and Mines Limited came into the picture with questionable credential and ran down the company.

4. Corruption and fraud have been a great turn off for investors from nations that what to engage in a bilateral trade with Nigeria. In the Petroleum industry to accorded Oil Extraction License, Oil Mining License and Oil Prospecting License, some investor or foreign expatriate will have to oil the palm of some of the Government officials in charge of granting this license. Ordinarily, the granting of this licenses is based on Bidding but the corruption will not allow it to be granted as such.

5. There is a consistent and predictable pattern to Nigeria trade and industrial policy which has resulted to

protectionist measures inclusive of import restrictions and exchange control to deal with the problem of import and oil dependency. Unfortunately, this measure has distorted trade pattern and end up stimulating smuggling. The situation at our Custom, preshipment inspection, ports have constituted a barrier to trade liberalization.

Positive Impacts of Trade Liberalization and Globalization

1. Through trade liberalization and globalization, countries are granted access to world markets and it also enhances their participation in the global trading system.
2. It is an engine of growth that creates better jobs, reduces poverty and increases economic opportunity.
3. Research shows that trade liberalization increases economic growth by an average of 1.0 to 1.5 percentage points which results in 10 to 20 percent higher income after a decade (World Bank, 2020) [23].
4. Trade has increased income by 24 percent globally since 1990 and 50 percent for the poorest 40 percent of the population (World Bank, 2020 [23], n.47). Since 1990, over 1 billion people have moved out of poverty because of economic growth as a result of better trade practices.
5. It has laid foundation for higher female labor participation with higher wages.
6. It has led to more economic openness with increase in the flow of technology, ideas and cultural exchange among countries.
7. China and other Eastern Asian countries high economic growth and diversion have been claimed to be due to integration with global economy and the pursuit of free market policy (World Bank, 2020 [23], n.39). China is one of the greatest benefactors of globalization and now the country is the 2 nd largest economy with GDP ranking. China started with labour and resource intensive industries and gradually moved to higher manufacturing and electronics industry which attracts huge amounts of foreign investment. With these steps, China has established itself as a world factory and one of the most important players in globalization.
8. Pillai's studies on globalization concluded that low-income countries have benefitted from increased opportunities for export and import (Pillai, 2011 [17], pp.60-75)
9. It generates an increase in the flow of capital which in turn leads to an increased gross domestic product (GDP) (Globalization Partners, 2020) [3]. Increase global trade has contributed to a growth of the world GDP from $50 trillion in 2000 to $75 trillion in 2016.
10. It creates a platform for fair competition which leads to accessibility and affordability of goods. By this, consumers are given various options to get the best quality of goods in the market.
11. It leads to a faster spread of technology. If any Apple product is released into the market, it gets into the market in a space of a month all because of globalization and trade liberalization.
12. The advent of Globalization has led to the spread of technological advancements. Developing countries are beginning to acquire the know-how of several technologies which enables them to build theirs to do the same jobs. Outside economic, it is possible to monitor the stock market with your phone, to know which areas have traffic jam in a state, to order a cab with your phone among others.
13. It has created a spirt of oneness, tolerance and acceptability with foreign expatriates. Something which was not possible before the advent of trade liberalization and globalization.

Negative Impact of Trade Liberalization and Globalization

1. Pilger (2003, p.10), who criticised globalization and trade liberalization stated that global economy is a modern "Orwellian term". On the surface is instant financial trading, mobile phones, Mcdonalds but behind this glass is globalization of poverty. He believed that behind is a sophisticated system of plunder that has forced more than 90 countries into Structural Adjustment programme since the eighties and has widened the gap between the rich and the poor as never seen before (Siddiqui, 2017) [20].
2. Jaumotte (2013, 271-309), found out that technology and Globalization gives rise to income inequality. In other words, income inequality increased due to technological changes while the impact of globalization was restricted to limited areas in most of the developing countries.
3. It has given rise to exploitation of developing countries by developed countries. A typical example is China's desire and massive effort to take over the global market without caring about employees who have been displaced of their jobs. Another form of exploitation is the dumping of goods which countries like US and China practice a lot. Unfortunately, this action of theirs, hurts the domestic market.
4. For institutions like IMF and WB, there has been several accusations that their policies undermine the sovereignty of the borrowing member states (Wigwe, 2011 [22], p.2). IMF Policies has created an environment of dollar dependency.
5. A foreign expatriate that wishes to conduct business in Nigeria for instance is faced with a high investment capital to spear head the business in questions. Sometime they are forced into giving bribes to top officials before their business can start off. This is increases corruption in a nation like Nigeria.
6. In a bid to attract foreign direct investment and multinational companies, developing countries like Nigeria end up subjecting their domestic workers to exploitations as the country deregulate their labour policies to make it more attractive.
7. In a bid to promote trade liberalization and globalization, local content is not encouraged. A clear example is Innoson motors which is not being encouraged by our government officials while the country ends up creating jobs for others by patronising their goods.
8. Trade Liberalization has created avenue for non-sustainability of the environment. This is clear in the pollution suffered by most of the oil producing communities as a result of the action of International Oil companies.
9. It makes us loose our identities and capabilities. We end up relying so much on importation when we can actually produce those goods ourselves. We now import matches, tissue papers among other things.

Conclusion

The 3 key important components of globalization are World Trade Organization, World Bank and International Monetary Fund. Taking these three components into consideration, current globalization is associated with financial aspect of world economy that is the expansion of financial markets, increase in the portion of income generated by the financial sector worldwide. As much as globalization and trade liberalization have created more opportunities for developing countries, the facts remain that there are positive and negative impacts. Trade liberalization and globalization have helped developing countries to advance their technology so they can be at the same level with developed countries but at the same time caused a decline in local content as can be seen in the way Chinese contractors bring thousands of their artisans to perform tasks or jobs that locals can easily perform.

Recommendation

1. There is need to promote our local content so as not to be swept away by trade liberalization and globalization. Our local industries need the necessary encouragement to bloom.
2. In our bid to encourage trade liberalization and globalization, it is very important for us to ensure economic sustainability by avoiding the pollution of the environment perpetrated by the multinational corporation. The most effective way is to have a robust legal framework in tune with the best practices over the world.
3. In our bid to subscribe to the membership of these international institutions, it is important to safeguard the sovereignty of our nation and not to compromise on it.
4. It is important to protect the labour standard in place in this country and not to compromise on them for the sake of attracting foreign direct investment.
5. It is important to safeguard the identity and capability of the members of this country. Nigeria is an indigenous nation with several cultural identities, it is important we don't lose that in our bid to globalise.
6. The Structural Adjustment Programme established by the Bretton Woods institutions have been the root cause of Nigeria being so submerged in debts from so much borrowings. It is time we stepped back to reflect on the need for the borrowing and if it is actually being used for a profitable purpose.
7. The history of trade and globalization should also be visited in other not to err in making policies mistakes that can be avoided.

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