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Abstract

**Agricultural Trade Liberalisation and Economic Growth
in Developing Countries: Analysis of Distributional
Consequences**

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The article analyses the impact of agricultural trade liberalisation on economic growth as well as on the welfare of rural livelihoods in developing countries through technological transformation in the agricultural sector. The article, based on existing literature, considers the background and reasons for the policy shift in developing economies away from agricultural protection and toward trade liberalisation. It attempts to shed light on the debate over the distributional consequences resulting from trade liberalisation. It also analyses how agricultural trade policy reforms affect poverty and inequality, since the majority of the population of developing countries is involved with agriculture, and these households are predominantly rural poor and functionally landless. The study found that trade liberalisation in the agricultural sector has had positive impacts on the agricultural sector but has contributed very little to poverty reduction because of the lack of income distribution and inequality measures in the policy sphere. The article might be useful for policy makers and researchers.

Keywords: agriculture, developing countries, growth, inequality, trade liberalisation