

Keith Brathwaite

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## **Podcast Script: The Effects of the Free Trade on Society**

### **Introduction**

Welcome to the Corporate Communication Podcast series on Historical and Social Considerations. My name is Keith Brathwaite and the title of my podcast is “The Effects of The Free Trade on Society.” Today we will discuss the free trade and its effects on the United States and China.

### **Main Body**

The free trade was introduced in Great Britain in the mid-nineteenth century. Its purpose was to free economic life from social and political control and to break up the more socially rooted markets that had existed in Great Britain for centuries. The free trade created a great transformation in Great Britain’s economic life. Free trade is also good for the United States because it allows American workers to specialize in goods and services for export. They produce these goods and services more efficiently than the rest of the world and then exchange them for goods and services that other countries produce at higher quality and lower cost.

In the United States free trade is under attack, despite having been, for over a century, the basis of America’s wealth. Some groups in America blame the free trade for loss of manufacturing and service jobs, while others blame it for exposing US producers to foreign competition. They claim that families are weaker in the United States than any other country and free trade has also weakened institutions which depend on social cohesion. Free trade has generated a long economic boom which has not benefited many Americans, and levels of inequality in America are in many ways similar to those of Latin American countries. Free trade remains the policy of American politics and has become identified with America’s claim to be a model for a universal civilization.

The United States as a whole is better off with free trade; but with new technologies evolving continuously at home and abroad, governments and multi-national corporations are constantly challenged to change the way they do business. In the process of adapting to change, some sectors suffer until they can adapt to the new changes and begin to benefit from them. Some Americans are experiencing some of the suffering because new technologies are challenging old methods. For example, during the Industrial Revolution, workers in the agricultural sector had to adapt to the “new industrial economy,” competing with machines that can do the same work more efficiently.

Eventually, the agricultural workers trained themselves to use machinery and seized the opportunity to be part of the new industrial economy. New technologies bring about change, which, as U.S. economic history shows, benefits society as a whole.

Free Trade is trade between firms that are free from regulation or interference from governments. Generally the term is used when the trade crosses national boundaries. Free trade means that goods, services, and capital can flow across national borders as easily as they flow within a single country. This means that transnational corporations can invest freely where they will and for what purposes they will and that governments give up the right to regulate them. Free trade is the means whereby the most important decisions about human welfare are shifted from the political sector to the market, and that means to the major players within the market. Some thinkers believe that free trade is not fair; America and a few other countries are taking advantage of the free trade.

In her paper Why America Needs Free Trade, Ana Eiras states that innovation is the basis of progress, and competition is the best incentive to innovate. The need to remain competitive forces businesses to strive constantly to innovate. As a result new technologies are born. Technology has disintegrated national borders around the globe and strengthened communication channels. CorpCommPOdcast's vision is to strengthen communication channels within the graduate community at NJIT. In Corporate Communications, Argenti states that corporate communication must be closely linked to a company's overall vision and strategy. In order to attract graduate students from various NJIT faculties, CorpCommPodcast has planned a strategy to provide easy-to-use podcasts that are informative and entertaining. This innovation will play a great role in the life of graduate students.

In Global capitalism Frieden states that the Chinese growth in exports was due to its embrace of the world economy. Chinese exports went from \$20 billion to \$200 billion in twenty years, manufactured goods from under \$19 to over \$170 billion. China has improved its identity and image by now adapting a more liberal form of communism where it returned farmland to private farmers. China also removed the central government from most economic activities, set up special zones for export production, and welcomed foreign corporations. In Corporate Communication, Argenti states that an organization's image and identity might be the only difference that people can use to distinguish one company from the next. China like many other countries also have to address the inequalities brought on by rapid economic development and globalization. According to Chinese sources, the richest 10 percent of households in China now account for more than 40 percent of the country's wealth, whereas the poorest 10 percent of households account for only about 2 percent. The regional income gap is also increasing, with

coastal provinces now enjoying per capita gross domestic product more than ten times that of the poorest interior provinces.

Many multinational corporations doing business in Asia have to take stock of their image. Santoro states that images possess enormous power to shape public opinion and policy. Inaccurate images can lead to misinformed opinions and faulty policies. There can be no doubt that the unattractive images of the multinational corporation in China have a profound effect on American thinking. They color the moral judgments of press pundits, nongovernmental organizations, members of Congress, and the general public. Because of such judgments, many people think that it is immoral for multinational corporations to do business in Asia and China. They argue that the operation of multinational corporations in China needs to be legally controlled.

These negative images also threaten to undermine America's foreign policy of "comprehensive engagement" with China. Combined with the reports of the Chinese government's increased repression of dissidents, these images contribute to the perception that engagement sacrifices human rights principles at the altar of economic expediency. These negative images, communicated across the globe, also fuel the opposition to China's entry into the World Trade Organization (WTO). Terrible images of sweatshop labor are sometimes invoked to discredit the idea of free trade and a global economy. If free trade and foreign investment have such morally repugnant consequences for the human rights of workers, then much more thought should be given to the global economy and free trade.

### **Outro**

Thank You for tuning in. Again, this is Keith Brathwaite. You have just listened to the CorpCommPodcast on Historical and Social Considerations of corporate communication.

**Works Cited**

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