

Press release: International Trade Secretary confident “best days of global trade lie ahead of us”

International Trade Secretary, Dr Liam Fox today hailed the ‘immediate and tangible’ benefits that will arise as the UK works to establish itself as a global champion of free trade.

Addressing academics, policy makers and business representatives at the launch of the Department for International Trade sponsored e-book ‘[Cloth for Wine? The relevance of Ricardo’s Comparative Advantage in the 21st Century](#)’ he asserted his confidence that the best days of global trade lie ahead.

The publication produced by the Centre for Economic Policy Research (CEPR) and sponsored by DIT is a collection of essays marking the 200th anniversary of David Ricardo’s principle of comparative advantage.

Using the simple example of trading English cloth for Portuguese wine, Ricardo explained how all actors, at all times, can mutually benefit from commercial cooperation and voluntary trade. Whilst a radical idea at the time, this insight generated the basis for international trade today.

Outlining his ambition to make the UK the world’s foremost champion of free trade, Dr Fox explained how 200 years on, Ricardo’s transformative insight still holds true for the modern global economy and will remain crucial to securing future UK prosperity and growth.

In his speech, Dr Fox said:

As an international economic department, our ambition is to make the UK the world’s foremost champion of free trade, upholding those principles developed by David Ricardo, Adam Smith and others, to generate wealth and spread prosperity across the globe.

By realising this ambition, the benefits to this country will be immediate and tangible. The best days of global trade lie ahead of us.

Opening a series of panels with participants from the OECD, TUC and leading universities on comparative advantage and trade in the 21st century, Dr Fox highlighted the vital role collaboration will play in developing a successful future trade policy, and the importance of drawing upon expertise and experience from across government, industry and academia.

The DIT and CEPR e-book fields contributions from prominent trade academics across the globe such as former President of Mexico, Ernesto Zedillo, and Penn State distinguished professor of economics Jonathan Eaton, and examines

Ricardo's theory through a contemporary lens, including its relevance for digital trade, the growth of trade in services, and the impact of automation on the labour force.

CEPR Fellow, Chad Bown said:

The current policy climate demands a more reasoned discourse around the topic of globalisation. This volume brings together a tight-knit and yet sophisticated analysis that shows off the fundamental principles of comparative advantage as well as the nuance of its implications for policy today.

Notes to editors

The e-book '[Cloth for Wine? The relevance of Ricardo's Comparative Advantage in the 21st Century](#)' was commissioned by DIT to the CEPR.

Further information