

## **BROOKINGS TRADE FORUM: 2004**

### *Trade, Inequality, and Poverty: What Do We Know?*

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We review the empirical evidence on the relationship between Trade Liberalization, Inequality, and Poverty based on the analysis of micro data from several developing countries that underwent significant trade reforms in recent years. Despite many measurement and identification difficulties, and despite conflicting evidence on some issues, empirical work based on “country case studies” has established certain patterns that seem common across countries and trade liberalization episodes, and may hence be informative as to how developing countries adjust to trade reform.