

Protection is necessary for our economy to operate in the new-world of Globalisation.

Protection is necessary to help provide our economies with an advantage over foreign TNC's. The main reason for protection revolves around Dumping, short term structural U/E & Protection ~~due~~ self-sufficiency argument.

~~Australia as a global producer of primary products all provide protection~~

Types of protectionist policies which are employed by government include Tariffs, Quotas, Embargos, Local Content rule & Preferential trading Agreements.

One of Australia's primary exports would be the agriculture involving wheat & livestock. To protect our local industry. The Howard

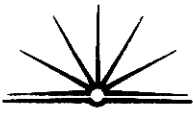
Govt, have imposed tariffs. Govt imposed tax which in theory ↑ provide the price of foreign exports thus providing an artificial barrier allowing our domestic products to gain an artificial advantage.

Directly so protection leads to potentially harmful impacts on the associated economy which may lead to retaliatory tariffs. Opposing economies give our export the same treatment.

This form of protection also leads to the reduction in the economies of scale thereby → to misallocations of resources.

Although protection is necessary to protect our infant industries.

Therefore in assessing the impact of protectionist policies on domestic & Global Economies it can be stated that



is rather limited as it has left  
both positive & negative outcomes on  
both our domestic & Global  
economies.