

Analyse the impact of protectionist policies on the domestic and global economies

Protectionist policies are those in place by the government to protect that country. These policies protect that economy both domestically and globally. Policies included tariffs, fair trade agreements different organisations both locally and globally all working for the one aim.

Some protectionist policies that exist are those implied by that country like tariffs or laws or those implied globally with organisations like the WTO, ASEAN, CERTA, APEC etc. Agreements such as bilateral or fair trade are set up between countries to protect them.

Protection policies for domestic economies are those implied by that economy for that economy. In Australia for example they place tariffs on goods and services to try and aid their economy from being crippled by others. Wheat, wool, coal and steel are things which Australia majors in so therefore the things which help the Australian economy the most so need to be protected the most. The impact of domestic protection policies is positive for the economy as it helps to strengthen it internally before going externally.

Protection policies for global economies are much more wide spread as they deal with more than one economy at once. The organisations which have been set up such as the WTO have their own

policies and rules on world trade which they closely monitor in order to protect economies. The impact of this on the global economy can be both a positive and negative, positive for it can protect economies preventing conflict yet negative for it can restrict economies from developing globally.

Therefore protection policies both domestically and globally can be both positive and negative to all economies yet all they are trying to do is protect that certain economy from things which can harm it.