

ESSAY SYNOPSIS

South Africa faces an unemployment crisis, with over 41% of people unable to find work under the expanded definition. Higher import tariffs are often proposed as a quick remedy to protect local industries and create jobs.

Supporters of tariffs argue that they stimulate demand for local goods, allowing domestic industries to expand production and employment, Robert writes. However, when countries impose tariffs, they risk harming their own export industries through retaliation, declines in foreign income that reduce demand for domestic exports, or currency movements that make local goods more expensive globally. Tariff-induced job losses in export sectors can outweigh any gains in import-competing industries.

For South Africa, the drawbacks of tariffs are even more pronounced, as the country faces major structural obstacles including unreliable electricity, collapsing infrastructure, rigid labour regulations, corruption, and a strained relationship between government and business.

Research shows that developing countries that embrace trade liberalisation experience far higher GDP growth than those that maintain protectionism. South Korea's experience illustrates how well-designed subsidies, tax incentives and credit support can help firms grow without relying heavily on tariff barriers.

In South Africa, reforms aimed at improving the business environment, reducing corruption, easing legislative barriers to job creation and encouraging foreign investment would deliver more meaningful results, while policies such as large-scale subsidies, better education, improved service delivery and labour-market reforms hold greater promise than protectionism.



Robert Laubscher



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Funding: Self

More about Robert

Favourite subjects: Philosophy and Finance.

Interests: Cricket, music, philosophy and meditation.

Community activity: Community development cricket workshops as coach; volunteered with community development initiatives (Youthzones).

Inspired by: Dhammarato, a lay Dhamma teacher in the Thai Buddhist tradition, and American Trappist monk, writer and social critic Thomas Merton.

Main achievements: Seven distinctions in matric, scholarships, 2024 Dean's list, Premier League cricket and various age group regional cricket teams.

What I love/hate about South Africa: South Africa has many challenges, which allows for unique opportunities and solutions and makes the country exciting for a young graduates like myself.

In 10 years' time I see myself... I have a wide range of interests and trust that my further studies will provide more clarity as to my future path.