



Ainsley Kelly Geduld



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Funding: NSFAS

More about Ainsley

Favourite subjects: Economics and Statistics.

Interests: Economics, astronomy and cars.

Community activity: Part of the debating society in high school.

Inspired by: Portuguese professional footballer Cristiano Ronaldo for his unrivalled work ethic.

Main achievements: Finalist in the 2023 South African Reserve Bank Monetary Policy Committee Schools Challenge; having a live published mobile application in the Google Play Store.

What I love/hate about South Africa: I dislike our extremely high unemployment rate and high inequality, but I believe economics can help solve that.

In 10 years' time I see myself... helping solve South Africa's socioeconomic problems, whether through the private sector or in a policy role.

ESSAY SYNOPSIS

Although South Africa is deeply integrated into global trade networks, it also suffers from extremely high unemployment. This has renewed political pressure for protectionist tools, particularly higher import tariffs, which raise the cost of foreign products to protect local firms, writes Ainsley. Advocates argue that this gives domestic industries space to develop, innovate and absorb more workers, then, as consumers shift spending towards local goods, domestic output and employment may rise.

However, protectionism also carries risks. For example, while tariffs may protect jobs in one sector, they can raise costs for other industries that rely on imported inputs, reducing employment elsewhere. Also, protection often leads to complacency – firms may become dependent on tariffs rather than improving productivity, undermining long-term competitiveness.

Effective protectionism requires significant complementary investment in skills, infrastructure and industrial capacity, which the government cannot currently afford. Also, with 58% of public spending devoted to social services and millions reliant on grants, tariff-induced price increases would erode purchasing power.

Finally, although struggling industries like textiles might benefit, the country's successful automotive sector depends heavily on imported components, and tariffs on these inputs would raise production costs.

Ainsley concludes that tariffs alone cannot sustainably reduce unemployment in South Africa under current conditions. If they are used at all, they should be temporary, targeted and paired with strong productivity-enhancing measures such as infrastructure upgrades, skills development and customs reform.