

Essay 1

Do you think this is the start of protectionism or just a temporary phase? How do you see its impact on international trade and shipping industry?

As an International Business student, I know that it is my responsibility to develop a comprehensive understanding of important financial matters. These matters include the current economic crisis effecting the global economy, and the financial solutions that are being developed to solve them. This is why I have chosen my career path and Berkeley College as my higher learning institution, to provide me with the tools I require to make proper business decisions based on what is occurring in the international financial markets. Lately, there has been much talk of protectionism however; I believe this is a phase, more of a reflex if you will to the collapse of the financial markets in the United States rather than a permanent condition. This is because although these measures may reduce imports and encourage domestic spending; it will not work in the long run, and we all know it. No one wants another situation such as the Smoot-Hawley Tariff Act of 1930.

From history we can see the threat of adopting protectionist ways is that it will drastically reduce growth and affect the stability of a country. There is also the possibility that implementing tariffs and restrictive quotas will result in job losses for industries in the United States and higher prices for domestic consumers. Distributors will then have to find new sources and the United States will see reduced revenues. This domino effect is not the intention of the theory, but nonetheless it is the outcome. The Obama Administration has already implemented new tariffs such as on the Chinese tire imports despite these facts. However, can you really blame the United States for taking these measures after experiencing how easily a country's economy can fall due to the

international markets? In fact, the United States isn't the only country resorting to these measures; Russia and Canada have also joined in.

Yes, protectionist measures have been taken however; the government has expressed the commitment to the well being of the country by not regressing and becoming protectionist oriented. President Obama argues that by putting up these protective tariffs it will give the financial markets an opportunity to recover. This may be true but, by putting up these barriers to trade it will only complicate matters more for our already in trouble manufacturing companies. Especially in today's global market, a country practicing protectionism will not only cause conflicts between nations but, that country is also missing an opportunity to expand themselves and prosper. The shipping industries will also suffer because with all these countries formulating their own regulations, it will cause international trade to slow. Imagine a cargo ship waiting to unload but instead is presented regulations, tariffs, byelaws, quotas, and other rules which will leave the ship overloaded.

As a student working towards a career in business it is necessary for me to understand the international markets because understanding what is going on in the economy is the first step in taking action. This is why my career goals include first obtaining an internship at the United Nations, which I have obtained for this Spring, and later building my career there. I will make a difference in the world and there is no better way to do so than working at a corporation that dedicates itself to the cooperation among nations through international trade, laws, policies, security, economic development, social progress, human progress, and world peace.