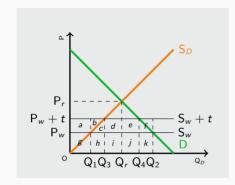
Trade protectionism



Tariff tax charged on imported goods

- Sworld will shift upwards
- Market price is increased by the tax
- Import is reduced from Q_1Q_2 to Q_3Q_4 ; foreign producer revenue is d+e+i+j minus the tax of d+e, so i+j in total
- Domestic production increases from OQ₁ to OQ₃;
 revenue increases from g to a + b + c + g + h
- ullet d+e represents government revenue
- Welfare loss of c + f

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