

Anti-dumping : a growing problem in international trade assignment

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This paper discusses the issue of Anti-Dumping (AD) proliferation. AD is used more frequently by many countries and against more products than ever in the history. I reviewed AD filing patterns with an emphasis on the scope of countries and industries seeking protection. Recent trends suggest that the widespread acceptance of AD protection makes the prospect for AD reform increasingly unlikely.

AD is no longer being used solely by high-income developed countries, it is increasingly being used by middle-income and even lower-income countries. New users have chosen to use AD very intensively. Per dollar of imports of the new users, have filed AD cases up to 15??? 20 times more frequently than the traditional AD users such as the US and EU. The evolving set of AD users complicates AD negotiations. In the near term, strong oppositions by the US and EU will make reform a highly unlikely outcome.

In the longer run, rising use of AD against the US and EU could conceivably weaken their support for AD yet, the same trends that might finally cause the US and EU to realise AD is a failed policy which will likely make reform impossible. Anti-dumping laws have been around for decades. They have increased in importance in recent years and will become even more important in the future as a result of the Uruguay Round and the creation of the World Trade Organization.

In my opinion, Anti-Dumping laws are inherently protectionist because they protect domestic producers at the expense of consumers. They have a chilling effect on price competition and cause the prices on a wide range of products to be higher than it would otherwise be the case, the structure of

dumping calculation is such that dumping can easily occur in such situation. Great care needs to be taken in making simple calculation and proper standards should be maintained to check if dumping is occurring or not.

However, I believe that uncertainty of Anti-Dumping standard leads to unfair trading practice and because of complicated calculation of dumping margins. Businesses are often shocked to find that they have been accused of pricing unfairly. After examining the Anti-Dumping laws in theory and practice from both a utilitarian and human rights context, I conclude that these laws cannot be justified on any reasonable grounds and it calls for repeal, the sooner the better. This can at least reduce the risk of suffering anti-dumping problems