SUMMARY

The purpose of this thesis is to investigate the use of anti-dumping measures in order to make economic sense of what seems to amount to cheating on an international agreement. There are numerous loopholes in the Anti-dumping Agreement which allow anti-dumping measures to be used as a form of protection by import-competing industries against fair trade. Some of these loopholes are of a purely legal nature, while others are more practical.

During an anti-dumping investigation, a dumping margin is calculated in order to establish whether or not an accused exporter is dumping. This calculation is known as the determination of dumping. In this thesis, the various ways in which the dumping margin can be manipulated or “captured” are investigated. It is shown that there are numerous ways in which the determination of dumping result can be manipulated in order to ensure a positive dumping result.

And economists are concerned about this abuse of anti-dumping as it could have a chilling effect on international trade.

However, it is shown in this thesis that anti-dumping investigations are concentrated in certain sectors. In other words, anti-dumping measures (and other non-tariff remedies) are being used as a strategy to protect certain industries. Adam Smith, the “father” of economics, pointed out that certain sensitive or strategic industries may need to be protected, even if such protection is at the cost of economic welfare. So, it seems that the economic issue is not really about dumping, but about whether or not certain strategic industries should be protected. And it is the protection of these strategic industries, for example the iron and steel industry, that needs further research.