Productivity Commission SUBMISSION COVER SHEET

(not for publication)

Inquiry into Australia's anti-dumping system

Please complete and submit this form with your submission:

By email: antidumping@pc.gov.au OR By fax: (02) 6240 3311 Or by post: Inquiry into Australia's anti-dumping system

Productivity Commission

GPO Box 1428

Canberra City ACT 2601

Organisation: Australia-China Chamber of Commerce and Industry of New

South Wales (ACCCI))

Street address: 6/11 West Street

Suburb/city: North Sydney State & Postcode:

NSW, 2060

Postal address: GPO Box 3671 Suburb/city: Sydney, NSW 1044

Principal contact: Michael C.H. Jones

Position: President

Phone: (02): 8920 2997 Fax: (02): 8920 2296

Mobile

Email address: chamber@accci.com.au

CONFIDENTIAL MATERIAL

Please indicate if your submission contains confidential material (such as commercially sensitive data).

This material should be provided under a separate cover, or otherwise separated from the rest of th submission, and clearly marked 'IN CONFIDENCE'

Please note:

- For submissions made by individuals, all personal details other than your name and the state or territory in which you reside will be removed from your submission before it is published on the Commission's website.
- Submissions, except for any confidential material, will be placed on the Commission's website, shortly after receipt, unless accompanied by a request to delay release for a short period, where they will remain indefinitely.
- Copyright in submissions resides with the author(s), not with the Productivity Commission.

GLOBAL NORMS: A CONTEXT AND FRAMEWORK FOR ANTI-DUMPING LEGISLATION

ACCCI SUBMISSION TO AUSTRALIA PRODUCTIVITY COMMISSION INQUIRY INTO AUSTRALIA'S ANTI-DUMPING SYSTEM

17 June 2009

Principal author: John Zerby <u>i.zerby@unsw.edu.au</u>

Contributing author: Michael C.H. Jones mchjones2001@hotmail.com



Australia-China Chamber of Commerce and Industry of New South Wales

www.accci.com.au

For the establishment of strong and lasting economic linkages between nongovernment organisations in Australia and China

1. Introduction

The Australia-China Chamber of Commerce and Industry of New South Wales (ACCCI) supports, at a general level, the Policy Statement of the International Chamber of Commerce (ICC) made in response to an invitation issued by the World Trade Organisation at the Ministerial Conference in Hong Kong in December 2005 to comment on the then forthcoming negotiations aimed at clarifying and improving anti-dumping disciplines. The position taken by the ICC (from ICC, 2005, p. 1-2) is stated as follows:

- The anti-dumping instrument is, and should remain, an integral part of the WTOsystem, providing a remedy to ensure 'fair competition'. It should offset the effects of dumping if it causes or threatens to cause material injury not only to established industries but also to infant industries;
- The overarching principle in article VI of the GATT and of the Anti-Dumping
 Agreement (ADA) is to restore equilibrium and swiftly and effectively offset the
 effect of dumping and to remove any injury in cases where the occurrence of
 dumping is duly established. The aim is not, however, to hand out punishment, e.g.
 in the form of duties exceeding the dumping margin or in the form of excessive
 procedural costs, and thus making the anti-dumping instrument unduly traderestrictive.

The ICC also supported 'due consideration by WTO members of the inclusion of a "public interest" clause in the ADA, with the objective of taking into account not only the interests of the sector or business requesting anti-dumping measures but also the interests of those sectors of businesses that would be negatively affected by such measures, including consideration of negative impacts to the functioning of the national economy as a whole' (ICC, 2005, p.5). With this the ACCCI is in full agreement, but we do not support the following caveat placed on this declaration by the ICC:

However, it is essential that such a clause be well defined in order to ensure that the inclusion of such a clause in the ADA avoids nontransparent and arbitrary criteria and does not do harm to the fundamental objective of improving predictability for business in the application of anti-dumping measures.

The ICC therefore places the three-part objective of transparency, consistency and predictability above the objective of meeting public interest requirements. We give higher priority to the latter and devote the greatest part of this submission to an explanation as to why we have established such a priority. The next section expresses our concern over undue emphasis on transparency, consistency and predictability as a panacea to solve global trading problems. The section after that gives a brief context to anti-dumping investigations

_

¹ The Doha Ministerial Declaration established that WTO members agreed to 'negotiations aimed at clarifying and improving disciplines under the Agreements on Implementation of Article VI of the GATT 1994 and on Subsidies and Countervailing Measures, while preserving the basic concepts, principles and effectiveness of these agreements and their instruments and objectives, and taking into account the needs of developing and least developed participants' - quoted in ICC (2007), p.1.

and that is followed by a consideration of economic causes and effects, then by legal considerations, both of which give support for a holistic treatment of anti-dumping within an increasingly globalised environment. To encapsulate our main view, we agree with Richard Cooper who wrote in 1972 that *trade policy is foreign policy*. The statement is particularly relevant, at the present time, for small nation-states such as Australia within a globalised trading environment.

2. Some Limitations of Transparency, Consistency and Predictability

During the past decade *corporate transparency* has become part of the mobilisation for sustainable development and for a means to mitigate social risks accompanying that development. Transparency can be defined as the degree of completeness of information provided by each corporation in reference to their business activities (Vaccaro and Masden, 2006). It is more broadly seen as an anti-corruption force and its absence is sometimes identified as 'making the water muddy'. This implies that those who are slow to introduce transparency into corporate activities seek to obscure those activities with the presumed intent of committing malpractices. This is often invasive as one malpractice may encourage another for purposes of corporate self defence. Global trade ultimately suffers as a result of the loss of mutual trust.

However, focusing attention on the 'muddy water' in search of a cure is misplaced. It treats the symptoms rather than the disease. Voluntary codes of corporate conduct, declarations, Memoranda of Understanding (MOU), Good Neighbour Agreements (GNAs), and other norms on the responsibilities of transnational corporations and other business enterprises are at best examples of *soft law* that has little or no binding effect, and therefore attracts no sanctions when breached (Nwete, B., 2007, p. 312). The objectives of bilateral negotiations on a government-to-government basis may devolve into requests such as: *Please ensure that your trading companies are no more dishonest than our trading companies*.

Multilateral discussions intent on achieving global harmony in trade law and regulations frequently set *convergence* as the target; and convergence is typically interpreted as an instruction to adopt the laws and regulations of the two or three largest trading nations. Such 'diplomacy' did not work well with the rapid acceleration of European colonialism in the 19th century, and it is unlikely to be successful in the present century.

It is clear that answers are not to be found easily, but unilateral changes in anti-dumping enforcement would not seem to be the place to begin searching for answers. Rather, it makes more sense to begin with an identification of the malpractices that should be discouraged and then removing, or at least reducing, the incentives that act to perpetuate those malpractices. *Hard law* may be necessary for the purpose of raising the cost of intransigence, and more work is likely to be required in order to establish the benefits to the global economy of a wider adoption of *corporate social responsibility*. In brief, we need less attention to codes of conduct, MOU and GNAs with more attention to the analysis of costs

² Published in *Foreign Policy*, which is a journal of the Carnegie Endowment for International Peace. Refer to citation at the end of this submission under Cooper R.N. (1972). Note that a 4-word sentence does not conve

citation at the end of this submission under Cooper R.N. (1972). Note that a 4-word sentence does not convey the subtleties of the statement and Peterson, J. (2007), revisited the idea more recently in connection to the European Union. It is nevertheless convenient as a one-sentence summary of our overall view.

and benefits with recognition given to at least some of the globally based externalities. The value of transparency, consistency and predictability is measured by what we are willing to give up in getting them. That has yet to be determined.

3. The Context of Trade Disputes

The Internet site of the World Trade Organisation displays a map of disputes between WTO members.³ A selection of four members only for the purpose of getting a sense of the scale of trade disputation revealed the following (as at 9 June 2009):

United States: 92 as complainant

106 as respondent 47 as third party

European Communities 79 as complainant

64 as respondent 82 as third party

Australia 7 as complainant

10 as respondent47 as third party

People's Republic of China 4 as complainant

14 as respondent62 as third party

These numbers reflect all types of trade disputes; those associated solely with anti-dumping are listed in the Annex. What does this tell us? Little or nothing that is obvious, except perhaps that WTO dispute resolution procedures seem to be heavily used. With the exception of the European Communities, the number of disputes as respondent is greater for the remaining three than the number of disputes as major complainant. Neglecting 'disputes as third party', the disputation associated with Australia is approximately the same as that for the People's Republic of China despite the fact that China is 65 times larger in population and the total (two-way) trade of China is 8.5 times greater.

P.C. Mavoroidis (2008, p. 4) reported that Australia was the sixth largest user of antidumping investigations between 1995 and 2006 with 188 cases, of which 69 remained in force as at July 2006.⁴ These numbers are relatively large, but for Australia the productivity ratio (cases enforced as a proportion to the total number of cases initiated) was low at 36.7 per cent. Mavoroidis also noted (p. 6) that the 'average number of measures in force per

³ Available at: http://www.wto.org/english/tratop e/dispu maps e.htm.

⁴ These statistics may be updated from the WTO at: http://www.wto.org/english/tratop e/adp e/adp e.htm. Australia's ranking remains the same with 206 cases reported and 75 measures reported as at the end of 2008. Note that discrepancies exist with some secondary sources. For example, Jones (2006), showed a chart with China reporting more than 400 anti-dumping initiations and India reporting slightly more than 100 as at June 1995, whereas the data from the WTO for that period suggest that Jones reversed the labels for India and China.

billion US dollars of goods imported by an anti-dumping user is a better indication of the potential impact done by anti-dumping to the domestic economy':

This indicator is much higher for developing countries than for industrial countries, ranging from 0.05 for Mexico to 1.0 for Argentina and from 0.02 for European Union to 0.04 for Canada (with an exception, Australia, at 0.1).

Variation in these numbers and ratios across countries (and also across time) is too great to allow generalisations to be made without further analysis, some of which is reported in the next section.

4. Economic Causes and Consequences

A. Consumers

Most consumers would agree that an exporter should charge less in its home market than in an overseas market since the price in the latter is expected to cover the additional freight and insurance costs, a potentially higher cost of holding stocks for longer periods of time and perhaps other costs that are at least as high as those experienced in the home market. As a consequence, except in a few relatively rare instances arising mainly from supply constraints, a higher price in the home market is considered to be abnormal or unfair, and may be indicative of a desire to gain market power in the importing country with a view to putting producers in that importing country out of business. Imposing counteracting measures is therefore considered to be acceptable even if it results in higher market prices in the importing country.

Such predatory behaviour on the part of exporters, with smaller domestic producers as the 'prey', is often seen as the principal explanation as to why those exporters willingly set prices for which they are almost certain to earn no profit. But as an explanation, it is not always straightforward. Consider the following sequence. In order to 'dump', exporters must plan a massive increase in the supply and make provision to continue selling much larger quantities of the products at a low price in order to capture an increasingly larger share of the market and thus force local producers to abandon production altogether. However, as local producers do not need to cover additional freight and insurance, and as they reduce their output (and some operating costs) in response to the large increase in imports, they are likely to incur smaller losses than the predator. The outcome will depend upon who has 'deeper pockets'.

Accepting that the overseas exporters are larger and have support from shareholders, financial institutions and perhaps also export-oriented governments, we can presume that the predators are likely to win. Upon winning, however, it will be necessary for the exporters to compensate their shareholders, financial institutions and perhaps 'return the favour' for government support. This can be met only with much higher prices. If the domestic producers who reduced their output to nil retained their factories and can acquire workers, they may be able to re-enter the market at the higher price and thus extend the period of recoupment that the exporters require. This tends to cast doubt on the exporters' ability to arrive at a satisfactory level of compensation.

Outcomes of dumping with a clear predatory intent are difficult to find, partly because such intentions are generally masked and partly because examples of outright success with 'deep pockets' are relatively rare. If the exporter has a strong desire to dominate the market in the target country, a merger or acquisition may represent a superior alternative to dumping. This of course is a matter for the target country's competition regulator, but in the absence of a broadly-based public interest requirement for anti-dumping enforcement, the procedures with competition regulation have a different basis, compared with anti-dumping enforcement, despite the possibility that the intent is the same for both. In addition, within a globalised environment there are relatively few restrictions on direct foreign investment (FDI) by the potential exporter into the country that may be targeted for dumping in the absence of FDI options. Establishing productive units in the target country is never treated as dumping.

B. Economists

Economists generally state that anti-dumping actions remove the consumer surplus (what the consumer would have gained from the lower prices) and distribute it to producers (producer surplus) by allowing the producers to set a higher price than would be obtained without anti-dumping enforcement. Anti-dumping is therefore anti-competitive and is viewed as a modern version of protection. Economic efficiency is lost as a result of the deployment of resources within a protected trading environment where those resources are not globally the most productive.

Research by economists, since the early 1970s, as surveyed by Douglas Nelson (2006), generally indicated that for both the US and the EU, economic activity as measured by either employment or output, is inversely related to the tendency to file anti-dumping petitions, while the real exchange rate and import penetration are positively related to filing. This is generally taken as evidence that anti-dumping is sought by domestic producers when they are more worried about being caught in a cycle of increasing competitive pressures than by concerns over *unfair competition*. However, these studies do not show uniform results (not all protection-related variables were statistically significant) and the researchers were not able to distinguish unambiguously between competition that is strong but *fair*, and competition that is moderate-to-strong but *unfair*.

Additionally, economic analysis has not been able to give an adequate explanation as to why the number of anti-dumping petitions by the 'traditional users' (Australia, Canada, EU, New Zealand and the US) reached a peak in the period between 1997 and 2002, while the number of anti-dumping petitions by the developing countries (including the newly industrialising economies of East Asia) continued to rise after 2002. Various explanations have been proposed. For example, Thomas Prusa (1992) suggested that anti-dumping petitions increased in the period preceding the respective peaks as a strategic application of 'offensive business tools'. The analysis by Blonigen (2006) suggests that a learning curve exists such that, up to a point of diminishing returns, experience reduces the filing costs so that weaker cases could have been petitioned in the peak period. It is also possible that after the peak period the traditional users of anti-dumping withdrew their application and sought negotiated settlements. This possibility led to a concern among economists that an

increasing number of withdrawals or voluntary terminations of anti-dumping petitions may indicate efforts to hide collusive agreements to restrict trade.⁵

C. Producers in the Importing Country

Producers in the importing country typically argue that overseas producers who market goods or services in the importing country should be subject to the same laws and regulations as the producers of substitute goods or services in the importing country. But if the overseas producers are able to set a price that is below the 'normal value' then those producers are able to obtain a market advantage that is not normally available to producers in the importing country. Thus, an unfair trading practice should be treated as 'unfair' whether it is attributed to domestic producers or overseas producers.

However, this argument neglects the behavior of domestic producers who are able to obtain anti-dumping enforcement. When the exporter is assessed an anti-dumping duty, the imported product must sell at the exporter's intended rate plus the duty. Ideally the amount of the duty should be enough to offset exactly any 'unfair pricing' that is attributed to the exporter so that the market price after the imposition of the anti-dumping duty should be nearly the same as the market price before the goods were 'dumped'. Does that happen? A study of 4,000 EU producers by Konings and Vandenbussche (2005) indicated that a significant number of anti-dumping enforcements resulted in *higher domestic markups*, thus raising the market price above the level that existed prior to the anti-dumping enforcement. The enforcement of dumping, in these instances, effectively gave market power to the domestic producers.

Perhaps more importantly for the emphasis in this submission on the need for a broadly based analysis of the 'public interest' in anti-dumping enforcement, Bown and Crowley (2006) presented evidence of externalities, or third-country effects. Anti-dumping duties imposed by the US on Japanese exports to the US resulted in a deflection of exports to the EU of between one-fourth and one-third of the exports to the US that were 'lost' as a result of the imposition of the duty. This deflection of exports was associated with lower prices for EU consumers. The amount of these price changes could not be estimated accurately as a result of data limitations. Moreover, the overall movement in EU prices suggested that a decline in Japanese export prices (an improvement in the terms of trade for the EU) was apparent prior to the US anti-dumping investigation. The full extent of the global effects of the imposition of anti-dumping duties by the US therefore remains unknown because these effects were not fully examined. This supports the view that the relevant framework for 'public interest' is a multilateral one.

5. Globalisation and International Law

Globalisation is a process of linkages among borderless producers and traders that is driven by a growing number of transnational actors and by the international liberalisation of various markets, particularly the financial markets. However, the dimensions of globalisation go beyond production and trade to include technical, cultural, social and

⁵ Prusa (1992, p.18) stated this somewhat more forcefully: 'Trade data indicate that withdrawn cases restrict trade by at least as much, and probably more than, dumping duties'.

political 'engines'. A significant number of these 'engines' flourish without needing any territorial attachment and have little or nothing to do directly with traditional nation-states. Taking law to be a social mediator in relations between people, it follows that globalisation requires rules and legal devices that are indifferent to location. This has two implications:

- The more the globalisation actors straddle jurisdictions, the more they require increased degrees of legal harmonisation (convergence).
- The greater the degree of globalisation, the less will be the states' grasp of the law that derives from the harmonisation (convergence) process.

The globalisation process emerges principally through horizontal linkages among these actors, with a limited (but perhaps an increasing) amount of vertical interaction from:

- transnational equity ownership among actors,
- supernational institutions (e.g. the EU); and
- national cultures that are projected onto other national cultures.

The predominance of horizontal linkages prompted J.B. Auby (2006, p. 213) to note the following:

In Law, like in some other fields, the world is becoming flat, as Thomas Friedman has demonstrated in a quite vivid manner [*The World is Flat: A Brief History of the Twenty-First Century, 2005*]. In its vertical dimension, it is becoming less Newtonian. Legal apples nowadays spring in various, and sometimes unexpected, directions.

Some of the 'legal apples' that have emerged from globalisation include the following (Auby, 2006, p. 214):

- 'Rules come from a vast spectrum of creators, and they are implemented through a
 constantly widening scope of ways and means: not only the traditional domestic and
 international adjudicating institutions, but also more and more frequently
 arbitrators, informal appeal bodies in international institutions, various disciplining
 mechanisms in private networks, and so on.
- 'Rules are more and more of a soft law type, or in the standard manner. At a certain level, it is impossible to make a complex system hold together without having recourse to that kind of law: but, to its flexibility is naturally correlated a significant amount of uncertainty.
- 'Moreover, problems of legal certainty are not the only ones we are driven to confront by the process of legal globalisation. One must not ignore the fact that, underlying this process, there is constantly the potential issue of a democratic deficit. The more law is made, and implemented, outside traditional statal or interstatal institutions, the less citizens have supervision over it.

There could be some even more worrying phenomena. One realizes that, in some situations, it is becoming difficult to discern who is doing what, on behalf of whom. EU and member states' law had to answer the following question: for whom are national administrations acting when implementing EC law? WTO bodies had to decide whether the European states were acting on behalf of the European Community when they broke WTO rules'.

Auby asked the question: Is globalised law regulated? That is, does it have a means (either internal or external) to bring it back into balance when imbalances occur? Further, is the means both effective and efficient in restoring imbalances to what is perceived to be culturally desirable? Auby argues that legal globalisation is regulated since it would not otherwise have existed for at least several decades. 'But this does not mean that because it is somewhat regulated that it is regulated in a satisfactory way' (p. 215).

The rules and regulations that are now emerging from the globalisation process will almost certainly have an impact on all cultures that are currently based upon the concept of a nation-state. For some years, legal scholars have questioned the premises associated with the Westphalian system of sovereignty. Quoting P.C. Berman (2005, p. 524):

[A]n emphasis on legal consciousness, pluralism, and law beyond official governmental institutions exposes processes of normative development that are not beholden to the edicts of nation-states. Likewise, the permeability of borders and the fluidity of community affiliations challenge ideas of inviolate nation-state sovereignty. And the erosion of the distinction between public and private international law undermines the privileged place of nation-states as the only players in the public international law area.

While nation-states are not likely to disappear within the near future, their sovereignty may well become even more fragile as a result of conforming to various international, transnational or non-territorial norms. Trade is an area for which multiple sovereignties frequently attempt to assert conflicting normative orders over the same activity, possibly adding to the 'crisis of pluralism'. This too early in the process of finding new paradigms to predict the way in which the 'crisis' will be resolved, but it seems clear that smaller nations, such as Australia, will see much of their independent stance in trade matters slowly eroded; and unilaterally established rules, such as those associated with anti-dumping measures, will gradually fade with multilateral rulemaking and perhaps a new cultural and legal architecture.

⁶ For example, A. Claire Cutler (2001, p. 133) states: 'Westphalian-inspired notions of state-centricity, positivist international law, and "public" definitions of authority are incapable of capturing the significance of non-state actors, informal normative structures, and private, economic power in the global political economy'. A somewhat different view is expressed by C. Navari (2007, 0. 577), who suggested that the modern state system has already moved away from the Westphalian system. 'The liberal state is not sovereign in the Westphalian sense: liberal authority is diffuse. Moreover, the liberal state produces its own, distinctive, international impulses that distance it in significant ways from the Westphalian pattern'.

⁷ The term is attributed to Daniel Philpott by Berman (2006, p. 528).

While it is not appropriate to discuss here the full set of possibilities for this architecture, a brief indication of the potential range for cultural and legal structures may help to underscore the fact that the final blueprints are a long way from being delivered. One possibility is the uni-modal model, described by Marchetti (2008, p 207), with which the whole of mankind can theoretically engage in a scheme of direct representative participation under an overarching authority governing the process of democratising world affairs by 'delineating jurisdictional boundaries and a multilayer system of political interaction.'

Another possibility is a regional model, several of which have been proposed. For example, David Lake (2009, p. 35) described regions characterised by a hierarchy of single dominant states. Rick Fawn (2009, p. 5) observed that most countries are already meeting the challenge of globalisation 'in part through a regional response' and should be encouraged to continue such a response. Finally, Philip Cerny (2009, p 421) argued that globalisation is being shaped by the actors, not by institutions, as none has been formed in a globally effective manner,⁸ and he presents a five-stage process that could result in a multi-nodal model for global politics.

While these issues are being examined, it is the view of ACCCI that 'public interest' clauses will serve the useful purpose of telling us how far we have come, and what remains to be done. Moreover, benefit-cost analysis offers a possible tool for comparing the existing cultural and legal framework with that of other models. As was mentioned in reference to transparency, consistency and predictability, benefit-cost analysis also tell us how much we must give up to get the alternative. Within the domain of NGOs, of which the ACCCI is a part, we will continue to work both formally (in workshops and seminars⁹) and informally (through *guanxi* networks) with NGOs in China and around the world with a view to furthering two-way exchanges of information on trade, culture, politics, human rights and legal issues.

.

⁸ This would presumably include the World Trade Organisation, since, according to a statement in the Sutherland report: 'In recent years, the impression has often been given of a vehicle with a proliferation of backseat drivers, each seeking a different destination, with no map and no intention of asking the way'. Reported in Sally (2008, p. 57). The report was issued by Peter Sutherland, a former GATT/WTO Director-General, who was asked to look at the state of the World Trade Organisation as an institution, to study and clarify the institutional challenges that the system faced and to consider how the WTO could be reinforced and equipped to meet them.

⁹ See, for example, the Chamber's presentation at a law enforcement seminar in China: ACCCI, 2000.

Australia China Chamber of Commerce and Industry of New South Wales was founded in Sydney during the years 1974/76 following the Whitlam Federal Labor Government's formal recognition in December 1972 of the People's Republic of China (with Taiwan as a Province), and the Business Missions lead by Trade Ministers Dr Jim Cairns and Lionel Bowen respectively. The inaugural Annual General Meeting took place on 16th September 1976.

Initially the Chamber sought to facilitate visits to China in any capacity and therefore established a strong Cultural Committee. Subsequently with Deng Xiaoping's launch of China's Open Door Policies in December 1978 Chamber upgraded its trade activities with the first official ACCCI Trade Mission during 1979. Throughout the 1980's extensive business contacts (*guanxi*) were made throughout the Eastern Seaboard of China and a great deal of Chamber resources in time and money were spent on assisting the establishment of Sister State Relationships from the first between New South Wales and Guangdong Province and then every State in Australia with Jiangsu, Shandong, Zhejiang, Fujian and Shanghai, and later Tianjin, Beijing and Hainan.

The concept for the famous ACCCI Key Cities Strategy emerged out of Board discussions following Chamber Trade Missions in 1986 and 1987 led respectively by then Chair of the ACCCI International Committee, Reg Torrington, and Chamber's ACT Chief Representative, Greg Burns (Greg was previously Australian Senior Trade Commissioner in Beijing 1979-83). However the 'political troubles' in China 1987/91 caused a great amount of disruption to ACCCI plans, and hence the full potential of the Strategy only emerged with the foundation Co-operative Agreement signings in Shenzhen and Xi'an by ACCCI General Secretary Laurie Smith. Subsequently these were formalised with Shenzhen City, Hubei Province and Beijing Municipality, amongst many others, culmination in the 1994 Chamber Trade Mission led by ACCCI President Michael Jones. Ultimately, prior to China's accession to the WTO in 2002, almost 50 Co-operative Agreements were signed by ACCCI with Chinese cities. Executive members of ACCCI crisscrossed China making trade and economic relations speeches and issuing invitations for Chinese business delegations to visit Australia.

Chamber policies have obviously evolved over the last 35 years. From selling the business potential of China to Australian companies, to making the necessary range of Chinese contacts at Party, Government and SOE levels, to formalising economic institutional non-government relations, and to assisting the business integration of China into regional and global trade related bodies such as APEC and WTO, ACCCI built up extensive expertise through a range of Policy Committees covering Trade and Investment, Commerce and Industry, Public Affairs and Media and Cultural and Sport. Annual Workshops and Forums were initiated from the mid 1990s covering Urban Services, Rural Industries, Infrastructure and Commercial Culture in both Australia and China. Special Projects were launched in sectors relating to the Education, Tourism, Technology Commercialisation and Investment industries, particularly assistance to better funded organisations than Chamber.

Currently ACCCI has segmented its activities into China-Domestic and China-International. Both the China Liaison and National Liaison Committees (which succeeded the International Committee) established in the late 1980s will continue, although their institutional priorities may change. Globalisation and International Law, and particularly how China's accelerating membership of world organisations since 2002 will impact/change global norms and thereby influence Australian economic sovereignty, may become the primary consideration of the China-International aspect of ACCCI Strategy. The Lowy Report has already highlighted Australia's Diplomatic Deficit. The economic implications of the Prime Minister's recent Singapore speech on the Asia Pacific Community concept and the trade and investment details of the security analysis in the Australian Defence White Paper have not received the attention they warrant. Chamber hopes over future years to improve overall recognition of these issues with respect to China in both Australian and Regional discourse.

References

ACCCI (2000), 'Suggestions for Improvements in the Supervision of Law Enforcement in China', presented at the International Seminar on the Environment of Law Enforcement and Supervision, 27-29 June, Mianyang City, Sichuan Province, People's Republic of China. Available at: http://www.accci.com.au/trade/lawsem.htm

Auby, J.B., 2008, 'Is Legal Globalisation Regulated? Memling and the Business of Baking Camels' *Utrecht Law Review*, Vol. 4, No. 4 (December), pp. 210-217. Available at: http://utrechtlawreview.org

Barfield, C. E., 2001, Free Trade, Sovereignty, Democracy: The Future of the World Trade Organisation, American Enterprise Institute, (Washington, D.C.)

Berman, P.S., 2004-2005, 'From International Law to Law and Globalisation', *Columbia Journal of Transnational Law*, Vol. 43, pp. 485-556. Available at: http://www.columbia.edu/cu/jtl/

Bloning, B.A. and C.P. Bown, 2003, 'Antidumping and Retaliation Threats', *Journal of International Economics*, Vol. 60, pp. 249-273. Available at http://www.elseview.com/locate/econbase

Bown, C.P., 2009, 'Protectionism Increases and Spreads: Global Use of the Trade Remedies Rises by 18.8% in First Quarter 2009'. Available at:

 $\frac{http://people.brandeis.edu/^cbown/global_ad/monitoring/2009-05-11-Bown-GAD-monitoring.html}{monitoring.html}. Portable document version at:$

http://people.brandeis.edu/~cbown/global_ad/monitoring/2009-05-11-Bown-GAD-monitoring.pdf

Bown, C.P., 2006, 'Policy Externalities: How US Antidumping Affects Japanese Exports to the EU', European Journal of Political Economy, Vol. 22, pp. 696-714. Available at http://www.elsevier.com/locate/ejpe

Department of Foreign Affairs and Trade, International Legal Services Advisory Council, 'Business Plan – 2007 to 2010 (Sixth Term)', Canberra. Available at: http://www.ag.gov.au/www/agd/agd.nsf/Page/Internationallegalservices

Cooper, R.N., 1972, 'Trade Policy is Foreign Policy, *Foreign Policy*, No. 9 (Winter), pp. 18-36. Available at http://www.jstor,org/stable/1148083

Cutler, A.C., 2001, 'Critical Reflections on the Westphalian Assumptions of International Law and Organisation: A Crisis of Legitimacy', *Review of International Studies*, Vol. 27, pp. 133-150. Available at: http://journals.cambridge.org/action/displayJournal?jid=ris.

European Commission Updates On Anti-Dumping: http://ec.europa.eu/trade/issues/respectrules/anti_dumping/index_en.htm.

European Commission Updates on Anti-Subsidy: http://ec.europa.eu/trade/issues/respectrules/anti_subsidy/index_en.htm

European Commission Updates on Dispute Resolution: http://ec.europa.eu/trade/issues/respectrules/dispute/index en.htm

European Confederation of Iron and Steel Industries, 2008, 'Doha Development Agenda', (18 April). Available at: http://www.eurofer.org/index.php/eng/Issues-Positions/Trade/Multilateral-Issues/WTO-Doha-Development-Agenda

Evenett, S.J., 2006, 'The Simple Analytics of U.S. Antidumping Orders: Bureaucratic Discretion, Anti-Importer Bias, and the Byrd Amendment', *European Journal of Political Economy*, Vol, 22, pp. 732-749. Available at http://www.elsevier.com/locate/ejpe

Fawn, R. (2009), "'Regions" and Their Study: Wherefrom, What For and Whetherto?, *Review of International Studies*, Vol. 35, pp. 5-34. Available at: http://journals.cambridge.org/action/displayJournal?jid=ris.

Feinberg, R.M. and K.M. Reynolds, 2008, 'Friendly Fire? The Impact of US Antidumping Enforcement on US Exporters', *Review of World Economics (Weltwirtschafliches Archiv)*, April. Available at: http://ideas.repec.org/p/amu/wpaper/0406.html

Feinberg, R.M., 2005, 'US Antidumping Enforcement and Macroeconomic Indicators: What Do Petitioners Expect, and Are They Correct?' *Review of World Economics (Weltwirtschafliches Archiv)*, December 2005. Available at: http://www.uoregon.edu/~bruceb/Feinberg2.doc

Gallaway, M.P., B.A. Blonigen and J.E. Flynn, 1999, 'Welfare Costs of the U.S. Antidumping and Countervailing Duty Laws, *Journal of International Economics*, Vol. 49, pp. 211-244. Available at: http://www.elsevier.com/locate/econbase

Garcia, F. J., 2005, 'Globalisation and the Theory of International Law', Boston College Law School, Legal Studies Research Paper Series, Research Paper No. 75 (13 June). Available at http://ssm.com/abstract=742726

Henderson, D., 2000, *Anti-Liberalism 2000: The Rise of New Millennium Collectivism*, Thirtieth Wincott Lecture, The Institute of Economic Affairs (London). Available at: http://www.iea.org.uk/record.jsp?type=book&ID=37

ICC (International Chamber of Commerce), 2007, 'Anti-dumping in the Doha Development Agenda', ICC Policy Statement, 29 November. Available at: www.iccwbo.org/uploadedFiles/ICC/policy/trade/Statements/103-281%20rev3.pdf

Jackson, J.H., 1998, *The World Trade Organisation: Constitution and Jurisprudence*, The Royal Institute of International Affairs, Chatham House Papers (London)

Jones, V.C., 2006, 'WTO: Antidumping Issues in the Doha Development Agenda', Congressional Research Service, Library of Congress (20 April). Available at: http://www.nationalaglawcenter.org/assets/crs/RL32810.pdf

Knetter, M.M. and T.J. Prusa, 2003, 'Macroeconomic Factors and Antidumping Filings: Evidence from Four Countries', *Journal of International Economics*, Vol. 61, pp. 1-17. Available at http://www.elseview,com/locate/econbase

Konings, J. and H. Vandenbussche, 2005, 'Antidumping Protection and Markups of Domestic Firms, Journal of International Economics, Vol. 65, pp. 151-165. Available at http://www.elseview,com/locate/econbase Lake, D. A. (2009) 'Regional Hierarchy: Authority and Local International Order', *Review of International Studies*, Vol. 35, pp. 35-58. Available at: http://journals.cambridge.org/action/displayJournal?jid=ris

Marchetti, R., 2008, 'A Matter of Drawing Boundaries: Global Democracy and International Exclusion, *Review of International Studies*, Vol. 34, pp. 207-224. Available at: http://journals.cambridge.org/action/displayJournal?jid=ris.

Mavroidis, P.C., P.A. Messerlin and J.M. Wauters, 2008, *The Law and Economics of Contingent Protection in the WTO*, Edward Elgar Publishing Ltd (Cheltenham).

Messerlin, P. A., 2009, 'A "Significant Slippage" into Protectionism? Not Yet', Sciences Po., Groupe d'Économie Modiale, Policy Brief (12 May). Available at: http://gem.sciences-po.fr

Messerlin, P.A., 2005, Europe after the 'No' Votes: Mapping a New Economic Path, Thirty-Fifth Wincott Lecture, The Institute of Economic Affairs (London). Available at: http://www.iea.org.uk/record.jsp?type=book&ID=314

Mistelis, L.A., 2000, 'Regulatory Aspects: Globalisation, Harmonisation, Legal Transplants and Law Reform – Some Fundamental Observations', *International Lawyer*, Vol. 34, pp. 1055-1069. Available from http://www.dsg.unito.it/gaius/data/bibliography/Legal%20transplants.pdf

Moore, M.O., 2006, 'U.S. Facts-Available Antidumping Decisions: An Empirical Analysis', *European Journal of Political Economy*, Vol. 22 pp, 639-652. Available at http://www.elsevier.com/locate/ejpe

Navari, C., 2007, 'States and State Systems: Democratic, Westphalian or Both?', *Review of International Studies*, Vol. 33, pp. 577-595. Available at: http://journals.cambridge.org/action/displayJournal?jid=ris.

Niels, G. and Kate, A ten, 2006, "Antidumping Policy in Developing Countries: Saftey Valve or Obstacle to Free Trade?' *European Journal of Political Economy*, Available at http://www.elsevier.com/locate/ejpe

Nelson, D., 2006, 'The Political Economy of Antidumping: A Survey', *European Journal of Political Economy*, Vol. 22, pp. 554-590. Available at http://www.elsevier.com/locate/ejpe

Nwete, B (2007), 'Corporate Social Responsibility and Transparency in the Development of Energy and Mining Projects in Emerging Markets: Is Soft Law the Answer?', *German Law Journal*, Vol. 8, No. 4 (April), pp. 311-340. Available at

http://www.germanlawjournal.com/pdf/Vol08No04/PDF Vol 08 No 04 311-340 Articles Nwete.pdf

Peterson, J., 2007, 'EU Trade Policy as Foreign Policy', Paper prepared for presentation at the 10th biennial conference, European Union Studies Association (EUSA), Montreal, (17-19 May). Available at: http://www.unc.edu/uce/eusa2007/papers/peterson-j-10g.pdf

Potter, P.B., 2001, The Chinese Legal System: Globalisation and Local Legal Culture, Routlege.

Prusa, T. J., 1992, 'Why Are So Many Antidumping Petitions Withdrawn?' *Journal of International Economics*, Vol. 33, pp. 1-20. Available at:

http://www.sciencedirect.com/science/journal/00221996

Richardson, M., 2006, 'Third Party Anti-Dumping: A Tentative Rationale', *European Journal of Political Economy*, Vol. 22, pp. 759-770. Available at http://www.elsevier.com/locate/ejpe

Sally, R., 2008, New Frontiers in Free Trade: Globalisation' Future and Asia's Rising Role, Cato Institute (Washington, D.C.).

Stoeckel, A., 2003, 'How the Rising Dollar Makes Anti-dumping Laws Bad for Australia', Online Opinion (6 June). Available at: http://www.onlineopinion.com.au/view.asp?article=395

Taylor, C.T., 2004, 'The Economic Effects of Withdrawn Antidumping Investigations: Is There Evidence of Collusive Settlements? *Journal of Intenational Economics*, Vol. 62, pp. 295-312. Available at http://www.elseview.com/locate/econbase

UNCTAD, 2002, 'Negotiating Anti-Dumping and Setting Priorities Among Outstanding Implementation Issues in the Post-Doha Scenario: A First Examination in the Light of Recent Practice and DSU Jurisprudence'. Available at: http://www.unctad.org/en/docs//itcdtsbmisc72 en.pdf

Uren, D., 2009, 'Industry Opposes Review of Laws on "Dumped" Imports', *The Australian*, (24 March). Available at: http://www.theaustralian.news.com.au/story/0,25197,25232773-5013404,00.html

Van Dijk, P. and G Faber, eds., 2006, *Developing Countries and the Doha Development Agenda of the WTO*, Routlege (Abingdon, Oxon and New York).

Vaccaro, A. and P. Madsen (2006), 'ICT, Nongovernmental Organisations and Transparency: Ethical Concerns and Perspectives', Carnegie Mellon University. Available at: www.andrew.cmu.edu/org/transparency/Proposal CEPE3.doc

Xu, Y.C. and P. Weller, 2004, *The Governance of World Trade*, Edward Elgar Publishing Ltd, (Cheltenham).

Zanardi, M., 2006, 'Antidumping: A Problem in International Trade', *European Journal of Political Economy*, Vol. 22, pp. 591.617. Available at http://www.elsevier.com/locate/ejpe

Zerby, J.A., R.A. Ellsworth and A.L. Schmitt, 1982, 'Dumping of Non-Factor Services: Some Implications of Recent Experiences with Controlled-Economy Shipping', *Northwestern Journal of International Law and Business*, Vol. 4, (Spring), pp. 37-57.

Zhao L. and Y. Wang (2008), 'Trade Remedies and Non-Market Economies: Economic Implications of the First U.S. Countervailing Duty Case on China', World Bank Institute, Policy Research Working Paper 4560 (March).

ANNEX: LIST OF ANTI-DUMPING DISPUTES BEFORE THE WTO

```
Argentina — Ceramic Tiles — Complainant: European Communities DS189
Argentina — Definitive Anti-Dumping Measures on Imports of Drill Bits from Italy
 — Complainant: European Communities DS157
Argentina — Poultry Anti-Dumping Duties — Complainant: Brazil DS241
Australia — Anti-Dumping Measures on Imports of Coated Woodfree Paper Sheets
 - Complainant: Switzerland DS119
Brazil — Anti-Dumping Duties on Jute Bags from India — Complainant: India DS229
EC — Bed Linen — Complainant: India <u>DS141</u>
EC — Chicken Cuts — Complainant: Brazil DS269; — Complainant: Thailand DS286
EC — Tube or Pipe Fittings — Complainant: Brazil DS219
Ecuador — Definitive Anti-Dumping Measure on Cement from Mexico — Complainant:
 Mexico DS191
Ecuador — Provisional Anti-Dumping Measure on Cement from Mexico — Complainant:
 Mexico DS182
Egypt — Steel Rebar — Complainant: Turkey <u>DS211</u>
European Communities — Anti-Dumping Duties on Certain Flat Rolled Iron or Non-Alloy
 Steel Products from India — Complainant: India DS313
European Communities — Anti-Dumping Investigations Regarding Unbleached Cotton
 Fabrics from India — Complainant: India DS140
Guatemala — Cement I — Complainant: Mexico DS60
Guatemala — Cement II — Complainant: Mexico DS156
India — Anti-Dumping Measure on Batteries from Bangladesh — Complainant:
 Bangladesh DS306
India — Anti-Dumping Measures on Certain Products from the Separate Customs Territory
 of Taiwan, Penghu, Kinmen and Matsu — Complainant: Chinese Taipei DS318
India — Anti-Dumping Measures on Imports of Certain Products from the European
 Communities — Complainant: European Communities DS304
Korea — Certain Paper — Complainant: Indonesia <u>DS312</u>
Mexico — Anti-Dumping Investigation of High-Fructose Corn Syrup (HFCS) from the United
 States — Complainant: United States DS101
Mexico — Anti-Dumping Measures on Rice — Complainant: United States <u>DS295</u>
Mexico — Corn Syrup — Complainant: United States DS132
Mexico — Measures Affecting Trade in Live Swine — Complainant: United States <u>DS203</u>
Mexico — Provisional Anti-Dumping Measure on Electric Transformers — Complainant:
 Brazil DS216
Mexico — Steel Pipes and Tubes — Complainant: Guatemala DS331
Peru — Provisional Anti-Dumping Duties on Vegetable Oils from Argentina — Complainant:
 Argentina DS272
Philippines — Anti-Dumping Measures Regarding Polypropylene Resins from Korea
 — Complainant: Korea DS215
South Africa — Anti-Dumping Duties on Certain Pharmaceutical Products from India
 — Complainant: India DS168
South Africa — Definitive Anti-Dumping Measures on Blanketing from Turkey
 — Complainant: Turkey DS288
Thailand — H-Beams — Complainant: Poland DS122
```

```
Trinidad and Tobago — Anti-Dumping Measures on Pasta from Costa Rica — Complainant:
 Costa Rica DS185
Trinidad and Tobago — Provisional Anti-Dumping Measure on Macaroni and Spaghetti
 from Costa Rica — Complainant: Costa Rica DS187
Turkey — Anti-Dumping Duty on Steel and Iron Pipe Fittings — Complainant: Brazil DS208
US — 1916 Act (EC) — Complainant: European Communities DS136
US — 1916 Act (Japan) — Complainant: Japan <u>DS162</u>
US — Anti-Dumping Measures on Cement — Complainant: Mexico DS281
US — Anti-Dumping Measures on Oil Country Tubular Goods — Complainant:
 Mexico DS282
US — Corrosion-Resistant Steel Sunset Review — Complainant: Japan DS244
US — DRAMS — Complainant: Korea DS99
US — Hot-Rolled Steel — Complainant: Japan DS184
US — Offset Act (Byrd Amendment) — Complainants: Australia, Brazil, Chile, European
 Communities, India, Indonesia, Japan, Korea, Thailand DS217
 — Complainants: Canada, Mexico DS234
US — Oil Country Tubular Goods Sunset Reviews — Complainant: Argentina DS268
US — Section 129(c)(1) URAA — Complainant: Canada DS221
US — Softwood Lumber V — Complainant: Canada <u>DS264</u>
US — Softwood Lumber VI — Complainant: Canada DS277
US — Stainless Steel — Complainant: Korea DS179
US — Steel Plate — Complainant: India <u>DS206</u>
US — Zeroing (EC) — Complainant: European Communities DS294
US — Zeroing (Japan) — Complainant: Japan DS322
United States — Anti-Dumping Determinations regarding Stainless Steel from Mexico
 — Complainant: Mexico DS325
United States — Anti-Dumping Duties on Imports of Colour Television Receivers from Korea
 — Complainant: Korea <u>DS89</u>
United States — Anti-Dumping Duties on Seamless Pipe from Italy
 — Complainant: European Communities <u>DS225</u>
United States — Anti-Dumping Duties on Silicon Metal from Brazil
 - Complainant: Brazil DS239
United States — Anti-Dumping Investigation Regarding Imports of Fresh or Chilled
 Tomatoes from Mexico — Complainant: Mexico DS49
United States — Anti-Dumping Measures on Imports of Solid Urea from the Former
 German Democratic Republic — Complainant: European Communities DS63
United States — Provisional Anti-Dumping Measure on Imports of Certain Softwood
 Lumber from Canada — Complainant: Canada <u>DS247</u>
United States — Sunset Reviews of Anti-Dumping and Countervailing Duties on Certain
 Steel Products from France and Germany — Complainant: European Communities <u>DS262</u>
Venezuela — Anti-Dumping Investigation in Respect of Imports of Certain Oil Country
```

Tubular Goods (OCTG) — Complainant: Mexico DS23