

Anti-Dumping Regulation of the World Market at the Present Stage

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Despite the fact that the WTO provides its members with equal trading conditions, in recent years the number of dumping facts has increased, according to the author, mainly because these conditions are not equalized between countries, but, on the contrary, differentiated. The research paper is based on qualitative scientific research methods: systemic, historical, system-functional, comparative analysis, as well as an approach involving the study of the problem at the micro and macro levels. The aim of this research paper is the study of anti-dumping legislation, the stages of its development and improvement, the practice of applying anti-dumping procedures in the EU as well as to draw conclusions and recommendations.

Keywords: anti-dumping, EU, protectionism, unfair competition, WTO

INTRODUCTION

In the modern world economy, in the era of active liberalization of international trade, as well as in the context of aggravation of trade conflicts between its subjects, the problem of using various means of regulating foreign trade is becoming increasingly acute. The practice of the developed countries of the world, members of the World Trade Organization (WTO), contributed to the gradual liberalization of trade relations, including by reducing customs duties in export-import operations (Kahlessenane, 2019). At the same time, the problem of using non-tariff regulation means, which, like customs duties, can significantly affect the dynamics, commodity and geographical structure of international trade, is very topical. One of the most important means is anti-dumping measures. There are two basic reasons why foreign firms may resort to the need for dumping. The first reason is that companies use dumping to suppress competitors, seize a monopoly position, establish monopoly prices and gain profit. The total long-term economic gains resulting from the application of this strategy can more than exceed the losses from dumping. Finally, in order to maximize their profits, a foreign seller may decide to sell products at high prices in his monopolized domestic market and at the same time dump excess products at low prices on the external one (Chervinskaya, 2014). Excessive output may be necessary to reduce unit costs in large-scale production. High profits in the domestic market compensate for losses from sales abroad. At the same time, companies increasingly began to resort to ways of protecting their interests that were available to them - anti-dumping investigations were initiated, the result of which, as a rule, for importing producers was the restriction of export quotas, the application of huge penalties or the expulsion of goods from the market (Alasous, 2015).

SIGNIFICANCE OF THE STUDY

The relevance of the research topic lies in the fact that in modern international trade relations both firms and the state often resort to dumping as a way to quickly obtain the necessary foreign currency funds. Dumping is also necessary for the realization of countries' economic interests. Thus, the extremely important role of anti-dumping measures in international trade as a whole, its possible threat to the national security of world trade participants, and the urgent need to develop methods for the effective use of anti-dumping measures have determined the relevance of this study.

PURPOSE OF THE STUDY

The purpose of this study is to characterize the existing system of non-tariff regulation tools in international trade and foreign trade policy of the countries of the world (2012-2018); show the specifics of the use of these measures in the framework of the WTO; to evaluate the existing experience with non-tariff measures in foreign trade of developed and developing countries; clarify the definition of dumping from the standpoint of modern trends in the development of international trade; evaluate the current role and forms of manifestation of dumping and anti-dumping measures in the global economy in the context of widespread liberalization of international trade; identify the main stages of the evolution of anti-dumping regulation and possible directions for its further development and show the specifics of anti-dumping regulation in the European Union.

METHODOLOGY

The theoretical development of the problem posed and the solution to the problems are based on qualitative scientific research methods: systemic, historical, system-functional, comparative analysis, as well as an approach involving the study of the problem at the micro and macro levels, etc. The implications of anti-dumping regulation for national economies can be assessed using partial equilibrium model. In the framework of the partial equilibrium model, assessments are carried out with the aim of identifying commodity groups whose export or import flows can change to the greatest extent under the influence of trade liberalization. A comparison of the generalized results obtained on the basis of partial and general equilibrium models indicates their insignificant differences. The partial equilibrium model allows obtaining more detailed estimates of the effects of trade liberalization at the level of specific product groups, the export or import of which may change. These circumstances determined the choice of this model for our study. Based on theoretical assumptions, it can be assumed that anti-dumping regulation will lead to the generation of positive trade effects, a potential increase in the value of exports, a significant redistribution of additional export and import volumes between the considered associations of countries, and a change in the geographical structure of bilateral trade (Williams, 2007).

THEORETICAL FRAMEWORK

Centuries-old discussions by scientists about the preference for a particular direction of foreign trade policy have not been crowned, and they will not be able to a priori be crowned with a unanimous decision. This is due to the fact that the experience of countries has already proved the fallacy of absolute adherence to one of the two poles of foreign trade management: protectionist or liberal. For example, if a country developing or with a transitional fragile economy completely switches to a model of pure liberalism, then, in the end, it simply will not be able to compete with more developed countries and, at least in the short and medium term, will suffer significant losses in the form dependence on foreign products, technology, capital outflows and skilled personnel. On the other hand, excessive enthusiasm for protectionist measures can lead to the loss of incentives to increase the efficiency of export production, reduce the competitiveness of their products, and sometimes dumping and related anti-dumping practices by third countries. Indeed, for manufacturers to be able to use comparative advantages in international

trade, they must at least compare products and evaluate competitors and their products. But in conditions of active state assistance, the need and motivation are lost in this (McDermott, 1999). The protectionism theory implies that at the present stage significant restrictions are associated with the need for product certification, lobbying, protection in world trade. Nowadays by applying anti-dumping measures states seek to protect the strategically important and most vulnerable sectors of their economies. In our case study, it is possible to state that European countries subsidize up to 30-50% of national agricultural producers, creating almost impossible conditions for foreign competitors to enter their agricultural market (McDermott, 1999).

RESEARCH DESIGN

The research question is Have intensive liberalization and the development of foreign trade relations formed an adequate system for the anti-dumping regulation of foreign trade relations?

Hypothesis 1: the dynamic application of anti-dumping measures to protect the domestic market creates the conditions to cast doubt on the legitimacy of their use and application.

Hypothesis 2: Anti-dumping duties have become one of the most affordable means of protectionism, and are being actively mastered mostly by developed countries (European countries).

Data was collected on anti-dumping measures by the EU and other states from the World Bank Database. Another data for conducting an in-depth analysis of the problems formulated in this paper have been collected from peer-reviewed journals in the sphere of International Trade. The necessity of referring to the works of authors specializing in studying the problems of developing foreign trade and the practice of applying anti-dumping measures has been identified. Qualitative data analysis searches to evaluate the current role and forms of manifestation of anti-dumping measures in the global economy in the context of widespread liberalization of international trade and to analyze the anti-dumping system of the EU as an example.

LITERATURE REVIEW

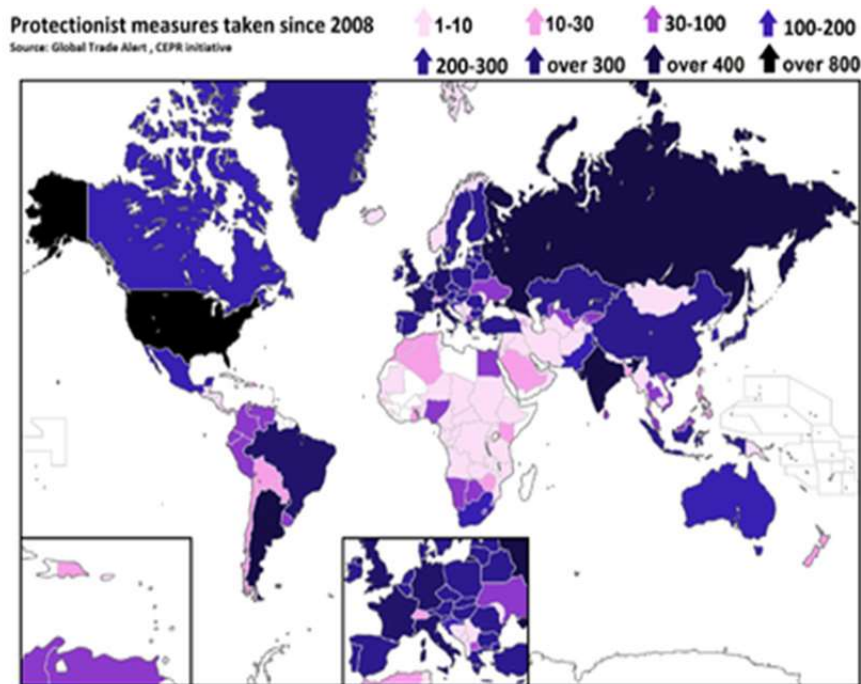
Definition and Evolution of Anti-Dumping Regulation

Dumping should be understood as the export of goods at a price lower than normal if it causes significant damage to one of the participants in international commodity exchange, but if prices for similar goods are taken into account on the same trading conditions. This is especially important because, despite the fact that the WTO provides its members with equal trading conditions, in recent years the number of dumping facts has increased, according to the author, mainly because these conditions do not equalize between countries, but, on the contrary, differentiate (Firme, V. D. A. C., & Vasconcelos, C. R. F., 2015). It is also important here to make a second clarification: one can choose between price categories of goods without dumping, dumping threatens to lose the market by domestic producers, which will narrow our choice in the future and we will have to choose between just expensive imports and very expensive imports. Thus, dumping should be understood as exporting goods at a price lower than normal if three sufficient conditions are met: 1) if export causes significant damage to one of the participants in international commodity exchange; 2) if prices are taken into account on the same trading terms by countries; 3) if export threatens with a loss of the market by domestic producers (Wooton & Zanardi, 2018). The initial purpose of anti-dumping measures in international trade is to counter unfair competition. In this regard, dumping is prohibited by national laws of the vast majority of participants in international trade. For international trade, dumping is dangerous because it leads to a disorganization of the market and creates an atmosphere of trade war. In the final analysis, taxpayers bear all the costs associated with dumping with dumping, and there are drawbacks to the state of the importer, namely, the general deterioration of the economy due to dumping imports, which leads to a decrease in production or

directly competing goods, and a decrease profitability of production of goods, negative impact on inventories, employment, wages, overall investment activity and other economic indicators. The main tool in the fight against dumping is anti-dumping duties, which is a type of indirect tax that gives a “load” to the import price (Voon, 2019). It is possible to reveal that the anti-dumping duty differs from the usual customs duty in at least four ways: in terms of validity, in terms of coverage of exporting companies, in scope, and also in terms of use. Despite the active use of anti-dumping duties by developed countries, since there may be a number of other reasons for the occurrence of dumping, for example, a difference in the elasticity of demand for goods in different states; imperfect competition in the domestic market of the exporting country; segmentation of the domestic market, which allows isolating itself from the external, due to the geopolitical location of the state, through the use of trade barriers and for other reasons (Voon, 2019).

In modern international trade practice, despite the already achieved level of liberalization of international trade, the practice of applying various non-tariff restrictions has sharply intensified. The specifics of modern non-tariff protectionism is increasingly acquiring elements of extraterritoriality. In other words, the protectionist effect is achieved not by limiting the elements of unfair competition in the domestic market of the importer, but by influencing the conditions of production abroad. Obviously, the use of non-tariff restrictions is associated with the need for developing countries to protect individual, emerging sectors of the national economy. Nevertheless, the use of non-tariff measures is still often found in the practice of developed countries (Vermulst & Ikenson, 2017). The practice of multilateral regulation of international trade in the framework of the GATT / WTO was initially associated with the problems of using non-tariff barriers. In this regard, one may distinguish three stages in the construction of a non-tariff regulation system within the WTO: 1) The Tokyo Round - a group of five directions of anti-dumping regulation operated within it. Nevertheless, after this round, the use of non-tariff measures only increased, which can be attributed to the cyclical decline in the economies of developed countries and the need for appropriate support to national economies. 2) Uruguay Round - it introduced serious corrective measures into the mechanism of non-tariff regulation on such measures as subsidies, technical barriers, anti-dumping and countervailing measures. 3) Doha-round - the importance of this stage is that the agenda of this round includes issues that reflect the interests of developing countries (Vermulst & Ikenson, 2017).

FIGURE 1
PROTECTIONIST MEASURES TAKEN SINCE 2008

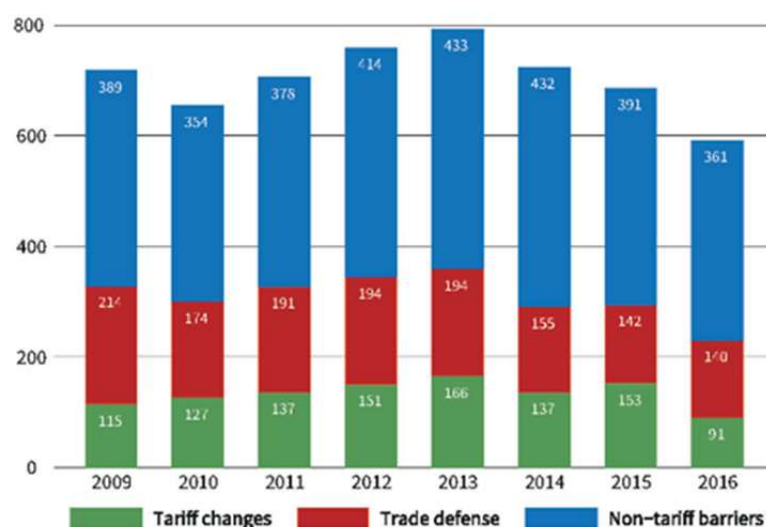


Anti-dumping regulation in the second decade of XXI century covers a fairly wide range of measures (up to 800) (See Figure 1). This list is constantly being supplemented and measures that were not previously non-tariff, such as export duties, are beginning to be included here. The main reasons for the increasing use of non-tariff measures, include: the growing role of foreign trade in the national economy and the associated increase in the degree of openness of national economies; a significant increase in the share of finished products in world trade; the growth of transnationalization of production, which led to a very dynamic development of international cooperation and a sharp increase in the importance of intra-company trade on a global scale (C. Satapathy, 2015). The following main trends in the use of non-tariff restrictions in world trade should be highlighted:

- the practice of using anti-dumping methods, the use of which is prohibited or severely limited by WTO rules and regulations, has undergone significant changes, i.e. the range of these methods has become more diverse. This is due, first of all, to non-economic reasons related to solving national security problems, protecting life and human health, protecting the flora and fauna, maintaining the ecological environment, ethical issues, religion, and so on.
- the use of non-tariff barriers has increased, the use of which is more difficult to control and challenge at the international level, primarily voluntary export restrictions, and those whose application is mainly based on a national regulatory system that does not contradict WTO rules (anti-dumping and countervailing duties), which makes it possible more effectively manipulate them in the implementation of protectionism policies. Anti-dumping has become one of the most affordable means of protectionism, and is being actively developed, including by a number of developing countries (See Figure 2).
- if earlier trade contradictions arose due to non-tariff barriers imposed mainly on agricultural products and textile products, now high-tech products are becoming more and more involved in the sphere of trade conflicts;
- the use of non-tariff measures by developed countries is constantly growing as industrial production in developing countries develops;

- the highest level of non-tariff restrictions has to be overcome by exporters of the least developed countries for goods whose share in exports prevails. At the same time, these countries themselves use anti-dumping measures very little.
- anti-dumping regulation is increasingly being transferred to the level of regional integration groups, because, firstly, non-tariff barriers are used in relation to third countries, and secondly, in mutual trade in conditions of significant liberalization of tariff regulation (Bown & McCulloch, 2016).

FIGURE 2
GLOBAL TRADE PROTECTION AND THE ROLE OF NON-TARIFF BARRIERS



The Role of Anti-Dumping Regulation in Modern International Trade

In world practice, a great deal of experience has been gained in anti-dumping regulation. A surge of instances of the introduction of temporary protective measures occurred in the second decade of the XXI century, with about 80% accounted for metallurgy, whose products at that time clearly overwhelmed the world market (Zanardi, 2016). The United States and the EU are leading anti-dumping investigations. According to the WTO, at the beginning of 2015, there were 37 notifications related to anti-dumping being monitored, with about half of the investigations in large developing economies, especially China (Zanardi, 2016). In general, anti-dumping procedures have become one of the most actively used protectionism tools, since they are a very flexible regulatory tool - they can be introduced for both goods from a particular country and for individual manufacturers or importers. In general, the following main areas of modern anti-dumping regulation can be distinguished: the intensification of globalization processes has led to difficulties in defining the concept of “national producers”, which has further complicated the procedure for calculating dumping and damage during anti-dumping investigations; the role of selective means of protection of national producers has significantly increased (for example, the protection of environmental interests under the Kyoto Protocol); anti-dumping and countervailing measures supplanted tariff measures, although initially the former were intended only to adjust competition conditions; the share of measures introduced after the investigation is gradually decreasing, since investigations take months, and during this time countries manage to reorient their exports; the reduction in the number of anti-dumping investigations against a number of countries was facilitated by the recognition of their status as states with a market economy (Feinberg, 2018).

In EU countries, anti-dumping regulation is carried out mainly in accordance with Art. VI GATT Agreement of 1947. A feature in the field of anti-dumping measures in the European Union is that the

competence on this issue does not belong to the member states, but to the EU represented by authorized bodies (Davis, 2009). As for dumping, the EU's special body, the Commission, decides to initiate proceedings and conduct anti-dumping investigations. In order to introduce an anti-dumping duty, in addition to dumping, it is also necessary to cause material damage to the producer of similar goods in the EU by dumping imports. In the absence of any of these components, the case may be terminated. It should be noted that the EU is pretty tough on protecting its market from dumping imports (Davis, 2009).

Mala Fide Competition and Anti-Dumping Measures

The abolition of the state monopoly of foreign trade and the transition to new liberal principles of international trade put local producers face-to-face with foreign companies in the domestic and foreign goods markets. Comparison of the complexes of their competitive advantages in the framework of the determinants of the "national rhombus" was not in favor of enterprises and sectors of the foreign trade sector of the economy, which was due to both well-known internal and external reasons (Mavroidis, 2018). Among external reasons, one may single out two factors that negatively affect the competitiveness of a number of sectors of the local economy of developing countries: dumping and subsidized import of goods into the customs territory. These factors, given the increased volume of imports, significantly influenced the competitiveness of the economy as a whole and especially of industries related in one way or another to imports. Anti-dumping and countervailing measures to some extent reduce unfair competition in foreign trade operations and protect the economic interests of producers in foreign trade in goods, and achieve certain goals not only in the global world economy: providing the necessary and sufficient conditions for the effective integration of the economies of developing countries in a system of the international division of labor and the promotion of domestic competitive goods in foreign markets, but also with sphere of national economy: the protection of the individual sectors of the economy and economic subjects from adverse effects of increased imports of dumped imports and the subsidized imports of goods into the customs territory, as well as the maintenance of the country's balance of payments by state regulation of imports of goods (Mavroidis, 2018).

As international commercial practice shows, dumping is used to achieve at least three goals: commercial (gaining a foreign market, eliminating competitors, or simply fencing markets threatened by foreign companies), monetary (replenishing foreign exchange reserves that allow them to be used in order to protect the national currency exchange rate, as well as giving the government the opportunity to maneuver in securing additional government borrowing) and political (economic, and then political enslavement of some importing countries). Article VI of the GATT considers dumping the distribution of products of one country on the market of another country at a price below normal if it causes significant damage to production or significantly slows down the production of national products. At the same time, the price is not recognized as normal if it is lower than the corresponding price applied in ordinary commercial operations to similar goods intended for consumption in the exporting country (Malhotra, 2016). An exporter may go on sale of goods at dumping prices if:

- a decision was made to sell the goods at a price close to the cost price, which is lower than the average profit level of the enterprise, but the sales volume does not constitute a large share of the total turnover;
- it is difficult to expect that the government of the importing country will intervene in the near future in the existing foreign trade procedure, such as the introduction of anti-dumping duties;
- there are no other options for the profitable sale of goods, when, for example, a higher price level cannot be set on the foreign market or it is not possible to produce other goods at your enterprise that will provide a higher rate of profit;
- markets usually consist of different segments and thus the price level in the main market segment can be maintained; in this case, you should keep in mind not only your domestic market, but all the main export markets (Malhotra, 2016).

The basis for deciding on the use of dumping prices may be the threshold of self-sufficiency or the point of loss-free operation of the enterprise. The suggested approach allows develop and put into practice two methods for determining dumping margin, which is the basis for establishing the fact of dumping

imports of goods into the customs territory of a particular country. The basic method involves a quantitative comparison of the normal value of the goods (the price of a similar product in the country of manufacture or export in the usual course of trade in such goods) and export, for which the goods are imported into the country. In international trade, the principle of “double standard” is used with respect to the basic method for determining the absolute value of dumping margins, that is, both the general methodology for determining dumping margins used in a special investigation regarding the supply of goods from countries with market economies is applied, as well as a special one - in deliveries from countries with a non-market economy. The second (derived from the base) method for determining the absolute value of the dumping margin involves comparing the export price of the goods and the average weighted production costs, calculated on the basis of the average weighted production, trade, administrative and total costs and the average rate of profit (Vandenbussche & Zanardi, 2017). The profit made by the manufacturer in the country - export of goods during the normal course of trade, can be determined by comparing: the export price of such a product with its production costs in the country of origin or the export price of such a product with its production costs in a suitable third state. In both cases, the amount of profit should not exceed usually obtained by other manufacturers or exporters when selling products of the same commodity position in the domestic market of the country of origin of goods. The inefficiency of the second method for determining the absolute value of the dumping margin is due to the state of accounting, in particular, its development is not yet sufficiently connected with the main trends in harmonizing standards at the international level: some of the applicable accounting rules are based on outdated approaches that are far from accounting requirements in a market economy and incompatible with international standards. As part of the federal bodies directly involved in special anti-dumping investigations, there are practically no (to date) practitioners in the field of international accounting (Vandenbussche & Zanardi, 2017).

Dumping violates fair competition in world trade, its main goal is to conquer new foreign markets, flood them with their cheap goods, more competitive than domestic products. In modern international trade relations, both firms and the state often resort to dumping as a way to quickly obtain the necessary foreign exchange funds, as well as to realize their economic interests. Dumping can also pursue political goals, in particular, to suppress the economically more powerful state of the competition of national producers in less developed countries and gradually establish economic control over them. Regardless of the form of manifestation, dumping creates negative consequences for both the exporting state and the importing state. For the first, this is expressed, in particular, in the fact that taxpayers - citizens of this state ultimately bear all the costs associated with dumping exports. For the importing state, this leads to a general deterioration in the situation of the economic sector due to dumping imports, which is manifested in a decrease in the volume of production or directly competing goods, a decrease in the profitability of production of such goods, a negative impact on inventories, employment, wages, and overall investment activity and a number of other indicators. For international trade as a whole, dumping is dangerous because it leads to a disorganization of the market and often creates an atmosphere of trade war (Uwazuruike, 2018). The anti-dumping imports in the mechanism of state regulation of foreign trade is primarily aimed at the application of anti-dumping measures, which are understood as measures to limit the dumping of goods imported by the executive branch, by introducing an anti-dumping duty, including a temporary anti-dumping duty, or by accepting price obligations. It should be noted that the application of anti-dumping sanctions acts as an effective form of state regulation of international trade. At the same time, today, enterprises are increasingly resorting to the means of protecting their interests available to them - initiating anti-dumping investigations, the result of which, as a rule, for importing producers is the restriction of export quotas, the application of huge penalties or the expulsion of goods from the market (Uwazuruike, 2018). In accordance with international rules, anti-dumping measures can be applied if there is evidence of import of any product at dumping prices and the fact that it causes material damage (or poses a risk of material damage) to domestic producers of similar goods or leads to a significant slowdown in the creation of a domestic economics. For the purpose of applying anti-dumping (as, by the way, countervailing) investigations, the presence of a “market status” or recognition in the country conducting the investigation plays the important role that the economy of the country against which the

goods are being investigated is market (Lloyd, 2019). China is a leader in applying anti-dumping measures to Chinese exporters, as the country is the largest exporter in world trade and a serious competitor for most countries. Over the past 6 years, China has constantly appealed to the WTO Dispute Settlement Authority regarding the appropriateness of anti-dumping measures against exporting companies. China and Russia are not the only countries whose enterprises have faced anti-dumping duties. In addition to these, these countries include the Republic of Korea, Brazil, the United States of America, India, Indonesia, the European Union and some other countries. Of interest is the fact that the list of leading countries in the application of anti-dumping measures is identical with the corresponding list of countries whose companies have encountered these measures. This can be explained first of all by the significant degree of involvement of these countries in international trade, as well as by the sufficient amount of resources for conducting anti-dumping disputes (Lloyd, 2019).

The mechanism of the impact of the anti-dumping duty provides for the taxation of imported goods in order to increase prices. The rate of the anti-dumping duty must be such that the price of the imported product, including anti-dumping and custom duties levied on imports, is at or above the price of a similar national product and / or is sufficient to eliminate the caused or possible damage to the national industry of the importing country. These duties are established in addition to ordinary customs duties and are sometimes distinguished by a fine character, although in principle they should be compensatory, i.e. match the difference between normal and dumping prices (Nicolaidis, 2016). The anti-dumping duty should be set in an amount not exceeding the dumping margin for this product, while the dumping margin refers to the difference between the normal domestic price in the exporting country and the export price of goods exported to another country at the dumping price. A variation of anti-dumping measures is a preliminary anti-dumping duty. Following the results of the anti-dumping investigation, temporary (preliminary) may be introduced, and then (based on its results) final anti-dumping duties may be established. However, such protectionist measures, as a rule, lead to crowding out foreign entrepreneurs from the market. There is an alternative to such a negative turn of events - the adoption of special undertakings during the anti-dumping process. It should be noted that in addition to formally introduced anti-dumping duties and the adoption of price obligations, informal methods can also act as anti-dumping measures. This affects the exporter of this product, which is not interested in bringing the case to the application of anti-dumping measures (as a rule, they practically block the import of the corresponding product qualified as dumping). Therefore, negotiations usually open, including at the government level, on the settlement of the conflict by mutual agreement. Such an arrangement may mean raising prices for the goods and setting quotas for their deliveries. Sometimes the result of such an agreement is the conclusion of so-called agreements on voluntary export restrictions. Thus, having examined certain types of anti-dumping measures, it can be argued that formally these measures are created to maintain and maintain fair competitive conditions in international trade. However, international experience shows that over the past decades, cases of abuse of the use of anti-dumping investigations and anti-dumping measures have become more frequent without sufficient reasons for this, when there is virtually no dumping (Nicolaidis, 2016).

Anti-Dumping Procedures in the Law and Practice of the European Union

The relevance of the topic of the study of anti-dumping procedures in the law and practice of the EU is due to the theoretical and practical significance of issues related to the development of anti-dumping regulation in the modern world. The intensification of competition in foreign markets in recent years, the expansion of the geography of the use of anti-dumping measures have determined the need to study the consequences of using these tools in order to reduce the negative impacts on international trade relations. In conditions when counteraction to dumping, which is one of the most common types of unfair competition, is increasingly used as an instrument of state regulation of foreign trade activities, the idea of foreign anti-dumping legislation and the practice of its application are becoming very important (Tabakis & Zanardi, 2014). Participation in the WTO implies active international cooperation to unify the national anti-dumping legislation of various states. In this context, a special interest in EU law is due to the following circumstances: firstly, the provisions on anti-dumping measures in the WTO documents were

created and developed on the initiative and with the active participation of leading states, including the EU; secondly, as a member of the WTO, the EU is quite successfully fulfilling its obligation to bring its legislation, administrative procedures and practices in the field of trade in goods into line with the GATT and other agreements concluded by WTO members. At the same time, the EU actively participates in negotiations aimed at developing new and modifying anti-dumping procedures already in force in the EU and the WTO. While WTO rules are limited to the most general regulations on the application of anti-dumping measures, EU law contains additional, more liberal provisions that are not applied by all WTO members. These provisions are aimed at establishing a balanced application of anti-dumping rules, and corresponding changes in WTO law can be expected, since the EU is an active initiator of multilateral trade negotiations within the WTO (Brenton, 2016).

In establishing the fact of dumping, one should proceed from the fact that guilt is not a significant and inalienable sign of dumping. This conclusion finds confirmation that the Anti-Dumping Code and European law imply a comparison of prices solely on objective factors, without taking into account subjective factors, such as dishonest intentions, motivation. For the introduction of an anti-dumping measure, the fact of causing or threat of causing substantial damage, the presence of causation is sufficient, intent does not matter. International law and EU anti-dumping legislation are closely interlinked. On the one hand, WTO law establishes and unifies the domestic legal regime in the anti-dumping process. Regarding the mechanism of anti-dumping procedures, international law dictates what should be the domestic anti-dumping legislation. On the other hand, European anti-dumping legislation goes slightly further than the rules set forth in the Agreement on the Application of Article VI of GATT-1994. EU always think about “an assessment of the interests of the Community” and “a condition of lesser duty” (Khatibi, 2019). Also, unlike international law, EU legislation contains detailed mechanisms for counteracting anti-dumping circumvention methods. The example of the EU shows that national legislation can go further in the development of anti-dumping regulation, and certain national experience can be used in the process of improving the anti-dumping procedures of WTO law. Examining the practice of applying anti-dumping measures, it can be stated that anti-dumping procedures, as a means of combating dishonest commercial practices, become an instrument of unjustified protectionism. The main reason for the need for reform, both in the EU and internationally, is the apparent imperfection of trade safeguards. The second reason is caused by a clearly large number of anti-dumping investigations (Khatibi, 2019).

In the EU in mid-March 2013, the European Commission announced the development of a draft European Parliament and Council Regulation on the control of the industrial goods market. It is supposed to create a single harmonized regulatory document that can be applied horizontally in all areas aimed at improving product safety. The adoption of this document is expected in the first half of 2014. The resolution is aimed, on the one hand, to simplify and improve legislation, create favorable conditions for trade. On the other hand, goods produced outside the EU can be placed on its market only if they obtain permission for free circulation. The purpose of the decree is to make better use of the rules to control the market for goods in the EU, increase safety and protect human health, and protect enterprises from unfair competition. In particular, it is planned to create a unified information base “Information and Communication Systems for Market Surveillance” and to improve the “Quick Information Exchange Systems”, designed to accumulate and exchange information between EU member states. This will avoid duplication of activities from similar services in EU member states (Eckhardt, 2013). The scope of the document does not apply to food and packaging, pesticides, certain types of medical equipment, medicines and some others. In order to improve the safety of goods, it is planned to strengthen control at the external borders of the EU in order to suspend the entry into circulation of goods that may be dangerous. At the same time, regulatory authorities will be allowed to levy payments from enterprises that import products into the EU, in order to fully or partially cover the costs of these bodies for the examination of goods. The volume of imports of products falling under this Regulation is more than 50% in the EU. In many countries of the European Union, the requirements for standards are more stringent than declared by its general documents. Therefore, in Denmark, all electrical household products, except

for compliance with EU standards, must be tested in a specialized Danish investment agency (Wilkinson, 2004).

FINDINGS AND DISCUSSIONS

The findings of this paper show that despite the existence of liberal system in international trade, countries still resort to anti-dumping measures. These measures are applied both for their main purpose (against dumping and the receipt of low-quality goods in terms of consumer and environmental requirements), and in order to protect domestic suppliers from, in their opinion, excessive foreign competition. Evidence of this is the increase in the number of trade conflicts that the WTO Dispute Resolution Authority has to deal with in recent years. Measures aimed at suppressing unfair competition by foreign exporters are also quite legitimate.

Addressing the research question, it is possible to state that the attitude to the use of anti-dumping measures in world practice is quite controversial. On the one hand, the GATT and the WTO, which began to function in 1995, formally set the task of eliminating such measures as much as possible, and switching to regulating foreign trade using exclusively tariff methods. On the other hand, all countries of the world, including those that have been members of the GATT since its inception and which have become members of the WTO since its inception, use a wide variety of non-tariff regulation of foreign trade. A study of the experience of economic reforms in the EU shows that the process of adapting the national economy to the requirements of the world economy is inevitably accompanied by the use of non-tariff measures. Moreover, some anti-dumping measures are not eliminated, as they are a projection of measures of domestic economic policy on trade and economic relations with other countries. Finally, there are non-tariff regulation measures legalized by the international trading system, namely, protective measures aimed at preventing or mitigating damage caused to the national economy by a sharp increase in the import of foreign goods.

CONCLUSION

Thus, the practice of using anti-dumping regulation methods has undergone significant changes, i.e. the range of these methods has become more diverse. This is due, first of all, to non-economic reasons related to solving national security problems, protecting life and human health, protecting the flora and fauna, maintaining the ecological environment, ethical issues, religion, and so on. According to mercantilist theory in international trade, the use of non-tariff barriers has increased, the application of which is more difficult to control and challenge at the international level, primarily voluntary export restrictions, and those whose application is mainly based on a national regulatory system that does not contradict WTO rules (anti-dumping duties), which makes it possible to more effectively manipulate them in the implementation of protectionism policies. Anti-dumping duties have become one of the most affordable means of protectionism, and are being actively mastered, including by a number of developing countries. Anti-dumping duties should be the only legal mechanism to counter dumping supplies, since they are directly aimed at preventing and eliminating the negative consequences of dumping that is paramount in terms of protecting the national economy.

According to liberal theory, protectionist measures in the multilateral trading system are actually banned, and all efforts to regulate international trade are reduced to promoting openness and freedom of trade between countries. However, in practice we see that most countries adhere to protectionist theory by imposing anti-dumping measures. In this manner, the EU's special body, the Commission, initiates proceedings and conducts anti-dumping investigations.

RECOMMENDATIONS

After reviewing the topic of modern anti-dumping regulation, it is possible to give some recommendations. In order to prevent the use of anti-dumping procedures as an instrument of

protectionism, it is necessary to modify the existing anti-dumping procedures, both at the international level and at the national level. Namely: 1) Evidence of dumping and damage should be based not on an assumption, but on a totality of verifiable facts. Damage should be considered as a divisible concept, and not as a result of all the negative factors affecting the local commodity producer. Natural competitive advantages, such as the cheapness of labor, raw materials, resources and others, should be taken into account by the competent authority; 2) In order to prevent the abuse of the anti-dumping mechanism, it is necessary to consider only the appeals of associations representing at least 40% of industry enterprises, and when deciding on anti-dumping duties, it is necessary to take into account the interests of related sectors of the economy and consumers; 3) Maintenance by the competent authorities of the official register of anti-dumping investigations, which should indicate detailed information for each measure, namely: the share of national industry in the market, prices and the amount of imports, the size of the anti-dumping duty, etc. (Pauwels, Vandebussche, & Weverbergh, 2017).

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