

The review of the Ph.D. dissertation

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Title: “The Influence of China’s Accession to the WTO on EU Antidumping Actions against Chinese Products”

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1. General description

The thesis consists of an abstract, introduction, four chapters, summary and conclusions, an annex as well as bibliography, and lists of tables and figures. The division of the contents of the thesis is not clear and consistent. Some of the chapters are numbered with figures, some subchapters are numbered with letters, when others have simply subtitles without numbering. It is a little confusing and the chapters and their content would have been much more transparent if the author was consequent with numbering individual parts of his thesis. The way the Author structured the thesis does not fully conform to principles and requests to the structure of scientific thesis. The Author has closed each of the chapters with Summaries (although in the case of the first chapter you cannot find it in the list of contents), which allow for quick resume and give clear conclusions.

The thesis is written on 213 pages all together. The presentation, consistency, style and language of the dissertation are adequate. Some minor spelling and grammatical mistakes can be found.

As to research methods used while writing the thesis, systematic review, comparative analysis and some statistical methods are used by the Author. The first and the second chapters of the thesis are descriptive in their character, although some conclusions and generalizations made by the Author himself are to be found there. The third chapter contains several tables and figures based on own calculations of the Author. The majority of them are simple percentage calculations.

The author has studied and used appropriate number of bibliography sources and quoted them in the thesis. It is the evidence of his theoretical knowledge and good orientation in the problem of antidumping regulations and actions discussed in the thesis. It is only a bit strange that the Candidate has hardly used any Chinese sources, what could enrich the thesis to some extent. The sources are properly quoted, although the Internet sources are given without dates of retrieving.

2. The choice of the research topic and the formulation of the research question

China's deepening engagement in the global trading system and the thread of Chinese export have affected negotiations, formations and rules of international trade agreements. There have occurred many changes, one of which is China's accession to the World Trade Organization in 2001. Its terms of accession allowed the existing members to deviate from core principles of reciprocity and most favored nation treatment by giving them the access to a discriminatory import-restricting China safeguard based on political justification that Chinese export capacity threatened to disrupt established trade patterns. Antidumping measures are the ones pretty frequently used by the WTO members while trading with China.

Anti-dumping policy occupies a certain niche within the trade policy literature; not only is it seen as a policy to counter rarely observed phenomena - and therefore have only low efficiency rationales - but when they are applied, anti-dumping duties are seen as gratuitous in size – sometimes with duties of the order of 100%. The author has undertaken an effort to examine the correlation between the antidumping procedures undertaken by the EU economies against China and its WTO membership. As to the choice of the research topic of the thesis, it is to be stressed that the topic is current and relevant in the context of up-to-date research in theory of international economics and trade policy in particular. The Nobel Prize winner Joseph Stiglitz describes much anti-dumping laws nothing more than “creative new measures to block imports” which make “little economic sense”. Stiglitz argues that, the first world uses anti-dumping legislation to defend itself from third world competition. The topic of the dissertation is very important and very sensitive, so the Author's choice is accurate and, what is more, his approach to the problem is not subjective. He is trying to see it from different points of view, taking into consideration different conditions and interests of both sides in presented cases of antidumping actions.

The Author formulated two objectives of the thesis:

- “to assess whether China’s WTO accession has helped to reduce the frequency of the EU antidumping investigations against Chinese products or not;
 - to identify the presence of other important determinants (apart from legal rules) of the EU antidumping actions against Chinese products and find evidence for those determinants”.
- His main thesis/hypothesis(? – see pp. 11 and 12) of the dissertation is: China’s accession to WTO has not resulted in reduced intensity of antidumping actions in the EU. The Author has supplemented this hypothesis with a supplementary one about a positive relationship between frequent EU antidumping actions and such factors as: high product concentration and fast increase of Chinese exports to the EU. The formulation of the research objectives and hypotheses are proper.

3. The contents of the dissertation

As to the structure of the thesis, it is generally correct (apart of the inconsistent division mentioned above) although, while reviewing, some doubts have appeared. The first chapter of the dissertation contains a review of the literature concerning dumping as well as determinants and effects of antidumping. I do not fully understand why the Author has put “empirical evidence” in its title, as the chapter is in its dominant part a theoretical one.

In my opinion it would be better for the second chapter, if it were divided into two: one concerning dumping and antidumping within the EU and WTO and the other dealing with China’s motives to obtain WTO membership. I would also prefer to find definitions of dumping in one place. In the thesis they are presented twice: in the first chapter and then in the second chapter. The Candidate properly stresses the fact that the criteria of “market economy conditions” are not precise and a methodology of proving dumping is not based on a strict comparison with domestic (Chinese) costs or prices, so it allows the importing countries to define them according to their interests. The descriptive analysis done by the Author in this chapter leads him to the conclusion that WTO membership has not helped China much with eliminating antidumping barriers in exports to the EU, although this chapter does not show how big the phenomenon of antidumping actions against Chinese products is. This problem is shown in the next – third chapter, where the Candidate has used an index of the intensity of antidumping measures – Antidumping Intensity Index (ADI). He calculated ADI for the period researched, that is 1995-2011. The results of his calculations bring us again to the conclusion that the WTO membership was not helpful for China as far as the antidumping actions against this country in the EU are concerned. This time the statistics quoted by the

Author and his own calculations prove that China was the main target of antidumping actions. Simultaneously, the Author proves that there is no evidence that a growing number of antidumping actions is the consequence of lower GDP rate in importing countries (p.118-119). The third chapter is a very important one, as the Author delivers evidence there to confirm his hypotheses. The research done by the Candidate in the third chapter reveals that there are a few factors responsible on the part of the EU for increased antidumping measures. He precisely enumerates them (p.130).

The last chapter entitled “Future of EU antidumping policy towards China” embraces much wider problem of different PTAs/RTAs and their attitudes towards the question of antidumping rules. The Author has given legitimacy to such an approach to the problem, stating that it gives a broader basis for conclusions (p.160). Astonishingly this chapter starts with the history of EU-China relations. The first two subchapters are devoted to the past rather than the future. Next two subchapters are to the point - in 4.3 the Author has written about future of China’s market economy status and in the subchapter 4.4 about global value chains and antidumping. He is right in stressing that the effects of antidumping protection depend on the international orientation of firms, i.e. whether they are exporters or not. He is also correct while saying that in the contemporary world economy international supply chains have become a fundamental feature of global trade, so trade measures protecting some firms, may hurt others within one economy. The whole chapter, although very interesting and giving a thorough analysis of the antidumping rules within different PTAs with and without China’s membership, does not give much prospects of the EU antidumping policy towards China. The Author concludes, on the basis of the earlier analysis, that the EU is not willing to change the situation and to include China into nondiscriminatory rules relating to trade defense measures with antidumping ones among others.

The Author has made some small mistakes such as the ones mentioned below:

- p. 102-103 - the Author has written that the reason for (...) antidumping application is ‘to buy time’ for necessary adjustment and to discourage Chinese competitor to withdraw from the EU market” – it should be “encourage”;

- p. 107 – the Author has written about Tables 3.2 and 3.3 – it should be Table 3.3;

- p. 110 - the Author has mentioned Table 3.1 in the text – he should mention Table 3.5;

- p. 112 – the data given in Table 3.6 and in the text below it are inconsistent;

- p. 119 – Figure 3.7 is not fully readable.

4. Results of the thesis and their benefit

The candidate has gathered and presented in a structured manner interesting material concerning antidumping procedures in the EU trade relations with China. The theoretical approach has been supplemented with case studies illustrating the topic – some of them are still being proceeded and under discussion within the WTO and the EU. It should be stressed that the cases presented in the dissertation are up-to-date and the candidate is familiar with their current state.

After describing various cases of accusation of dumping and antidumping actions against Chinese products, as well as Chinese reactions to those actions, the Author has made some important conclusions and generalizations stressing that lobbying is the way to reach some goals on a way to introduce or waive antidumping measures. The Author has also shown that there appear different interests while proceeding antidumping actions. These general conclusions (see chapter 2) as well as his analysis of the statistical data and his own calculations are the Candidate's independent contribution to the research.

5. Conclusion

The author has performed good orientation and knowledge of theory connected with dumping and antidumping actions and has done sufficient research concerning the topic. The research undertaken while preparing the thesis generally proves the author's ability to perform the scientific work on the required level. The command of the field of research, familiarity with the literature and, to certain extent, scientific significance of the results allow to state that the thesis fulfils the requirements of the doctoral dissertation. On the basis of what is stated above I recommend that the permission for a public defense of the dissertation can be granted.