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**THE INFLUENCE OF CHINA'S ACCESSION TO THE WTO
ON EU ANTIDUMPING ACTIONS AGAINST CHINESE PRODUCTS**

PhD dissertation

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Warsaw, 2014

ABSTRACT

The world economic globalization and development of bilateral trade relations not only deepens mutual interdependence among countries, but also raises their conflicts and frictions. Due to the rapid growth of EU imports from China and the worsening of trade imbalance for EU, bilateral trade conflicts have become more and more intense. As the importance of tariffs in international trade has declined with the reduction of tariff rates under the GATT/WTO rounds of multilateral trade liberalization, antidumping has become the instrument of protection of domestic markets of GATT/WTO members and numerous research results show that it has become the world's important trade impediment. At the same time, China has become the main target of EU antidumping actions.

While extensive literature attempts to explain the issue of antidumping as such and welfare effects of antidumping policy in the importing countries, there has been not much research undertaken to explain implications of China's accession to WTO on the policy of AD users. The key principle of WTO is nondiscrimination but China is subject to specific, discriminatory treatment under WTO. In other words, it's not clear whether WTO accession has reduced the intensity of AD actions or not. It's not clear either, what may be the other reasons than WTO rules behind frequent use by EU of antidumping against Chinese products. This research attempts to contribute to the literature by answering above research problems.

The dissertation consists of four chapters. Chapter I attempts to offer a theoretical framework for the research. It reviews how existing economic literature has explained the phenomenon of dumping. Based on the definition and classification of dumping it discusses firms' incentives for dumping. It also introduces theoretical arguments for and against antidumping actions. Chapter II discusses dumping and antidumping under WTO and EU laws and China's motives to obtain WTO membership. Chapter III intends to analyze and interpret the trends of exports from China, subject to the EU's antidumping actions, and determinants of those trends. Chapter IV is a concluding chapter addressing the future of EU AD policy against China. In particular, the prospects of elimination of the non-market status of China in WTO in the context of more general evolution of institutional relations between EU and China are discussed. The summary and conclusions are presented in the end of the dissertation. The findings of the research suggest that the intensive use of antidumping in the future may have negative long-run consequences for the competitiveness of EU firms. Greater

awareness of this fact and more empirical studies on the scope of this phenomenon should result in less eager use of antidumping measures by EU authorities and lower interest of EU firms to refer to antidumping. In a more general way, we may say that trade competition and regional trade protection made globalization and creation of global production chains new factors which may make the EU in the future less interested in the antidumping actions against its trade partners.

