

Trade Impact of Recent Actions on Unfair Trade Suits

In recent years U S industries have filed record numbers of petitions for import relief under the antidumping (AD) and countervailing duty (CVD) laws—and the pace is picking up (Table 1) Some observers regard this as a worrisome development. And it is true that suits charging unfair trade practices are often merely the opening move by companies and industries in a broader campaign for relief from imports. The steel industry, for example, accounts for half of the AD and CVD suits filed since 1980, and those actions were clearly just one element of a multifaceted effort to gain protection

Nevertheless, a close inspection of the data indicates that apart from steel, the recent escalation in trade suits has so far had only a limited impact on U S imports. From January 1980 to April 1984 the value of all nonsteel imports covered under successful suits amounted to only \$1.3 billion, less than 1 percent of total nonsteel, nonoil imports in 1979, the base year (Table 2). Suits involving some \$3.4 billion of imports were denied, including a negative determination on a case involving \$2.6 billion of lumber imports from Canada. Therefore, the degree of protection actually emanating from

Table 1

Countervailing Duty and Antidumping Cases, 1980-84

In number of cases

Year initiated	Total cases	Nonsteel	Steel
1980	55	23	32
1981	27	19	8
1982	113	45	68
1983	66	42	24
1984*	39	20	19
Total	300	149	151

*Through April 30, 1984

Source: United States Office of the Trade Representative, *Trade Action Monitoring System* (June 1984)

Table 2

Value of Nonsteel, Nonpetroleum Imports Covered by Countervailing Duty and Antidumping Suits, 1980-84

In thousands of 1979 dollars, customs value

Year initiated	Affirmative	Newly Initiated Investigations			Total
		Negative	Pending		
1980	550,303	75,243	0		625,546
1981	164,284	159,959	0		324,243
1982	470,339	3,090,260	2,917		3,563,516
1983	83,320	23,810	39,233		146,363
1984*	0	29,683	375,797		405,480
Total	1,268,246	3,378,955	417,947		5,065,148

*Through April 30, 1984, figures not annualized

Source: Trade Policy Staff Committee, *TRADENET* database and United States Office of the Trade Representative, *Trade Action Monitoring System* (June 1984)

AD and CVD suits is not very large even when the suits that were unsuccessful are factored in. That conclusion is true both in the aggregate and for individual trading partners.

The problem of protectionism is still of concern. But the true source of that concern has to do with nontariff barriers to trade including various orderly marketing arrangements and voluntary quota arrangements which do inhibit trade to an important degree. Recent petitions for import relief under AD and CVD laws have not been a major source of protectionist pressure.

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