

## (Un)intended Consequences of the Proliferation of Antidumping Measures

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### Abstract

We empirically examine the effects of antidumping measures simultaneously imposed by major global markets. In the paper, we consider the case of antidumping measures undertaken in the late 2000s on electrolytic manganese dioxide (EMD) imports by the European Union, Japan, and the United States, which together accounted for 60 percent of the EMD world trade at the time. Our empirical analysis reveals that significant trade destruction and diversion resulted from antidumping measures. While trade depression was not prominent, trade deflection took place at the intensive margin, with EMD trade deflected to markets with past export experience. We also identify new antidumping effects in the form of export promotion and trade emersion, whereby countries imposing antidumping measures tend to export more, suggesting that import restrictions may promote exports. Finally, because of the large reduction in EMD exports by major exporting countries with antidumping measures, new exporters that had hitherto rarely exported emerged. As the imposition of new antidumping measures leads to yet other antidumping measures, this distorted exporting behavior makes world trade inefficient.