Circumvention and Anti-Circumvention: Rising Protectionism in Australia

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The article discusses circumvention and anti-circumvention in international trade with a focus on Australia's anti-circumvention mechanism and in particular the first anti-circumvention investigation in Australia. It identifies the major issues relating to circumvention and anti-circumvention in the GATT/WTO negotiations which have led to the failure of WTO members to conclude uniform rules on anti-circumvention. The article argues that multilateral anti-circumvention rules are necessary to standardise national anti-circumvention laws and practice and discipline unilateral use of anti-circumvention measures. The article further argues that Australia's anti-circumvention law and practice, as reflected in its first anti-circumvention investigation, may have violated WTO rules and is likely to lead to increasing protectionism to cost of WTO members and Australia's FTA trading partners. Australia's unjustified use of anti-circumvention measures is unlikely to foster the development of its import-competing industries and may provoke retaliation by other countries.