The economic objection to dumping (and to other discriminatory pricing) is not dumping *per se* but to the monopoly conditions that enable and encourage it. Dumping can only occur when there are monopoly or oligopoly conditions in the home market accompanied by tariffs and/or transportation costs that prevent dumped goods from being shipped back again. Dumping is the result of, not the cause of, such conditions. It appears that effective antitrust legislation and lower tariffs are better ways to combat monopoly practices than are antidumping measures.

Governments' concern with dumping has been the low prices of dumped imports rather than the discriminatory high prices to home consumers of dumped exports. Also, the term "dumping" has an emotional, anticompetitive, and "unfair" connotation. Consequently, many countries have legislation or regulations that authorize the imposition of antidumping duties to compensate for the lower export prices of dumped imports. This legislation is somewhat comparable to resale price maintenance or "fair trade" laws, which regulate domestic sales prices.

Under the GATT, countries may impose antidumping duties on imports of dumped products if such imports cause or threaten material injury to a domestic industry (or retard the establishment of an industry). Until recently, however, antidumping legislation in most European countries has been fragmentary or nonexistent. Canada is the only industrial country that has frequently used antidumping duties. But if tariffs are substantially lowered in the Kennedy Round negotiations, countries may be tempted to use antidumping duties to partially compensate for the loss of protection. Furthermore, if the introduction of duty-free treatment for producers within the EEC and the EFTA leads to increased incidences of dumping by third-country exporters in order to meet the prices of these internal producers, greater resort to antidumping measures may be anticipated.

In Canada, antidumping duties are imposed on imported goods, if they are of a class or kind produced in Canada, and the export price of such goods is less than their "fair market" or other value that is established for duty purposes. As indicated in the previous section, these dutiable values can be higher than invoice prices. Also, Canada is the only country in