

Comment (Cont'd):

price. Conceivably, the low home market price in Country A on wire rods, for example, would set the base price. Export sales by Countries B and C at prices below this price would precipitate a new antidumping investigation of B and C sales. Since B and C home market sales are at a higher price, their margin would be their export price compared to their home market sales, but the margin for dumping duty purposes would only be their export price compared to A's home market price, the base price.

In this situation, a foreign supplier could raise his home market price and know that the only dumping duty he might have to pay would be equivalent to the margin that his export price was below the "lowest normal price." If his export price were the same as, or higher than, the "lowest normal price" he would not pay any special dumping duty at all.

How this basic price would be established is not clarified in Article 8 (d). Neither are "normal conditions of competition" defined. In effect, the entire mechanism for determining the margin of dumping under U.S. law would be circumvented and all parties dumping at prices higher than the basic price could continue to dump with impunity.