Article Review

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Forganni and Reed (2009) highlighted the ethical issues regarding the circumvention strategies being adopted by the exporters as the antidumping measures. With the increase in trends of importing the lower priced goods from emerging markets, it resulted in the formation of antidumping laws since the beginning of this century. However, despite the increase in laws and regulations regarding such practices, exporters and business managers have devised various strategies in order to circumvent those laws. Examples of these strategies include trans-shipment, assembly operations and slightly altering the products (Forganni & Reed, 2019). Circumvention, a practice of escaping antidumping laws, is illegal but the study determines to what extent it is immoral. Since the ethics of circumvention is a question of ethics, this calls for discussion and debate of circumvention with an attempt to arrive at a global consensus of mutual international rules regarding circumvention (Forganni & Reed, 2019).

The article sums up the related and useful information with regard to the antidumping laws and circumvention to determine ethical Laws are developed by regulatory organizations like WTO to protect the developing nations against the emerging markets by promoting the international trade activities and at the same time protecting the interest of the local industry. Emerging markets like China and the developing nations, due to many factors such as cost of production and low cost of labor are able to make low-priced products (David & David, Global and International Issues, 2013). China is also known for human rights issues such as copyright, trademark and patent issues. Exporters in the developing nations, considering the factor of low price get those products that are usually below the average fair price and hurt the local industry, generally producing at a high price. Exporters have also found several ways to pit laws for their personal interests of profitability. This is the topic of business ethics and the corporate social responsibility that aims at protecting the interest of society.

Circumvention has become an intentional business activity especially in countries like China, and it is a part of China’s business climate (David & David, Global and International Issues, 2013). The literature presented in the article highlights that the theory of civil disobedience can be used to determine the ethics of circumvention in the context of EU-China trade relations. Circumvention is used as a practice to gain financial returns, however, ethical business practices are rewarding in the long-run and exporters and businesses need not be unethical to be profitable (David & David, Business Ethics, Social Responsibility, and Environmental Sustainability, 2013). However, as the author discusses the concept of ethics differs from person to person, exporters or business managers who indulge in circumvention justify their acts that the anti-dumping laws prove to be a barrier to the development of their nation (Forganni & Reed, 2019).

The EU implemented many antidumping laws from 1994 to 2014 and it is at the top in implementing the antidumping measures. The EU has implemented anti-dumping measures on Chinese exporters to constraint the export of Chinese goods. In addition, China has always been the focus of EU circumvention investigations that were successful in limiting the Chinese. Another study also confirmed that these antidumping measures were successful in limiting Chinese exports to the EU market (Jabbour, Tao, Vanino, & Zhang, 2016). In addition, the performance of the remaining exporters increased. The study also highlighted that the domestic European companies enjoyed temporary benefits but it created negative impacts on the importers and resulted in a gap between the European firms and Chinese exporters (Jabbour, Tao, Vanino, & Zhang, 2016).

Moreover, according to literature, antidumping laws are unethical which would also be the opinion of exporting companies and the activity of circumvention cannot be declared as unethical. The claims used by the exporters or managers of exporting companies to justify their activities is that circumvention is not only benefiting them but also boosting their country’s economy (Forganni & Reed, 2019). For many managers, antidumping laws are not only unfair to the company but also to the country and being socially responsible is about providing jobs and aiming to support country’s economy (Forganni & Reed, 2019). And this is why the ethics and fairness of circumvention of antidumping laws differ from stakeholder to stakeholder. The authors successfully build upon an argument that the decision of ethics and moral of circumvention remains a question owing to the difference of power between the developed and developing market actors.

The authors have contributed the knowledge of the field that can help one decide the ethics and morals of the evasion of antidumping laws. The arguments and facts presented in the article are confirmed by other studies and authors that build the credibility of article researchers. The strength of the article lies in its ability to highlight all the concerned issues and bring to light the trade relations to FU-China that are very suitable for the topic under discussion. Authors devised a way to solve the issues of morality associated with circumvention, and difference of opinion for both developed and developing nations. The study also brings to light the underlying factors and causes of ethical issues associated with circumvention. Overall, the findings of the article can be helpful for the policy makers and business managers in determining the ethics of their own practices. The previous studies only focused on the ethical issues associated with the antidumping measures, however, this study contributes to the filed by highlighting ethics of circumvention.

# References

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