

removed, competition in the home market is enhanced and prices in the home and foreign markets will tend to equalize.

Even if antidumping actions remain a concern, modifications to the antidumping law through the FTA may not be feasible or appropriate. The predictability of the U.S. antidumping law is already substantial.⁴⁶ In many situations, companies can review and adjust their pricing policies in advance to avoid a finding of dumping. Nonetheless, we discuss below some adjustments that potentially could be made in the rules governing antidumping actions.

1. Proposals Relating to Determinations of Dumping and Calculations of Dumping Margins

- a. Governing Principles for Determining Dumping

As with government economic programs (see section IV.A.1.a above), the FTA could set forth principles and guidelines to govern findings of dumping.

⁴⁶ The principal uncertainty in antidumping cases arises from choices of alternative accounting techniques for calculating the various adjustments which the statute provides should be made before U.S. prices are compared with foreign prices, and in "constructing" a foreign value when foreign market prices are not available. These uncertainties are similar to those involved in general accounting practice, and can be reduced through the building of a body of precedent through the published decisions of the ITA.