Sweetland Lecture, Feb 20, 2002
Below are rough notes on issues Mr. Sweetland addressed.

Protectionist Tendencies
United States has nasty protectionist tendencies. For example, in order to get Fast Track Authority for the Doha round approved (which passed the house by just one vote), President Bush promised representatives from several states (OH, PA, IN, etc) that he would impose tariffs of 40% on all imported steel. Another example is our heavy protection of textiles.

Dumping
Early example of fear of imports is the Trade Act of 1930 or the Smoot-Hawley tariffs. This was a "Beggar Thy Neighbor" policy.
At present, anti-dumping laws are widely misused in the United States. They are often used as an anti-competitive measure as opposed to protection from dumping. It is very expensive for a company or a government to defend itself from a dumping lawsuit. There were over 100 anti-dumping cases in the last year and a half, and one-third of these cases involved steel.

There is a 3-Step process to the implementation of anti-dumping lawsuits
1. A complaint is filed and the ITC conducts a preliminary hearing to see if there is a possibility of injury. This often costs up to a quarter of a million dollars (trade lawyers are expensive).
2. Commerce Department determines a "dumping margin," defined as the amount by which the firm is underselling its product in the United States. This investigation can last 6 to 8 months, and the exporting countries often bear the cost of the investigations.
3. A final hearing is held in the ITC to see if there has been injury or if there is a threat of injury.

Mr. Sweetland has been involved in 3 anti-dumping cases, and has been the defendant in all three (or on the side of the defendant).

Mr. Sweetland also offered his opinions on:
Why steel is so much cheaper to produce abroad: superior technology and more efficient production, often because of government investment in the industry.

Transparency and accountability of capital markets: the Crony Capitalism that helped cause the 1998 Asian Financial Crisis as well as Enron were listed as examples of limited transparency and accountability in capital markets. Enron is an example of how the capital markets in the United States have lost much transparency and accountability. This transparency and accountability is very important for the efficient working of markets.