



WTO

in an age of multilateral and bilateral

Free Trade Agreements:

Is it still relevant to

HONG KONG?

MADE IN HONG KONG

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China Economy

Hong Kong's WTO threat against US 'Made in China' ruling puts city in uncharted waters



- Hong Kong confirms intention to launch a World Trade Organisation case over Donald Trump's order requiring 'Made in China' labels on goods exported from the city to the United States
- Some experts are imploring city authorities to stand up to perceived US bullying, but others warn of 'kicking the hornet's nest'



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Todd N. Tucker
@toddtucker

Here's [@wendyscutler](#): "“I think this ruling sends a shockwave into the system” since there long has been a custom of members to deferring to each other on what constitutes a national security threat.

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“You Don’t Miss Your Water ‘Til Your River Runs Dry”: Regulating Industrial Supply Shortages After “China Raw Materials”

C.L. Lim* & J.H. Senduk** ***

Global industrial production depends on stable access to raw inputs. Food price volatility has emerged as a major concern for Group of Twenty Finance Ministers and Central Bank Governors (G20), while we are hearing new calls for bringing global disciplines to resource cartels like the Organization of the Petroleum Exporting Countries (OPEC). Supply chains that make up globalized production recently demonstrated their potential fragility when Chinese sovereign intervention threatened to bring Japan’s high-tech manufacturing to its knees by cutting off its supplies. These wide-ranging issues are now being addressed under the umbrella of trade regulation. As a result, we are witnessing a shift from the old trade regulatory model of the past six decades – where trade negotiators focused on import barriers and reciprocal concessions and export restrictions were justified typically on grounds of national security and foreign policy – towards the realization of an increasing need to tighten global rules on export restrictions. Although commodity and resource prices are at least partly market-driven, sovereign intervention has finally emerged as a clear concern. The Obama Administration’s first suit brought before the World Trade Organization (WTO) concerned Chinese export restrictions on nine commodities, including magnesium, coke, yellow phosphorus, and zinc, and resulted in victory. Yet real General Agreement on Tariffs and Trade (GATT) disciplines on export price measures, quotas and other conditions have been sparse.

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“Is there any other point to which you would wish to draw my attention?”

“To the curious incident of the dog in the night-time.”

“The dog did nothing in the night-time.”

“That was the curious incident.”

--- Arthur Conan Doyle, *The Silver Blaze*, 1892



GATT ARTICLE XXI

Nothing in this Agreement shall be construed

...

(b) to prevent any contracting party from taking any action which it considers necessary for the protection of its essential security interests

(i) relating to fissionable materials or the materials from which they are derived;

(ii) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;

(iii) taken in time of war or other emergency in international relations

