



MAKING WAR IN THE NAME OF INTELLECTUAL PROPERTY

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ABSTRACT

In the name of Intellectual property, America is indirectly trying to impose a trade war by implementing section 301 of Trade Act 1974 (United States), which is considered to be in opposition to the norms of WTO. US itself admitting the fact had repealed this section in the past and later have decided to go ahead with the controversial section which deals with the unilateral decision and imposing penalties to the countries which fails in the trade regulations. China is being targeted by US because of the economic loss related to the Intellectual property theft. Because of this move war clouds are visible between US and China which will surely affect the global market and economy.

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INTRODUCTION

Intellectual property determines the economic strength of a country. Especially the United States of America always contemplate more on this sector to have an upper hand compared to other countries. There is always a cold war between US and China because of their political relations with other nations, this replicated even during the election campaign and manifesto of Donald Trump during the US president election. He openly criticized China for imposing more restrictions to US companies in its territory. Unerringly in the tenth month after being elected as the 45th president of US, Trump had directed the office of USTR (United states trade Representative) to probe into china's unlawful trade practices by using the provision under the discordant section 301 of the United states Trade Act 1974.

China The world's biggest exporter is being monitored for more than five years in connection with the theft of American intellectual property. Recently Richard J. Ellings, President of the National Bureau of Asian Research passed an antipathy statement that China cheats across the border. There is a charge on china for making huge economic loss to US because of its theft of American Intellectual property. Some US Business groups claims that WTO rules could not stop unfair Chinese trade policy and that is the reason for exercising section 301 for investigation on China.

Though US business group support the initiative of their president Trump, Section 301 is considered to be a controversial one by the other countries.

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Even US have obliterated that section in the past considering the unfriendliness of the members of WTO but it is on the go now.

In the Trade act of 1974, Title III-relief from unfair trade practices, chapter 1-enforcement of united states rights under trade agreements and response to foreign trade practices sec. 301 deals with the Actions by united states trade representative. (a) mandatory action.- (1) if the united states trade representative determines under section 304(a)(1) that- (a) the rights of the united states under any trade agreement are being denied; or (b) an act, policy, or practice of a foreign country-(i) violates, or is inconsistent with, the provisions of, or otherwise denies benefits to the united states under, any trade agreement, or (ii) is unjustifiable and burdens or restricts united states commerce; the trade representative shall take action authorized in subsection (c), subject to the specific direction, if any, of the president regarding any such action, and shall take all other appropriate and feasible action within the power of the president that the president may direct the trade representative to take under this subsection, to enforce such rights or to obtain the elimination of such act, policy, or practice.

This is an unconditional unilateral provision and it is afar to the regulations of WTO. Under the direction of the US president, USTR (United states Trade representative) Robert E Lighthizer who was appointed in the month of may 2017, had started the investigation against china under this provision which has paved way for war clouds and global trade tensions. In reply to the US Move against china, Chen Zhou of the china chamber of international commerce said at the hearing held by the USTR's office that "we are quite confused and greatly

concerned about the investigation” he also added that any decision by the administration to impose unilateral penalties on china “may trigger a trade war”. Because, of this anomalous bonding between US and China the American companies Hollywood studios, Boeing, Apple, Starbucks, General Motors, Ford and Chrysler, Wal-mart Stores are likely to be in more risk .

China campaign for Free trade and consider it as a positive one as it increases the overall wealth and accuse US as the Politicians and leaders of that country have a narrow view in this regard . China takes all efforts to protect its domestic markets from foreign investors by encouraging local industries. As like US, Europe also have complaints about China dumping low-priced steel and aluminum. Some of the economist have observed that in order to threaten China, US may impose 45% tariffs on Chinese imports in future as it was the main propaganda of president Donald Trump during his election campaign.

Professor Winter Nie, American & Chinese Management, Regional Director of South East Asia and Oceania in the University of Utah (United states) in her article expressed that unfortunately for trump it’s not the 80’s anymore, twenty years ago china was underdeveloped but now the situation is different. China is leading in the markets. She also adds that Boeing, estimates that around 6,810 airplanes will be purchased by china in the next 20 years and the market will be worth more than 1 trillion dollars. And also mentioned that America would lose a trade war with china and have enumerated the reasons for it.

A Trade war between US and China, or between any other countries will indisputably devastate the world economy, WTO should intervene and resolve this issue and US should stop making use of section 301 of its Trade act 1974 , which is not only against WTO but Unilateral in nature

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