

**THE MIGHTY PEN, THE ALMIGHTY DOLLAR,
AND THE HOLY HAMMER AND SICKLE: AN
EXAMINATION OF THE CONFLICT BETWEEN
TRADE LIBERALIZATION AND DOMESTIC
CULTURAL POLICY WITH SPECIAL REGARD
TO THE RECENT DISPUTE BETWEEN THE
UNITED STATES AND CHINA ON
RESTRICTIONS ON CERTAIN CULTURAL
PRODUCTS**

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ABSTRACT

The relationship between trade and culture has long been a hot

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topic in the debate on the conflicts between free trade and non-trade values. The recent case brought by the United States against China in the WTO on the measures affecting trading rights and distribution services for certain publications and audiovisual entertainment products is regarded by many as the latest example of the conflict. This article argues, however, that this case is more about the conflict between economic liberalization and political control. Applying the legal rules under the WTO Agreements and public international law, this paper concludes that the United States has built up a very solid case and it would be difficult for China to try to defend its measures by invoking the exception clauses under the WTO Agreements or some other non-WTO agreements, such as the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Politically, it would be awkward for China to openly defend this case in the WTO as well. Given the legal difficulty and political sensitivity surrounding the case, China might decide to settle the case privately with the United States.

KEYWORDS: *WTO, International Trade, Dispute Settlement, Public International Law, Treaty Interpretation, Culture, Political Censorship*