STATEMENT

Louis B. SCHWARTZ *

Countertrade is an arrangement which makes possible trading that would otherwise be prohibited by economic regulations and treaties. It can be regarded as another instance in the ancient annals of merchant ingenuity, creating "black markets" that overcome political restraints. Countertrading permits evasion of currency controls, price discrimination, and antidumping laws; it is a useful escape from such rules.

Countertrade has its domestic analogue in the practice called "reciprocity" under U.S. laws relating to antitrust and unfair competitive practices. We have condemned the use of buying-power leverage as a means of pushing sales. U.S. laws prohibit mergers with a substantial likelihood of encouraging intrafamily reciprocity, thus foreclosing access to important markets.

* Benjamin Franklin and University Professor of Law, University of Pennsylvania Law School.

0167-9333/83/$3.00 © 1983, Elsevier Science Publishers B.V. (North-Holland)