

# EDITORIAL

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## Competition laws: a non-tariff barrier to trade or the best ally of free international commerce?

The role of competition rules is the subject of much debate, since concerns for restrictive business practices of enterprises have yielded the way to concerns for the trade policies of the various countries.

In some case competition rules may be viewed as protectionist weapons used to prevent foreign enterprises from entering home markets or, if entered, to force them out. When they are aimed at practices of foreign firms performing in foreign territories and having simply effects on the home markets, such as the treble damage actions under U.S. antitrust laws, they clearly fall within such category.

On a broader scene however the situation should be viewed as the reverse: competition rules are and should be seen as an integrant part of the general efforts for keeping the international markets open. And this for the reason that competition and liberalization of trade policies have as common objective to ensure the free flow of goods and services from countries to countries, and hence an optimal allocation of economic resources and economic growth. For the sake of coherence, countries which are imposing strong competition policies on their enterprises should avoid enacting with their other hand trade policies which defeat the very purposes of these competitions policies. For the last three decades large international corporations have been taught the hard way not to engage into restrictive business practices and therefore should not hesitate to remind their governments not to engage either into trade policies which have the same ultimate effect as restrictive business practices.