

to the achievement and to the maintenance of prosperity in a free enterprise economy.

In the fifth place, however, we must recognize, as I suggested initially, that there are many factors other than antitrust that affect economic performance.

Without attempting to be exhaustive or to give an economic analysis for which I am not qualified, let me suggest that some of the obvious ones are these: Monetary and fiscal policy, tax policy, foreign trade policy, technological developments, limitations on entry into various fields, either by governmental licensing policy or by economic conditions, Government procurement policies, social welfare programs, psychological attitudes, and certainly numerous adventitious factors such as population growth, foreign economic conditions, and military operations. Undoubtedly there are many more.

I suggest no judgment as to the relative importance and influence of these factors. That is a matter for economic analysis by the economists, the Council of Economic Advisers, and by this committee.

However, I do suggest, and this is my sixth point, that the effectiveness of Government influence in such policies as monetary and fiscal policy, tax policy, and trade policy, depends on the maintenance of a free, responsive, and flexible economy. This means a competitive economy which requires antitrust enforcement.

In a free enterprise society, the Government does not dictate economic decisions. Rather, it seeks to stimulate and encourage economic influences. Thus, interest rates, tax rates, depreciation rates, tariff rates, and similar matters depend for their economic influence on the multiplier effect in stimulating numerous private decisions to raise or lower rates or prices and thus encourage buying, production, and other economic performance.

Where there is a monopoly or where there is an oligopoly acting in concert, the effects of Government policy may be minimized, nullified, or indeed wholly subverted, by private decision and private action. Thus, the effectuation of Government policy seeking general economic performance requires the kind of economic structure and conduct that is secured by antitrust enforcement.

Let us be clear that antitrust does not insure the success of Government economic policies. Antitrust does, however, secure the possibility of effectiveness for such policies, and therefore of success in securing prosperity.

In conclusion, therefore, I suggest that an appraisal of the significance of the antitrust laws in the economy depends upon a logical distinction that is fundamental but often overlooked.

Antitrust is a necessary but not a sufficient condition for economic performance and prosperity. To achieve the goals of economic policy outlined by the President in his Economic Report and in his recent speech to the Nation, I think that we must make continuing efforts to keep the economy vigorously competitive. This means continuing to strive for effective enforcement of the policy contained in the antitrust laws.

Chairman PATMAN. Thank you, Judge Loevinger.

In discussing bigness in relation to antitrust violations and acquisitions and control leading to monopoly, would it not be correct to assume that General Motors is about the largest corporation in the world?