Mr. LOEVINGER. This is a very complicated and difficult question to answer, Congressman Patman.

We are, as is well known, maintaining a number of antitrust suits against General Motors at the present time, and we have a continuing investigation of certain other aspects of its operations.

I would not want to appear to prejudge the conclusion of our investigations; and indeed it is only fair to say that were I to do so, this would not be a reliable judgment, since I am not intimately familiar with the evidence that has been gathered by the staff.

It will require bringing together a very large mass of detailed evidence, and a very careful appraisal of this evidence, to reach a wholly fair conclusion as to this, I believe.

Chairman PATMAN. Well, I do not want you to be persuaded to say something that you should not say, in view of these suits that you have pending against General Motors.

Now, to save time, I will read a number of questions and ask you, when you get your transcript, to answer those that you can.

After the question I just asked you: Would we not have a lot more competition in the industry if we had a lot more automobile companies? Of course, obviously, the answer is in the affirmative, there.

I know that General Motors, being a great big company, claims to be one of the most efficient and progressive companies in the world. But if they are so efficient and progressive, why did they not anticipate all this demand for small foreign automobiles that we have seen in this country during the postwar years?

It does not seem very efficient to me when they miss a big marketing opportunity like that? Does it to you?

Do you not think that some of our balance-of-payments problem has been aggravated by the fact that all of these foreign automobiles have been imported?

Take the steel industry. That is another of the so-called administered price industries. We have heard complaints about a lot of steel imports in recent years, and our steel companies seem to have lost a lot of their foreign markets for steel.

Does this not reflect on the industry and its failure to be competitive and reduce its prices so as to be competitive? Is this not another source of our balance-of-payments difficulty?

I have some figures which were worked up by Senator Kefauver's economics staff, which indicate the effect of the increase in steel prices on our adverse balance of payments. I would like to read these into the record.

STEEL PRICE EFFECT ON EXPORTS

During the period 1954–56, U.S. steel exports represented 20 percent of the world total steel exports; by 1960 they had fallen to 12½ percent.

Had American exports held at the 20-percent figure in 1960, American steel exports would have been $400 million greater.

In addition, some $300 million of additional imports to the United States of steel products occurred. Thus, some $700 million of our adverse balance of trade in 1960 may be traced directly to steel losses in the world market, to say nothing of the indirect losses incurred in