

Mr. LOEVINGER. Steel forgings.

Senator PROXMIRE. Only steel forgings?

Mr. LOEVINGER. Steel forges.

Senator PROXMIRE. These are not the volume items such as sheets, bars, and so forth, where the power of the big steel companies over price really counts; are they?

Mr. LOEVINGER. I think the power of big steel companies over price really counts in these. These go into very important commodities including battleships.

They count more in other areas because the other areas involve greater volume; yes, sir. We have investigations going on in the other areas and what may develop I am not in position to say.

Senator PROXMIRE. There is no question but that the pattern has been, when one steel company, often United States Steel, sometimes another, raises prices, the others usually do precisely the same to the penny within 24 or 48 hours; isn't that correct?

Mr. LOEVINGER. There certainly has been price leadership; yes, sir.

Senator PROXMIRE. Is there nothing the Antitrust Division can do under the law?

Mr. LOEVINGER. We don't know. We are looking at it.

Senator PROXMIRE. Well, how did—I hope you look awfully hard.

How about the situation with regard to oil? Here is the most profitable industry in America, and certainly the most tax privileged industry in America.

Here is an industry which restricts production, operates 8 days a month, 7 days a month, almost always less than 10 days a month down in Texas, gets high profitable prices, is able to persuade the Congress to restrain imports.

Now, I am just wondering whether or not there is some kind of action that can be brought with regard to the concentration in the oil industry that would prevent them from restricting production or is this something that the State, particularly the State of Texas preempted and there is nothing that can be done about it.

Mr. LOEVINGER. The restriction of production is pursuant to State action and as you have noted, the restriction of imports is due to congressional action.

I don't believe it is within our jurisdiction to sue either the States or Congress. I am being facetious, of course.

The action taken by legislative bodies, whether State or Federal, is not within the scope of the antitrust laws, Senator Proxmire, and there are influences of this sort that are basically anticompetitive, I am sure, that are taken by legislative action on the basis of legislative judgment presumably that this is appropriate.

Despite its anticompetitive implications when such action is taken by either State or Federal legislative action, the antitrust laws simply don't apply. There is no question about it.

On the other hand, in the oil industry we are constantly watching the large companies, and we do, in fact, bring suits when it appears that there is any tendency toward lessening competition substantially or toward monopoly.

We have, for example, a case pending against Standard Oil of Indiana and certain other oil companies, another oil company or com-