

age it is, of the production in an industry, this in and of itself does not warrant antitrust action.

Now, if these four companies in fact, act in combination or concert in setting prices, then this certainly does warrant antitrust action.

If any one company or any group of companies act to monopolize, to exclude competitors, to engross the entire area of a field, then this warrants antitrust action.

But the raw concentration figures do not in and of themselves provide a basis for antitrust action.

I think the problem arises because there are some who feel that antitrust being essentially a principle for the defense of liberalism in a classical sense, for the organization of power on a pluralistic basis in the economic realm, for the establishment of a foundation, as the Supreme Court has said, of social conditions that permit democracy to flourish, they feel that because it is of this character that it can be used to remake the economic structure of society into an image closer to some Utopian goal.

Senator PROXMIRE. No. Let me say I feel very strongly the men who appeared before us yesterday were not thinking in Utopian terms.

They were appearing before this Joint Economic Committee and they were not appearing before us for the purpose of suggesting a political Utopia. They argued that because we have this degree of concentration, because we have administered pricing, because we have this friction in competition, we are unable to get the kind of growth that we ought to have, we are unable to get the kind of expansion of markets that we ought to have, unable to get the price flexibility we ought to have that would open up markets and they say this is one of the reasons why we have to follow a fiscal policy of increasing our budget deficits even though the economy is expanding in order to do something about a serious unemployment problem and lack of full utilization of our industrial capacity.

This was a real economic analysis. The only gentleman who appeared yesterday who wasn't an economist was Professor Barber, but I do think that his testimony is primarily economic testimony related, as I understood him at least, to the economic situation and not to the notion that somehow we want to be more pluralistic and somehow we want to avoid the evils of political and economic power combined.

In other words, it was a very real and genuine effort to try to do something about the economy which is the responsibility of this committee.

Mr. LOEVINGER. I agree with much of what has been said, Senator.

I think as I indicated in my testimony on Monday, that a flexible economy, a competitive economy, an economy in which there is a pluralistic organization of power, if you like, is indispensable to the achievement of efficiency, full productivity, and prosperity.

I think it is indispensable to the effectuation of monetary and fiscal and other policies.

Senator PROXMIRE. Let me just interrupt to say, wouldn't you agree also at the present time the reason why we have this continuous nagging high level of unemployment and underutilization of our facilities in spite of the fact we have been in a period of economic expansion for a year and a half is because of monopolistic concentration, because of administered prices?