Mr. HAACK. Oh, to the contrary; it is working amazingly well.

Mr. STUCKEY. With or without mutual funds or institutional investment?

Mr. HAACK. I would say under either circumstance, but particularly well in light of the increased activity of funds.

Mr. STUCKEY. So then you are saying that you feel that the specialist has been effective in helping to control the market.

Mr. HAACK. Very much so.

Mr. LEVY. May I say what Mr. Haack meant to imply? In the old days there used to be a lot of orders up and down, buy and sell, in the book. Today the dealer has to be more of a specialist than ever before.

Mr. STUCKEY. And he has handled this responsibility quite well.

Mr. LEVY. Yes, sir.

Mr. HAACK. But my point is that as it becomes increasingly attractive economically for a salesman to focus on the larger customer, there is less time in his day to service the investment needs of the smaller purchaser who has been the backbone of the entire stock-ownership program in this country.

Mr. KEITH. I think it might be interesting for you to know the results of some mail that I received on the subject of the proposals of the SEC. In particular I was impressed by men who had been broker-dealers calling on the small accounts that up until recently have been the lifeblood of the brokerage firms throughout the country.

This fellow has his job done for him now. He can recommend a mutual fund. He doesn't have to do much research. And the buyer doesn't have to make a judgment between one stock and another. He makes it between one fund and another.

Well, this is an unfortunate phenomenon, but it is what is happening. Business is getting bigger and bigger, and buyers and sellers are getting bigger and bigger, and we are losing the individual initiative and imagination that has been ever present in the past. I have noted on two different instances recently people getting into the market as they were in the mid-1920's after reading about the fluctuations. These are the broker-dealers that are watching certain issues very closely and saying to individuals: "You saw what happened to such and such a stock last week." There are still this kind of salesman and this kind of speculator.

There are, once again, a lot of people being sucked into the market—people with small incomes and large families, looking for a quick buck. Now it is the things that move this market that I am concerned about and about which I have raised questions here of other witnesses, specifically whether or not we should either have a separate resolution or, perhaps, as a title to this bill, giving some further authority to the SEC or to the Congress or to the private sector, or a combination of all three, to further explore these trends about which you have just spoken so knowledgeably.

If you have any further comment as to that, in view of my observations, I would appreciate it.

Mr. HAACK. Let me say that I have with me several examples of some of the studies that our research department continues to put out relative to this very subject, so far as volume and activity of institu-