

I'm not suggesting the normal profit is the proper profit.

Mr. BARASH. It may be true, might it not, that it's merely a question of it being more profitable to do business in Scarsdale or Garden City or in Long Island somewhere, than it might be in Bedford-Stuyvesant and in Harlem?

Mr. STERN. That might be a point, surely. I wouldn't know. One can't deal with the specifics unless you have the specific facts in front of you. I couldn't make a judgment as to whether a store operating in Scarsdale is more profitable than the store in Bedford-Stuyvesant, although it has been suggested here, I think, or it's implicit, that there is profiteering, ipso facto, it's more profitable to operate in ghetto areas than in Scarsdale, and I pose this question: namely, if this is so, one must ask why is it that there are no more—why is it no supermarkets are being built?

I direct myself to that question because I think it is really an integral part of this overall problem of food and food pricing. One of the things which is omitted, and I think not deliberately because the consumer groups are well-motivated, but they don't have the resources or the expertise to conduct these surveys. It's a matter of fact. Where I say they are well-motivated, but they simply don't have it. It does require certain insights, certain knowledge—

Mrs. APONTE. Come on now.

Mr. ROSENTHAL. We must have order here. Let me say this, Mr. Stern. I was a member of the National Commission on Food Marketing and Mr. Jerome Stein here was one of the staff there, and we spent \$21½ million looking into this problem and came up with no real answers.

What this subcommittee is faced with is that we have been advised by people in two dozen American cities that the poor pay more. The people in the ghetto pay more. Mrs. Aponte and Mr. Press are typical of people in Chicago, San Francisco, Los Angeles, Charleston, W. Va., St. Louis, Dallas, Houston, Austin, everywhere else.

Why should this happen? Why should we get these reports that this nationwide event is taking place in a society where everyone, from the President on down, is committed to breaking the cycle of poverty?

Now, there has been much testimony by sociologists that "Yes, we should do something about housing and education, but among the other things we can do is take what money the ghetto economically deprived person has and make it go further."

Why is it that the five Safeway stores in Watts were burned down and the three ABC stores remained unchallenged? Congress is faced with an urgent request to look into this matter. I wouldn't expect these people, consumer groups and the rest, to go into the deep problems that the Food Commission, spending \$21½ million, couldn't solve. We have a narrow, simple problem.

In every situation, major chains, it is reported, have charged more in ghetto areas than in outlying areas. What should we do about that in your opinion?

Mr. STERN. If this is true, and I would assume on the investigations, the November 14 and 16—obviously, this is something which has to be dealt with and rectified. There is no question we certainly would not support—because we, too, are a large consumer group—we would certainly not support any gouging in any form, but there is a degree of