by only 1.8 manufacturers. That certainly doesn't represent much competition. In dyes, 52 percent are made by just one firm, and in medicinals the figure is 70 percent, or to take an international comparison, there are only 45 U.S. dye firms while in Japan, cited several times on Friday as an example of cartelization, a much smaller market is shared by over 70 firms.

The figures also show that the higher the degree of concentration, the higher the average unit price of the product. It is no wonder that the drug companies show the highest profit of any U.S. industry and that the profits of the benzenoid industry as a whole are well above the U.S. average, with one company earning as much as 30.6 percent on net worth in 1966.

This high profit position suggests on the one hand that U.S. companies as a whole are well prepared to meet the relatively small amount of imports that would come in as a result of the passage of this bill, and on the other that with so little competition at home we certainly need a little more competition from abroad.

RESEARCH

The domestic industry cannot refrain from citing the many new products that come out of their research, and particularly dye research. Unfortunately for their case many of the examples that they cite come from European research. Thus Mr. Turchan cites sulfa drugs and DDT.

The first of the sulfa drugs was developed in 1931 by Gerhard Domagk, a German pathologist and bacteriologist in the Bayer research laboratories in Germany. His published reports on this drug were the first step in the development of chemotherapeutic medicine, and for this work he was awarded the Nobel Prize in 1939. Work continued in France and Britain, and it was several years before the United States began research on sulfa, and much of this work has been directed toward discovering variations of the sulfa formula that can be patented and thus provide a monopoly position and high price for the U.S. producer.

DDT was synthesized by Paul Mueller about 1935 in the J. R. Geigy laboratories in Switzerland. He also received a Nobel Prize for his work. Obviously U.S. tariff protection has absolutely nothing to do with these discoveries.

FREE ENTERPRISE

Finally, I believe a word may be in order about free enterprise. When Adam Smith spoke about laissez-faire, he was talking primarily about the absence of tariffs, which represented to him an unjustifiable interference by government in the freedom of the market and of each businessman to engage in whatever business seemed to him best. I quote Adam Smith:

> To give the monopoly of the home market to the produce of domestic industry, in any particular art or manufacture, is in some measure to direct private people in what manner they ought to employ their capitals, and must, in almost all cases, be either a useless or a hurtful regulation. If the produce of domestic can be brought there as cheap as that of foreign industry, the regulation is evidently useless. If it cannot, it must generally be hurtful. It is the maxim