

forestalling, engrossing and regrating which constitute so fascinating a chapter in the history of trade.

The struggle in England against monopoly and restraint of trade continued for several centuries, particularly against the crown patents, until finally it was submerged in the united effort at world trade domination.

America, with her seemingly inexhaustible resources and amazing productivity, was not troubled with this problem until the corporation reached a high state of development as an instrument of commerce. Corporations achieved what individuals could not, -- mastery of the great basic industries of the country; and the main purpose of the antitrust legislation was the protection of the public against combinations of those impersonal monsters and their monopolistic practices.

Antitrust laws aimed at combination,
not cooperation.

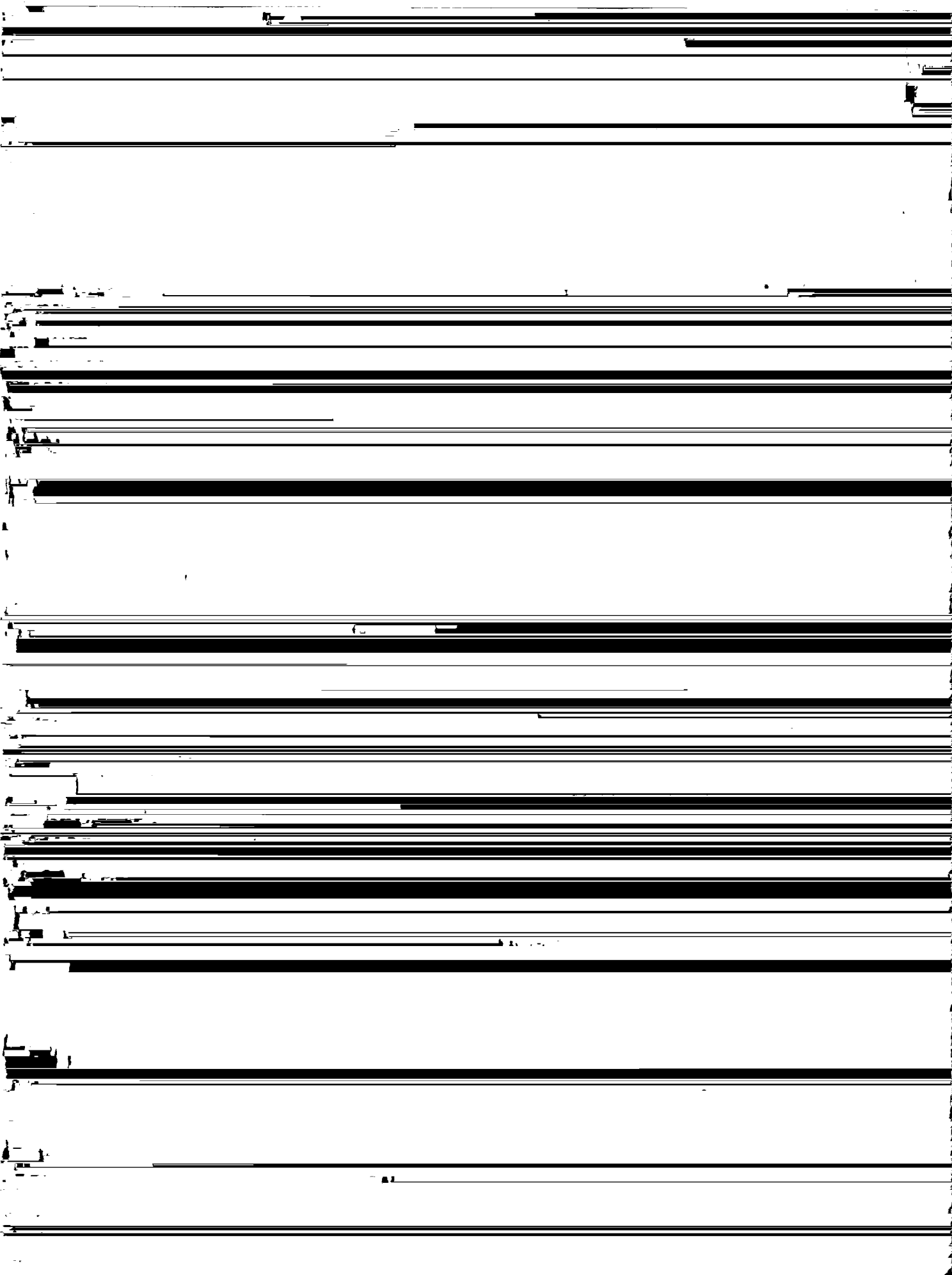
y
m
rs,
on
in
re
he
ly
ve
he
in
of
ar
r
II
is
f-
it
g
ts
ie
a
ts
e
h
h
y
e

resulting from the gradual elimination of the independent business

men. Napoleon once sneeringly remarked that England was a nation

Every business man owes it to himself and to all others engaged in competition with him to ascertain his costs as accurately

generally recognized. Such a regulation would seem at first



paying, and the effect upon the suppliers of raw materials will be practically the same as if an agreement existed among them.

I can only suggest that if confronted by a situation such as I have just described, you take the necessary precautions to negate every inference of collusion and avoid everything that savors of undue secrecy. The widest publicity should prevail in cases of

m
rs,
on
in
re

tons were produced, and only \$21.63 in 1926 when the production reached 7,989,000 tons.

Speaking as an outsider who has only peeped in on your industry, I should say that every step taken by you towards a wider dissemination of the essential facts as to supply and demand con-

weakness of this character of self-regulation is that the standards of conduct prescribed have no positive sanction beyond the fact that one who violates them will merit and receive the scorn of his associates. The obligation to observe standards worked

the opposition of particular groups, with the result that they are too general to serve as an effective means for the elimination of ~~these~~ ~~codes~~ ~~framed~~ ~~and~~ ~~adopted~~ in this fashion constitute

whatever advantage has been gained.

But in the matter of placing the important facts of the industry before agencies of the government to the end that the latter may act advisedly and with full knowledge thereof, the efficiency of trade organizations has been demonstrated. The organization secretary can demand information from all the members as a matter of right and present to the government not merely the situation as to individual members but complete data as to the entire industry. The well-nigh fatal mistake too often made is in relying on persons claiming to have contacts with individual

of the members thereof, and the importance of such associations in the industry.

Second. To what extent, if any, the effect of such open-price associations has been to maintain among members thereof uniform prices to wholesalers or retailers, or to secure uniform or approximately uniform increases in such prices.

Third. Whether such open-price associations engage in other activities, and if so, the nature and effect thereof, with respect to alleged violations of the antitrust laws.

It is obvious that a literal compliance with this resolution would not afford the information desired, since there would be no data with which to compare or contrast the data relating to so-called open-price associations. The Commission, of its own motion, enlarged the scope of the inquiry to include other trade associations as well as open-price associations, and invited the full

figures will show, or whether they will involve so many variables as in effect to the negative. But this I know, and I believe you will agree with me, it is by far the most interesting as well as

of such a survey will show that extreme views almost invariably are minority views; and that, so far as a policy may be deduced from majority action in concrete cases, it more nearly resembles a middle-of-the-road policy than any other.

But the fundamental policy established by the acts which the Commission administers is unrelenting warfare against unfair methods of competition and restraint of trade. Officers sworn to

nt
rs
on
in
re
he
dw

There is an impression abroad that the present rules constituted a startling innovation and were hurriedly devised and adopted in response to the demands of the business world. The point I would emphasize is that the present practice and rules are the product

m
rs,
on
in
re
he
dy