Statement by Earl W. Kintner
Chairman, Federal Trade Commission
Before a Meeting of the Washington
Rotary Club
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Tomorrow will be the one day in the year when Washington shoppers and merchants can tackle each other with unrestrained enthusiasm. The bargain hunters who

queue up for an all night vigil--with blankets and sandwiches-are under no illusion that the bargains they want are in
adequate supply.

In chart may the Wachington Rirthday sale tomorrow

be a festive occasion with the word "sensational" flown from every store and shop. And may the real bargains bring satisfaction to their buyers.

What the Commission has been fighting is not the eyetwinkling "sensational" merchandising that has become
traditional on Washington's birthday but the slick selling
methods used by an unscrupulous few during the other 364
days in the year. Here tolerance drains away, and the

most organizations of businessmen instinctively shy away agency of government. The business attitude, I suspect, is that if the partner is too big and too powerful and too hasdatmong the partnership will get_out of hand__like the rooster that was locked in a stall with a horse and said:

In short, what we want and need is governmental policing for the defiant, and self-policing for the responsible. The important thing is for the traffic to keep moving in the public interest--whether the traffic be automobiles or business.

I think you will agree that, in the policing and regulation of business in Washington, we have the needed instruments-governmental and private. The policing

available is another matter. No instrument is effective without the will to use it. Indeed, the instrument becomes

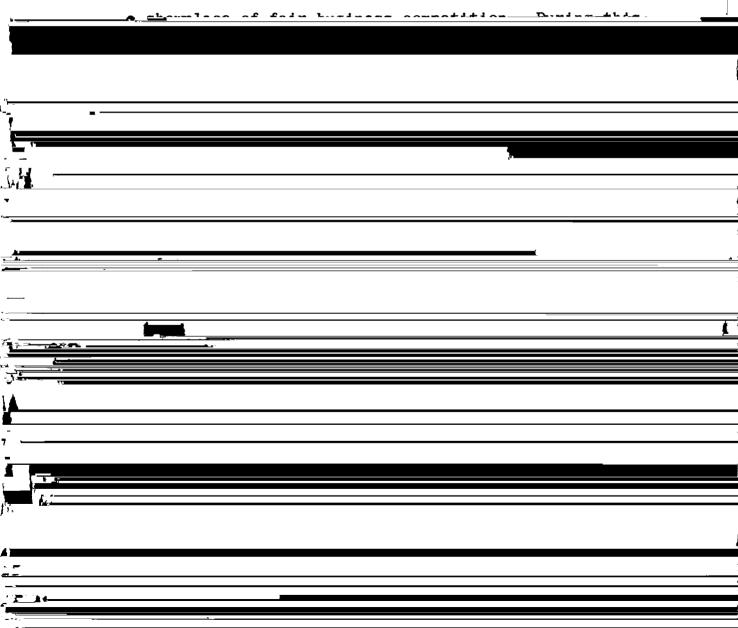
effect--for it is very easy to say: "If things get bad enough, we can do something about it. But let's not be in any hurry." All too comfortable is the philosophy that it is better to endure the evils we know than to risk new

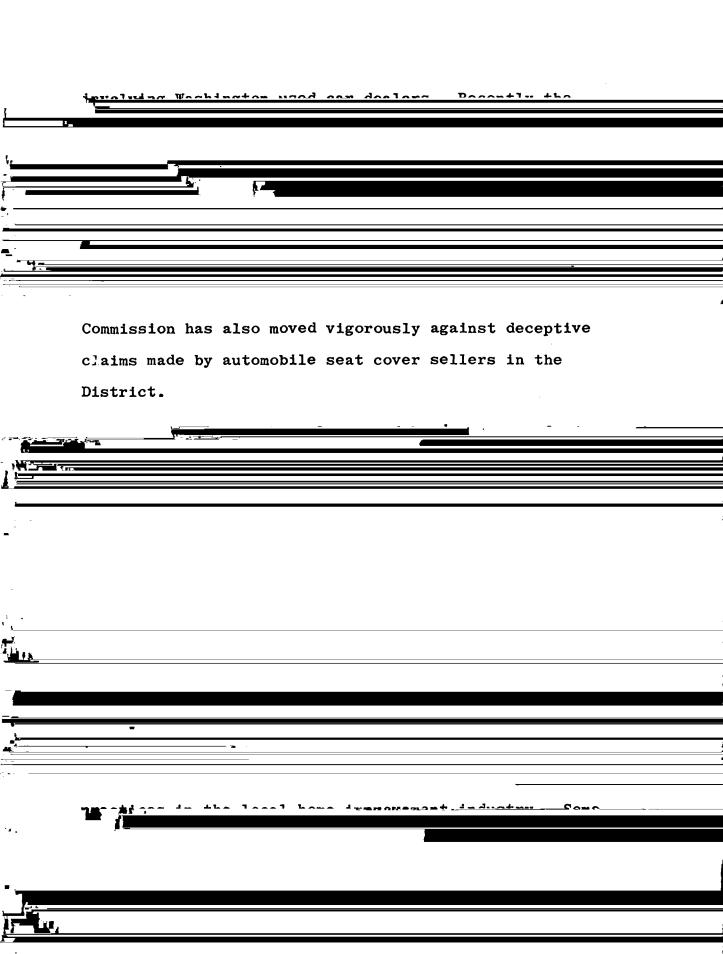
and the sooner and the more vigorously the job is completed, the better.

What we've been doing at the Federal Trade Commission is a good start—but only a start. Here are some of the highlights:

During the past year and a half, my tenure as

Chairman of the Federal Trade Commission, the Commission
has made an unprecedented effort to make the Federal City





in appropriate instances attempted to secure industry-

through the voluntary conference technique. This technique is particularly effective where honest businessmen feel compelled to engage in unlawful practices because all their competitors engage in the same practices and they do not wish to be left behind in the sales race. Here in Washington the Federal Trade Commission

The Commission's Bureau of Consultation moved quickly to conduct a conference for all the furniture stores in the area. At this meeting an agreement to eliminate fictitious pricing simultaneously throughout the area was

With the whole country to police, it might seem that the nation's capital has been given more than its fair share

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	of the responsibility as Chairman of the Commission. It
	was last October in an address to the Advertising Club and
	the Better Business Bureau of Metropolitan Washington that
	I declared myself on this point. My speech was entitled:
	"Rusiness Racketeering Must Re Eliminated from the Nation's

Capitol."

I did not mean to imply then--nor do I now--that
Washington's business practices are worse than in any other

Thus, to them, Washington illustrates our free enterprise system not as we preach it but as we practice it. We Americans know that any business chicanery in Washington is the rare exception, but to foreign eyes, any such instance is a revelation of national corruption—to think that even in the capital of the United States are shameful practices tolerated. You may smile at this lack of logic, yet American are guilty of the same shallow judgments. What

swindlers?

The Federal Trade Commission cannot afford to spend

called me the other day with a strange request. "Now that

would like to interview you on what you <u>really</u> think about the Commission and its potential."

I was somewhat startled. I asked him if he thought I had been traveling from one end of the country to the other making speeches and saying things I didn't believe.

He was a little embarrassed but only for a moment.

as a private citizen in a very few days--my convictions are the same. If our trade regulation laws are to be enforced effectively, the main thrust of enforcement must come from business itself--with government as an alert

enormity and its gravity, yet the alternative is the further erosion of freedom.

Let business know and live up to its responsibilities.

Let government be the instrument of thoughtful men, not
the master of fools.