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"GOVERNMENT REGULATION OF BUSINESS
--ONE MAN'S STATEMENT OF BELIEFS"--
Remarks of Earl W. Kintner, Chairman,
Federal Trade Commission, at Instal-
lation Dinner, Pittsburgh Chapter,
Federal Bar Association, Pittsburgh,
Pennsylvania, October 9, 1959.

On becoming Chairman of the Federal Trade Commission last June, I summed up my philosophy toward antitrust and trade regulation in these words: "I believe in the vigorous enforcement of the laws, coupled with a maximum effort to encourage voluntary adherence to the laws by the business community. I believe that the Commission in all its actions should accord those it regulates a maximum of fairness and due process."

Free-wheelers in business might misinterpret this promise of law enforcement as mere piety. The reason is they belong to the predatory business class that sees the Federal Trade Commission as a small, ineffectual, understaffed agency in the sleepy town of Washington, far away. They justify any illegal practice they might engage in on grounds that their competitors are doing it, or would if they had been smart enough to think of it first.

But let them be victimized by predatory practices, and they look to the Federal Trade Commission as

the only lighthouse on a stormy sea, while Washington comes as close as the telephone at their elbow.

These extremes of viewpoint are both in error. It should be obvious to any modern businessman that Washington is neither a distant hamlet to be ignored, nor a wailing wall for the weak in spirit. It is, instead, a symbol of our system of government which, basically, is a system of self-government. The agencies in Washington, and specifically the Federal Trade Commission, are simply instruments for the protection of this system against those who destroy it by avarice or timidity. We are the referees, not the players, in the game of business. Just as we don't want a game without adequate rules fairly enforced, we also don't want a game whose players are hog-tied with regulations and encumbered with referees.

The answer to this is self-discipline on the part of business. More than any single thing, it will eliminate the need for more law and more government. At the same time, law enforcement must be alert and vigorous enough so that fair dealing never dies with a knife in its back.

It long has puzzled me that an able businessman can be so short-sighted as to spend talent and time

trying to circumvent the laws against unfair competition. It is particularly hard to understand because the same man will reveal sound judgment in conducting other phases of his business. He is meticulous in building and maintaining credit, canny in assessing the future wants of his customers, and jealous of his firm's reputation for honesty and service. Yet too often he deludes himself that skirting the law is no more than a mild hazard of the business game.

His competitors are not deluded, and in the long run, neither is the public. A few hot coals of illegality can be extinguished with quick adversary proceedings by the Federal Trade Commission, but if the fire becomes a conflagration, the public through Congress will put it out. The charred remains will be another freedom not protected by the self-discipline of individual businessmen.

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