What was at the back of my mind:

That the long "run behaviour"

is expressed in the asymmetry of the

trade cycle behaviour, i.e., that it does

not return to the same point,

that there is a bias in favour of the booms.

As far as gross profit margins are concerned —

— they need not be affected by the trade

cycle at all, then there is no difficulty!

But there is the occasional effect of "collusion"

in the recession.

~~[illegible]~~

As far as capacity is concerned, it has to be cleared

up how far "my" mechanism is

synchronised with the trade cycle, i.e. the same

that the "cut throat" competition and elimination

of excess capacity occurs in the recession + depression.

[The "collusive" case would then arise as

a symptom of oligopolistic structure and

non-functioning of the "classical" (my classical)

mechanism.

This "competition" pattern will apply only

to one or a few industries

in one cycle.