

Page 2
April 22, 1942

Hon. Thurman Arnold
Assistant Attorney General
Antitrust Division
Department of Justice
Washington, D.C.

Dear Mr. Arnold:

Re: Establishment of a Legal Unit
on International Cartels

In accordance with your suggestion that I describe the assignment I would like to receive, my plan is as follows:

(1) To collect from Forms TFR-300 and TFR-1, available in the Treasury and in the Alien Property Office, all information concerning international cartels and international patent agreements.

(2) To collect from the files of the Department of Commerce in the office of Domestic and Foreign Information, and from our own files, all information relating to the same agreements.

(3) To collect the same material from European publications, annual reports of corporations and official statements.

(4) The scope of this job is not so large as it seems to be. The number of independent German corporations is known and the number and construction of German and Swiss cartels is available. That gives us the best approach to the above mentioned material.

After a relatively short time, this study will give us the basis for the following:

(1) New antitrust investigations because of indications of American connections.

(2) Clear indications concerning the South American connections with other countries.

(3) Sufficient knowledge to prepare a policy in regard to international cartels during the war and post-war period.

(4) To advise the Alien Property Custodian, Treasury and other Government agencies in this field.

All attorneys of this Division, especially the Field Offices, will realize that this unit is serving them and they will therefore cooperate by giving this unit their material.

I would give all advice on international problems to the attorneys in our division and take care of the necessary translations.

I believe that this work could be done under the following conditions:

(1) If a unit for the research of international cartels were to be established, whose head I would be. This fact would give me the necessary "dignity" to get the material from the other departments.

(2) If the unit were to get the continuous help of either four economists or attorneys. Because of the present difficulty in getting them, I would suggest that we get two permanent lawyers or economists for the unit and permit me to instruct a number of intelligent girls to do some of the research work.

(3) If we were to have one secretary. I would ask that you permit me to select this secretary at my own discretion since the correct method of supervising the card systems and organization of material is of extreme importance.

(4) If we had one stenographer.

(5) It would be necessary to obtain some freedom in making photostats in the Library of Congress and to buy books to a certain amount of money. The head of the Domestic and Foreign Division of the Department of Commerce has suggested that I build up with him a complete collection of the available literature on international cartels, which includes the cartel laws of several countries.

I would appreciate it very much if this assignment could be given to me. You may rest assured that I will do my best to accomplish as much as possible as quickly as possible. The fact that I would act

April 22, 1942

April 22, 1942

as head of the unit would in no way change my continuous willingness to assist Mr. Edward Levi in the problems of economic warfare and to do what I am able to do for the Board of Economic Warfare.

Since I must soon give an answer to the Alien Property Division and the Board of Economic Warfare, concerning the positions they have offered me, and since I would like to state my position in my testimony before the Senate Committee clearly, I would appreciate it very much if this matter could be decided as soon as possible.

Respectfully,

Heinrich Kronstein

(1) To collect from Source 772-310 and 772-311, available in the Treasury and in the Alien Property Office, all information regarding international cartels and international patent agreements.

(2) To collect from the files of the Department of Commerce in the office of Domestic and Foreign Information, and from our own files, all information relating to the same agreements.

(3) To collect the same material from Bureau of Patents, special reports of corporations and official publications.

(4) The scope of this job is not so large as it would be. The number of International German corporations is known and the number and construction of German and other cartels is available. That gives us the best approach to the above mentioned material.

After a relatively short time, this study will give us the basis for the following:

(1) New and improved investigation because of intelligence of technical publications.

(2) Clear indications concerning the South American economic situation.

(3) Sufficient knowledge to prepare a policy in regard to international cartels during the war and post-war period.