

M e m o r a n d u m  
on the Institutes' Program in 1960/61

It is expected that the study on the Federal Trade Commission will be completed some time in August 1960. The focus of our subsequent work will be the general problem of defining the proper scope of government regulation of, or control over, business activities by means of law. The Institutes will be especially concerned with oil and coal regulation as an aspect of governmental response to the problem of an international energy surplus.

As indicated in our grant application, the Frankfurt and Georgetown Institutes have collected a substantial amount of material concerning energy problems, particularly oil and coal problems. A consequence of our activities in connection with the settlement of the 1959 American-European coal dispute is that we are regularly informed of developments respecting the coal problem. Other activities similarly keep the Institutes in close contact with these questions. Thus, several weeks ago, the Frankfurt Institute submitted the draft of a compromise solution for the present dispute between Luxemburg and the German Coal Syndicate.

The observer of European developments cannot ignore the fact that a central European coal and oil authority will probably be established, that such an authority will become a significant factor in the distribution of French and, later, Italian oil, and that America and the Near East will be in competition with oil from these other sources. The United States, it would seem, should take the initiative in finding at least a temporary American-European solution for the problems raised by surplus energy sources. The Frankfurt Institute, accordingly, will spend the coming year in studying the European aspects of this problem, while the Washington Institute will study the problems' corresponding American aspects. The two Institutes should be able, and should plan, to spell out the range of possible solutions open to both American and European interests.

Frankfurt has already received a substantial sum of money to finance the European phase of this study. Since the U.S. Department of State has given its full support to our investigation of this problem, we can be assured of access to the available government material. It should not be too difficult to obtain access to the relevant industry material.

In looking for solutions we intend to refer to Secretary Dillon's concept of the Atlantic Community. This

community will become a reality only to the extent that it addresses itself to actual problems and develops workable solutions to these problems. Of course, it is too early to suggest the details <sup>in the scope</sup> of such an Atlantic Community.

From the Institutes' viewpoint, one of the most difficult problems in undertaking the studies described above, will be the finding and hiring of competent research personnel. We believe that we can solve this problem so long as we can pay adequate salaries. So far, we have already selected one highly capable researcher for the study.

As a final point, it should be noted that the studies described above will be helpful in organizing material and defining problem areas for the Institutes' Energy Conference (scheduled for 1961).