

they could each advise the companies concerned. Departmental representatives stated that the American companies had been contacted but were unable to come up with any conclusions with respect to a desired formula for governing transit payments. They added that the attitude of the Department of Justice may have a bearing on the willingness of the companies to participate in any plan whose purpose was to agree on a formula for transit payments.

Mr. Byroade stated that it was possible that in one or two decades the entire complex in the Near East may change from the present pattern of private company operations to a buyer/seller arrangement with the country owning the resources selling direct to distribution organizations. He added that some high level planning must be undertaken, possibly including new Congressional legislation, if the American oil industry position is to be preserved in some way acceptable to the countries concerned. Mr. Beeley observed that the Anglo-American oil agreement, had it been concluded, could have taken cognizance of just such a problem.

Mr. Beeley asked if Aramco could be made aware that Tapline back payments to Saudi Arabia might cause Iraq to increase its demands from IPC. He was informed that nothing Aramco was doing in this respect would prejudice the position of IPC.

Mr. Beckett confirmed that U.K. Governmental requests to British companies had been made concerning their views on the pipeline problem but that no conclusions had been reached by the British companies, let alone the U.K. Government.

No. 288

Conference files, lot 66 D 95, "NSC 138 Memoranda"

Memorandum by the Legal Adviser (Phleger) to the Under Secretary of State (Smith)

[WASHINGTON,] April 21, 1953.

Subject: Civil Anti-trust Oil Case

1. The United States today filed its complaint in the Civil Anti-trust oil case. A copy is attached.¹

¹ Not printed. The defendants listed in Civil Action No. 1779-53, filed in the U.S. District Court for the District of Columbia, were Standard Oil Company (New Jersey), Socony-Vacuum Oil Company, Inc., Standard Oil Company of California, Texas Company, and Gulf Oil Corporation. (Conference files, lot 66 D 95, "NSC 138 Memoranda")