

May 14, 1936

Memorandum to: Dean Charles E. Clark

From: William O Douglas

Re: Combined Law-Business Course

Pursuant to your suggestion, I have given considerable thought to plans for the further development of the combined law-business course. I submit the following proposition for the consideration of you, the faculty, and other persons at Yale interested or concerned in the matter.

1. I think every effort should be made on the part of the faculty of the Law School to build the combined law-business course group up to twenty. The first year we had eight in the course. This current year we have had seven. I think that unless a greater number of men take the course student interest is apt to wane. I think one reason more student have not signed up for the course is the fact that we have not given it adequate advertising. In view of my experience with the first year class this last month, I think that if the course was brought to their attention in the fall and kept constantly before them throughout the year, we could very easily build the group up to twenty in spite of the extra year involved and the extra expense.

2. The extent to which the course can be developed both at the Harvard Business School and at the Yale Law School will depend to a considerable extent on the amount of money which is available. I list below the program which I think could be developed at different financial levels.

(a) Assuming that we will have available next year \$8,000 or thereabouts, I suggest the following:

\$1,000 to provide stipends for men like Bates, [illegible] and Sanders who may be induced to participate with members of the faculty at Yale in presentation of certain courses in the commercial law field. This part of the program would be substantially a continuation of the kind of arrangement which has been made in the past.

\$4,000 to employ a full time man to do research work in the development of adequate course materials for the integration of law and business and to give at least part of the so-called correlation course offered in the third or fourth year of the combined course.

Obviously a young man of instructor rank would have to be obtained in view of the small amount of money available. A graduate of both law and business schools would be preferable. If such a person is not available, a man like Hook or [illegible] would do. I assume that one could be obtained for \$2000 or \$2500. The balance of the fund available should be ear-marked for his research expenses. Research would have to take place primarily in the field. Considerable travel would be entailed. The experience of the Harvard Business School in collection of cases indicates that research work of this kind is extremely expensive. \$1500 or \$2000 would be inadequate for the development of full-fledged course material. But at least a beginning could be made.

I think that appointment of such a man for such work should come first in the program. Otherwise, attempted instruction in this field will continue to be haphazard. Members of the Harvard and Yale staff, as presently constituted, will be unable to devote the necessary time to the preparation of adequate course materials. A concentrated effort must be made in this direction lest the instruction be superficial and disorganized.

(b) Assuming that \$10,000 were available for next year, I suggest the following:

\$4500 for the appointments of the kind described in 2(a) above. In that event, I suggest that these men rotate between Harvard and Yale, each man spending one semester at Harvard each year. In that way, the business education of these instructors will continue and they can assume the tutorial supervision of the combined course men at Harvard.

\$3000 for research by these men.

\$2500 to pay men like Bates, [illegible] and Sanders to participate in giving law courses at Yale or to reimburse the Harvard Business school for the time these men spend at Yale.

(c) Assuming \$15,000 were available for next year, I suggest the following:

\$4500 for the appointments of the kind described in 2(a) above.

\$5500 for research by these men.

\$5000 to pay men like Bates, [illegible] and Sanders to participate in giving law courses at Yale, or to reimburse the Harvard Business School for the time these men spend at Yale.

3. The ultimate program in the development of this work should be the appointment of five or six business economists to the law faculty in the fields of

Accounting, Finance, Marketing, Banking, etc. This program should be attained over a series of years, as rapidly as possible. The appointment of business economists should be made to the Yale Law faculty since otherwise there could be no assurance of their focusing their attention on the relevance of their material to the problems of the judicial and administrative processes in which lawyers are primarily interested. The business economists should be of the rank of associate or full professor and paid \$10,000. This would require an annual budget of at least \$100,000 if an adequate educational teaching and research program is to be developed.

4. If the development of an ultimate program is to be taken seriously, adequate publicity would have to be handled very delicately. I doubt, after some reflection, that to obtain some prominent men to give some lectures at the School next year would be wise, unless a person could be found who would, and could, discuss intelligently the significance of such a development.

5. The ultimate program should, of course, envisage reduction of the four years presently given to the law-business course to three years. That would probably entail discontinuance of the present arrangement with Harvard. Nevertheless, the present arrangement with Harvard seems to be an essential, although an intermediate, phase in the development in the program. By reason of that cooperation with Harvard we can learn a lot in the techniques for research and teaching in this field and can directly benefit from Harvard's vast experience in this domain. So it is that I felt any real vitalized program concentrated at Yale would be more certain to develop if we can perfect our research and teaching techniques under our present arrangement.