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Authority NAD 760950

By ER NARA Date 7/8/16

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RG 59

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Master book

LÉGATION DE SUISSE
WASHINGTON D.C.

May 22, 1946

My dear Mr. Paul:

^AThe Swiss Delegation has been pleased to learn from the letter which you were kind enough to transmit to me yesterday on behalf of the Allied Delegations that the proposal which I made on May 2, 1946, has been accepted. In accordance with this plan, the proceeds of those German assets in Switzerland which are to be liquidated shall in equal parts become available to Switzerland and to the Allies, and the question of the gold transferred in the course of the war from Germany to Switzerland shall be settled by payment of an amount of 250 million Swiss francs. ^B

The Swiss Delegation shares the opinion that now that agreement on these two chief issues has been reached, the text of the desired accord can be elaborated rapidly and that it should no longer present any particular difficulties. Nevertheless, the Swiss Delegation feels compelled to make the following reservations with regard to certain statements in your letter:

The term "German assets" must be defined differently than in the Allied project of April 17, 1946.

We are especially anxious that in determining the use of the Allied share in the proceeds of the liquidation, relief and, in particular, the feeding of persons in famine-stricken areas be mentioned.

As concerns paragraph 3 of your letter, I shall be glad to discuss it further with you orally.

With regard to the text of the contemplated accord, I beg to refer to the two Swiss counter proposals which have been transmitted to you yesterday.

It is understood that Switzerland is prepared, as soon as the accord shall have come into force, to make certain advances to the Allies from the account of their share in the liquidation proceeds. The amount of these advances and the method of payment remain to be fixed.

The Swiss Delegation is not in a position to make any statement with regard to the question raised for the first time in the penultimate paragraph of your letter, since this problem has thus far not been studied.

The Honorable
Randolph Paul
Special Assistant to the President
Washington, D. C.

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As has been emphasized repeatedly, Switzerland is unable to share the opinion that the Allies have acquired by virtue of the act of surrender the property of the German Reich in Switzerland.

The possibility of signing an agreement is, of course, as far as Switzerland is concerned, particularly contingent upon the granting of the requests formulated in the Swiss counter proposals.

Believe me, my dear Mr. Paul,

Very sincerely yours,

