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20th December, 1935.



The Hon. George S. Messersmith,
Minister of the United States of America
V I E N N A

Safe. Secr/

9445 H M

Dear friend,

I see I have not yet acknowledged your letter of the 8th November. I feel awfully ashamed about it and I assure you I greatly enjoyed reading it and I now send you my somewhat belated thanks.

I was in Berlin a couple of days this week. I had luncheon with Schacht and was with him 2 1/2 hours, together with Mr. Bücher of the A.E.G. and Mr. Goerdeler Ober-Bürgermeister of the City of Leipzig.

The situation in Germany is far from good and things will only last as long as the people are able to stand the strain; but as you know, Germans can stand a good deal. They are doing their export business at a loss and consequently have to pay a high price for the raw materials they buy. That part of the export business which is based on barter - such as the exchange of locomotives against Brazilian coffee - is also a difficult job. In these transactions the Brazilians always want to try and get rid of the coffee which they cannot sell elsewhere against foreign currency. Hence the quality the Germans receive is not always A.1. The better quality is only supplied when they have exhausted the stocks of bad coffee! The story is rather like that of Jacob who first had to marry Leah before he could wed Rachel!

We shall probably be going to Switzerland for a couple of weeks in January and it is my intention to go to Buenos-Aires in March but I hope to see you before I leave.

With the best of wishes to you and Mrs. Messersmith for a Merry Christmas and a Happy New-Year, in which my wife joins, believe me,

Very sincerely yours,
Messersmith