

October 23, 1947

Dear Philip:

I am looking forward very much to seeing you very soon as I am leaving on the QUEEN MARY for London on Saturday, the 25th. I would like, however, to give you some information which has just come to us from one of our very good friends, and concerning the reliability of the information, there seems to be no doubt. I have brought the information in a confidential way to some of the high officials of the American Government, as it will undoubtedly be of interest to them, as it will be to the high officials of the British Government.

Our well informed friend, who is in a position to know what is taking place on the inside in Spain, has informed me that there are plans for the building of a Dye Stuffs Plant in Spain and that German technicians and experts will collaborate in the construction and operation of the Plant. We do not yet have details, but the information that such plans are under way is very definite. We do not have information also as to the size of the Plant and just how the operation is to be carried through.

I think there is ground to speculate that this may be a venture of the Instituto Nacional de Industria, which is an organism of the Spanish Government and of which Mr. Suances, the Minister of Industry and Commerce, is the head. One of my friends tells me that Suances gets a salary of 500,000 pesetas a year as head of the Institute.

I do not wish to go too far into the field of speculation on the basis of the information we have, but it occurs to me that the establishment of this Dye Stuffs Plant may be an important part of the program of the Institute and, of course, it would be possible for them to find the pesetas in Spain from various private and, perhaps, public sources for the venture.

More important ~~is~~ the technical skills ~~of~~ experts and whether these Germans, whom it is planned are now in Spain or whether they are still in Germany, hoping to get out of the country to Spain, or whether they are in other countries and hoping to make their way to Spain, we do not yet know. The British and the American authorities are controlling very carefully the exit from their respective zones of Germans so that if these German technicians are still in Germany, it would be difficult for them to leave the country. Of course, if they are already outside of Germany, it would be more easy for them to get to Spain.

In any such venture as a Dye Stuffs Plant, the technical assistants and experts may be, of course, more difficult to find than the capital, but even if the Spanish Government or private interests may be able to secure the technical skills

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and may be able to find the capital, there is still the question of the equipments which would have to be secured in the United States or Great Britain, although some might be available in other European countries.

The only thing we really know is that we have this definite information that there are plans which may not yet be known generally for such a Dye Stuffs Plant.

I thought this information would be of interest for you to pass on to any persons in the British Government who might be interested.

With all good wishes and looking forward very much to seeing you, I am,

Cordially yours,

DH:afc

The Right Honorable Viscount Swinton  
London,  
England