established in the United States, the Treasury would be willing to have the account blocked under appropriate safeguards in Switzerland, Riegner had indicated prior to this (see cable of August 23, 1943 -- 5149 -- from Harrison) that it was worthwhile to attempt the financing of Jewish refugee evacuation from France to French North Africa and Spain pursuant to the arrangements and subject to the conditions outlined by the Treasury ($25,000 was suggested by Riegner as an initial deposit). In all likelihood, both methods of financing, i.e., through the establishment of blocked accounts in the United States and the establishment of blocked accounts in Switzerland, will be used in this case (it should be noted that the J.D.C. in connection with similar proposals which they are considering have indicated that both methods of financing will be employed).

(2) Refer to objection of Harrison that relief plan may facilitate enemy acquisition of funds - answer by pointing out

(a) Safeguards which have been imposed.

(b) The fact that the Treasury is dealing with this sort of problem every day in licensing Swiss transactions.

(c) Point out that although Riegner mentioned this in an early cable in June he did not raise this point again until October 6 during which time there has been a considerable exchange of cables with him on the matter - point up the fact that in our cable of August 6 we had requested his opinion as well as Riegner's on the program, that during the exchange of cables on this definitive program he kept conveying Riegner's views and did not make any adverse comments himself and that in the cable of September 9 he inquired as to whether a Treasury license had been issued without raising any such objections.

(d) Make reference to the cases such as the sending of radio transmitters to Germany.

(3) The impossibility of the Legation showing compliance with conditions laid down by the Department. Points (b) and (c) above are applicable here; also Mission has been merely requested to issue a license under these conditions which covers as indicated in paragraph (1) two methods of financing and furthermore the mere issuance of such a license will not permit of transactions in violation of its conditions.