

Cottonier Matter

Telephone Conversation

Jan. 25, 1956

FROM: DAF

TO: Dulles, Allen



Dulles said he had been tied up and sorry to be late in returning call -- DAF wanted to talk with Dulles briefly on phone and get together if necessary to discuss Cottonier matter Dulles wrote about sometime ago -- Dulles said he really wanted to drop out of that - the matter came to him and is really not any of his business -- a great friend who has been extremely helpful wrote about it and said if he could do something about it would be helpful in his work -- have no knowledge of the merits of the case at all -- guess we have done all we can -- DAF said there really is no merit in the case -- Cottonier has sued and we have gone over to the Justice and they say Cottonier has no leg to stand on -- wondering if it is sufficiently important to U.S. interest to try to negotiate some kind of settlement -- Dulles said he talked to the man on the phone but got the impression from the other French friend (did not give him any encouragement) that they felt they had made a bad legal choice -- lawyer who wanted a lawsuit -- Cottonier irritated about it -- tried to get our firm to take the case -- DAF said the Pres. of Cottonier seems to be a nice fellow, but the American lawyer they got in Paris is no good -- The basic problem is that Cottonier can get piastres for this cotton but since Vietnam is substantially limited there is no way they can convert francs into dollars -- they want us to convert for them -- the cotton has been stored in Saigon and we can offer them in dollars something about what the cotton is worth but have no idea of worth as we know it has deteriorated -- Dulles said his interest is not worth the money you would have to put into it - just handle it as you would any other project if there is any equity -- go ahead but count me out of it - do it as best interest of U.S. Government with margin of generosity if you think, but count me out.

