Dear Lipman,

Thanks for your letter. The answer to your question wether AMT] factorial implies A has a rational singularity is affirmative, at least in the equal characteristics case. This comes from the construction on of the local Picard scheme G over the residue field in this case (cf. SGA 2 XIII 5), as it is easily checked that A has a rational singularity if and only if G is of dimension zero. In the contrary case as the neutral component Go is smooth of dim. > 0, there would exist a non constant formal arc passing through the origin of Go, and it is easily seen that this implimenthat are defines a non trivial divisor class of A[[T]]. This argument will work in the unequal caracteristics case too, provided we have can extend to this case the construction of the local Picard scheme, I hope this could be done, at least for a perfect residue field, but never checked this point. (I proposed this to Lichtenbaum seven years ago, but I am affraid he never looked into this !)

As for the question you mention concerning the Zariški-Riemann by space Z of A, I confess I have not much feeling for that animal, but I guess this is equivalent with the direct limit of the $H^1(X, O_X)$ for all models birational and proper over Spec A (which, in case we have resolution, would be also the H^1 of any regumar such model). The idea that this direct system might be essentially constant, and that this may be used to prove resolution, had been mentioned also, five or six years ago, by Artin, but I believe he could not push it through. An analoguous problem, whose solution would be needed in order to construct local Picard schemes for noetherian local (excellent?) rings of

higher dimension, is the following: does there exist a birational proper model mf X of Spec(A) = S, inducing an isomorphisme X (S-s) (S-s) (s = closed point), such that every invertible sheaf on S-s=X-X extent to an invertible sheaf of X? If s is an isolated singularity, this would follow of course from resolution. In case s is not isolated, it seems the answer is not known even for complete local rings of char.0. In any case, I asked Hironaka who does not know.

Sincerely yours

A. Grothendieck

Comments 1). Pic of a curve is reduced (H2=0) and i smooth