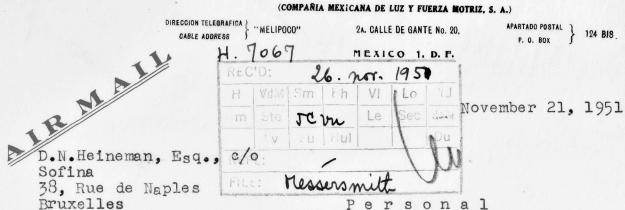
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## THE MEXICAN LIGHT AND POWER COMPANY, LIMITED



Dear Dannie :

In my letters of October 29 and November 13 I gave you some information concerning some newsnotes which I get from the Argentine Embassy in Washington. I have just received the newsnotes dated November 16, and they contain an item which is really tremendous. I am sending you herewith a copy of it. It is quite obvious that Peron is shifting his support as rapidly as he can, from the Army to the workers. He has been working this way for a long time because he feels that he can depend more on the workers than on the Army.

In this speech which he made to some Latin-American labor representatives who have been invited to be in Buenos Aires during the elections, he said "a people is invincible when it decides to defend its conquests with its own life". This is reminiscent of the expressions of the most rabid labor leaders of Latin America when they spoke of their so-called "conquests". Further he said : "we are moving towards a syndicalized state, an old dram of human society, etc. He said that such a labor state was the only way to combat capitalism and imperialism. This time he did not even mention communism, and whether he knows it or not, he is moving fast in that direction. He made a further statement that "in order to resolve the economic problem of the Latin American countries it is necessary in the first place that they are decided to do so and that they have the sufficient courage to do it in order to confront imperialism". Much as I regret to say it, I think that Peron feels his position so insecure that he is taking the attitude of a pure demagogue. He is whistling in the wind and all his efforts seem to be concentrated on holding his power. I do not see how it can last, for demagogy and words are not going to solve the hard economic facts which the Argentine has to face in the next years. How long he can hold on I do not know, nor how much the Army will stand by him, but I think that they will in due course have to do the same thing that they did with

966. November 21, 1951 D.N. Heineman, Esq., Page 2. Brussels Irigoyen. I recall very well General Justo telling me, three months before the Army turned out Irigoyen, that the Army would never make a revolution against the Government, as the times were past for that. It so happened that I left the Argentine some weeks later to go to my new post in Berlin, and it was only shortly afterwards that the Army turned Irigoyen out. Hoping that you had a good trip over and with all good wishes, Cordially and faithfully yours, S. Messersmith. GSM/go