

AIR MAIL

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THE MEXICAN LIGHT AND POWER COMPANY, LIMITED

(COMPANIA MEXICANA DE LUZ Y FUERZA MOTRIZ, S. A.)

DIRECCION TELEGRAFICA
CABLE ADDRESS

"MELIPOCO"

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124 BIS

H-2520

MEXICO, D. F. March 30, 1948.

REC'D April 2, 1948					
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Col	Ge	Lo		Th	Fr
Th	Hul	Lv	Ad	Ch	
REPE:					
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Dear Dannie:

I don't want to burden you with any reading, but I thought you might be interested in glancing through a letter which I wrote to my good friend Bradford, Vice President of the United Press for South America, who has just been appointed Vice President of the United Press for Europe. I had not heard from him and I now understand why, as this matter of his change from South America to Europe came up just about the time that he arrived in Buenos Aires and he has been traveling between Buenos Aires, New York and London in the meantime.

I wanted to give him some thought of mine which I knew he would be interested in and that is why I wrote him this long letter, and as he is no longer in Buenos Aires, I have sent a copy of the letter to Tom Curran, who is the UP man in Buenos Aires and he is a very good man, and some of the information in the letter to Bradford may be interesting to him for orientation. I feel sure Bradford has written to me from Buenos Aires before he went to Europe and that the letter is on its way or has temporarily gone astray, for I am sure he would have written me very shortly after his arrival in Buenos Aires.

I know you all are enjoying the stay in Hot Springs and I do hope that you will remain until the middle of the month. It would do Hettie a great deal of good to stay there longer and I am sure that, although you may be champing at the bit to get back to New York, you can do what is necessary from Hot Springs for several weeks longer, and it will do you a world of good. I personally feel that things with regard to Barcelona are in a much better way.

It was a silly thing for the House Committee to vote as it did with regard to Spain and I am ~~going to~~ ^{thinking of} write a letter to my friend Dr. Eaton, who is Chairman of the Committee, and I will bring the facts of the Barcelona situation to his attention, and I feel sure that the House Committee will not insist on its action. Besides that, I feel sure that the House as a whole would not accept the inclusion of Spain in the Marshall Plan under present conditions, and I am confident that the Department has already brought to the attention of the House Committee the error of its precipitate action, for I know that the Department feels very strongly about the whole matter and particularly with reference to this action against the Barcelona company. I may be all wrong, but I feel that we are on the way now to getting a reversal of the action of the Spanish Government and of course in the matter of the Barcelona company,

and that

D. N. Heineman, Esquire,
The Homestead,
Hot Springs, Virginia.

and that will be a blow to March from which even he will not quickly recover, because it will be a real blow to the prestige which he enjoys in certain circles in Spain which have believed that he could get away with anything.

We ended our talks with the Syndicate today after we told them that we had considered carefully their demands but that the economic position of the company did not permit us to make them any offer and that we were therefore bringing all the facts concerning the negotiations and concerning the economic position of the company to the attention of the government. I have informed fully the President and Maryssael and I have informed the Acting Secretary of Labor and the Minister of Economy, so that they know the economic position of the company. Of course whatever increases we have to pay effective May 1 will be reimbursed to us as of January 1, 1949 under the adjustment clause, but any increase we give to the workers will be reflected in rates, and as we simply have to get higher rates under the electricity law which says that we shall make a fair return on our investment, we must try to keep down the rates as much as possible. We shall, of course, have to give some increases to the workers, for they really need them due to the severe inflation here, but we must keep down increases we have to give to a most reasonable level.

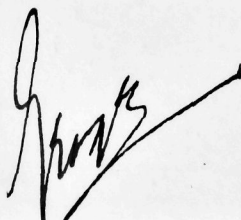
We feared that the conversations would break off today in a heated discussion, but as a matter of fact the leader of the Syndicate, who is really a bad egg, was quite restrained. I think the remarks which I asked Maryssael to make to the workers at the beginning of the negotiations, concerning the economic position of the company, had a really excellent effect, and while I feel that we are going to have a difficult month before we get a settlement and a new contract which we must have by the end of April, I believe that we will avoid a strike and an intervention. So far the company has handled the matter really very well and I feel that our position is very strong.

So far as the credit is concerned I gather that things are going well, and while the delay is annoying it can't be helped, and in some ways it will be helpful to us in connection with this important labor contract that the credit has not yet been granted. It means that the Government will have to stand behind us more than it would under ordinary circumstances in the labor negotiations.

Marion joins me in love and good wishes to you all, and do lengthen your stay until the middle of April, for you really owe it to yourselves to get this respite.

We are giving our first party in the house on Friday evening and are looking forward to having Jimmy and June with us that evening. Jimmy is being very helpful to me and is really getting a very unusual knowledge of the problems of the company and is showing real judgment in the observations which he makes to me about things. I am very much pleased.

Cordially and faithfully yours,

A handwritten signature in dark ink, appearing to be 'G. H. B.' or similar, with a long horizontal stroke extending to the right.