

AIR MAIL

619

THE MEXICAN LIGHT AND POWER COMPANY, LIMITED

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

Forma 291-S. M.L.P.

DIRECCION TELEGRAFICA } "MELIPOCO"
CABLE ADDRESS

2A. CALLE DE GANTE No. 20.

APARTADO POSTAL } 124 BIS
P. O. BOX

H. 4300

MEXICO, D. F. September 11, 1949.

REC'D		SEP 14 1949			
W	Sp	Eh	Wm	VI	W
Nm	Vdm	Vh	W	Cln	Sh
Col	Ge	Lo		Bh	Br
Th	Hul	Lv	Ad	Clk	Du
REPI: m/r.					

Dear Dannie:

This is Sunday morning and after a hectic week I want very much to go out to the Golf Club with Marion.

Bessersmilt - incl. Ex. t. t. xel.

I dictated last evening a long letter to Binder of which I am sending you a copy and it contains a great deal which would ordinarily have written to you. I am sending a copy of my letter to Binder to Wilmers and to Samuels, Graydon and Lorie. I will not comment on the substance of the letter to Binder as it is self-explanatory. I have weighed carefully all the factors involved about going to London and there isn't one particle of doubt in my mind that both Maryssael and I must be here, and it seems to me that Binder and Lawson should be able to take care of the situation in London. I can't conceive of our security holders not voting for the plan, knowing what it means for their investment. There hasn't been a job done like this for private investment in Latin America for many years and I hope that the British authorities and our British and Continental investors will understand this. Of course if Lawson says to Binder that he thinks some one of us should come over we will have to give it careful thought, but I feel very strongly that if anyone eventually does have to go it should be Maryssael or myself and we just can't leave here.

The water situation continues critical but very fortunately we have had rains in Necaxa during the last few days as well as at Lerma and we are improving our position somewhat. There is still a possibility that we will get enough rains in both areas to make restrictions unnecessary and if any are necessary they may fortunately be very mild. We should really be putting some mild restrictions into effect now, but the government has asked us and insisted that we do nothing until after the national holidays around the middle of the month. It is very silly and improper but political considerations seem to be more important here than anything else, but I am afraid that is true in some other countries.

I have been doing everything I can to create an adequate understanding in government and in high circles. I had the Tariff Commission in for lunch at the house during the last few weeks. Their attitude is all that we could ask for. We have seen the Minister of Economy and the Undersecretary almost every day. I had the heads of the national associations of commerce, industry and banking for lunch the other day. I had in for lunch the Minister and Undersecretary of Labor. I have had in for lunch several groups of the more important bankers and industrialists. I have had in separately or in small groups the heads of the principal newspapers, etc., to explain the situation. We are not leaving a stone unturned.

We

D. N. Heineman, Esquire,
50 Broadway, Suite 1700,
New York, N. Y.

We ought to have the tariffs published by the end of the month so that the circular and plan can be got out. It will be an extraordinarily difficult task but we all here feel that the most important thing is that everything about them be right. The adjustment clause which of course appears in the tariffs is there for five years, as are the tariffs, and it is extremely important for us to have this adjustment clause just right for it is really the life of the company. We have had a great deal of trouble over the wording of this clause, as the way ours is worded will serve as a norm of the adjustment clauses for other companies. I think we have this in good shape but it has delayed the actual going of the tariffs to the Ministry of Economy and the public and private hearings which must take place before the publication of the tariffs themselves. If we get the tariffs published by the end of the month we can get the circular out in time to have the meetings as planned on November 8 to 11. If we do not get them by the end of September we will have the meetings in the latter part of November and that, I think, means that we would have to ask for an extension of the interim credit for a month. We want to avoid this by all means because it means rewriting a lot of documents which are all prepared in final form and it would mean going to the bank again for an extension which I think for every reason we wish to avoid. I am convinced, however, that it is more important for us to get these tariffs into the right shape and risk postponement of the meetings and going to the bank, rather than trying to hurry through something in an inadequate form that affects the income of the company during the five year period of the tariffs.

We are literally continuing to work night and day here and if it were not for the importance of what is involved it wouldn't be worth it, because our people are really overworked to an extraordinary degree and it can't last much longer or some of them will fall by the wayside.

Marion and I are both well, as are Jimmy and June and the baby. If it is at all possible I would like to go to New York around the middle of October and to have a few weeks there before the meetings in Toronto, but all this depends upon the situation here. Marion has not been out of the altitude for almost a year and it is time for her to have a month away. Jimmy tells me that you have gone back to the farm, and I gather that May is staying in New York until the baby comes. Please give her our love. You do not say anything about coming down but I hope that you haven't abandoned your plans in this respect.

Colonel Gibson, from the Air War College, was down here last weekend and they had me down for a day's lectures at the College at Maxwell Field on October 3, which happens to be my 66th birthday. I explained to Colonel Gibson that I just couldn't possibly leave here at that time and I have just had a letter from General Anderson saying that they will expect me at the spring course on April 25.

I appreciate your letter of August 9 with which you sent me a copy of the letter which Herod wrote you from Paris under date of August 2. I read with much interest your memorandum of May 13 covering your visit to

Germany

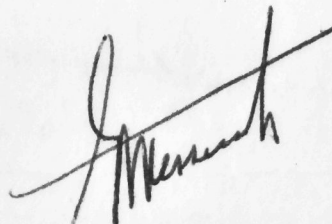
619

- 3 -

Germany and also the memorandum you wrote on the British and European situation dated July 8. I would like to comment on them but I have so much before me this morning before I can go to the Club that I will do so later.

Marion joins me in love and good wishes to Hettie and you and Edna *W. Young.*

Cordially and faithfully yours,

A handwritten signature in dark ink, appearing to read "J. M. Munnich". The signature is written in a cursive style with a long, sweeping horizontal line extending from the end of the name.

Enclosure.