

E. R. SQUIBB & SONS ARGENTINA S. A.

Productos Quimicos, Biologicos y Farmaceuticos

Casilla de Correo 1597
Buenos Aires

H. A. Arnold
Presidente

July 19, 1951

Dear George:

I am tardy, as usual, in answering your good letter of May 15th. This time, however, my excuse is better than usual as I have been completely under the weather for weeks with colds, gripe and finally, the complete loss of my voice. I am feeling a little better and have decided to make a visit with Jean to the United States and thus combine business with a climatic change.

I was sorry to hear that your trip down here ended with illness upon your arrival in New York. I'm afraid that trip was not much of a rest for you, however, at least, it was pleasant for us as we had a glimpse of you and Marion.

The CADE situation here is going from bad to worse. Any betterment will depend on a) official guarantees against expropriation or confiscation, b) equitable rates, and c) financing. As I see it, these are the three basic factors, each of which contains many complications. To date I can find no encouragement on any of these points. The Government has now apparently decided to install 300,000 kw. in San Nicolas and pipe the surplus into B.A. If this project goes through it looks as if future growth will be cared for by Government-owned capacity. Taking everything into consideration, this may not be a bad idea for the present at least, providing some solution can be found for CADE's present problems. I've had many talks with René but one simply goes in circles, especially now that the possibility of Export-Import Bank financing has gone out of the window.

My business continues to boom but the results carry with them all the unsatisfactory elements of inflation. We are expanding more and more, and only today I received an import permit for equipment which will give us 1,500 HP more and permit us to step up our production. I cannot help but feel personal satisfaction with the progress which we have made, however, I'm afraid my enthusiasm is not shared by the home office. They see an unproductive investment, inflation, blocked funds. When I go to New York I'm definitely the poor relative and not the blue-eyed boy.

I had a visit with Minister Cereijo this morning and will call on the President before I leave. Unfortunately, I am afraid

that it will now be difficult to carry out my merry plans for closer relations between the two countries. Our elections are now scheduled for November. Perhaps after that date it will be possible to develop some workable long-term plan.

Our trip to New York will be another brief one with little choice of extending it to Mexico. If you should be in New York during the month of August please get in touch with me in the office.

Jean joins me in love to you and Marion.

Cordially

(signed)
Bill

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