

of said railroad, as much as the common interests may permit, or, in case this should be impracticable, to construct branch lines to connect said cities with the main trunk line; and finally, utilizing the lines already in operation, wherever such may be possible and compatible with the surveys and conditions of the Intercontinental Railway.

Second. That the Republics interested in the execution of this work, assist it in every way that may be in their power, and especially that they exempt the same from import duties on the materials necessary for the construction and operation of the Railway, but, with the necessary provisions to prevent abuses of such privilege; and that the real and personal properties of the enterprise be exempted from all national, state, provincial and municipal taxes; exempting it from all custom house and other duties on its traffic in transit through the different Republics; and that they assist the enterprise as much as possible by subsidies, grants of lands, or by the guaranty of a minimum interest on the capital invested in each country.

For that purpose it is hereby recommended, that all persons who favor the construction of the said Railway, earnestly endeavor to procure, from the respective governments, the granting, in favor of this enterprise, of these or other liberal subsidies such as may be found most convenient and feasible in each country.

Third. That the United States of America be invited to initiate with the representatives and diplomatic officers of the other Republics accredited in Washington, the adoption of such measures as may be deemed best calculated to result in sending to the said Republics, within one year, competent and reliable persons, whose duty it shall be to accurately determine the resources of each country, and the location and condition of the railway lines now in

operation, the existing condition of their commerce and the prospects for business for an intercontinental line, in case said line be constructed, and also to ascertain what concessions each of the respective Governments is willing to grant to the enterprise.

Fourth. That the President of the Conference shall appoint a Committee of five members, resident in the United States of America, which shall enter upon its functions after the adjournment of this Conference, with power to increase the numbers and to substitute them whenever necessary; to appoint such sub-committees as may be deemed proper, and to report to the next Conference on the result of its labors; to furnish all possible information on the work of the Intercontinental Railway, and to aid and stimulate the successful execution of said project as much as possible, all of which, however, shall not prevent the present Committee from continuing their efforts to attain the same end; and finally that the Commission, in accord with the Secretary of State of the United States of America, and with the Ministers of the interested countries, resident in Washington, may cause to be convoked, within the period of one year, an Assembly composed of duly authorized representatives of all the Republics of this Continent, for the purpose of perfecting a Convention to arrange for the construction of the proposed Intercontinental Railway.

Hall of Sessions.—Mexico, January 6th, 1902.—(Signed.) *Alberto Elmore.*—*Alberto Blest Gana.*—*Rosendo Pineda.*

The resolution on the Pan-American Railway, drafted in the same terms as the above report, was signed on January 21st, 1902, by the Delegations of the Argentine Republic, Bolivia, Colombia, Costa Rica, Chili, Ecuador, El Salvador, United States of America, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Peru and Uruguay.

NUMBER 3.

Customs Congress.

SESSION OF THE 29th OF NOVEMBER, 1901.

Secretary Duret.—His Excellency Mr. William I. Buchanan, Delegate from the United States, has submitted a proposition for the revision and use of the commercial nomenclature of the American Republics, published by the Bureau of said Republics. The proposition, which by decision of the Chair has been referred to the Committee on Commerce and Reciprocity, reads as follows:

REMARKS submitted by William I. Buchanan, of the United States Delegation, on the subject of Commercial Nomenclature, with a project for the revision and use of the Nomenclature of the American Republics, as heretofore issued by the Bureau of the American Republics.

Mr. President:

In the very instructive outline presented by the Honorable Mexican Delegation with regard to the action the Mexican Government has taken since the close of the Washington Conference upon the various subjects considered at the Conference, I have noted with interest the views expressed upon the subject of commercial nomenclature.

The importance of that subject to the commerce of the Republics represented here is one that has been frequently and forcibly brought to my attention, and I have reached the firm conviction, as a result of my observations with regard thereto, that if a uniformity of name and description can be secured for the common articles of Pan-American commerce, and such nomenclature be officially adopted and made the basis of the customs schedules and laws of the Republics of this Hemisphere, that a distinct and valuable step forward in all that appertains to the general betterment of their commerce will be gained.

Realizing that such results are those hoped for from the work of this Conference, I venture to bring the subject to the attention of the Conference, with the hope, and in the belief, that action will be taken that will make effective, to a very considerable degree at least, the substance of the most excellent and desirable project concerning nomenclature submitted to the Washington Conference by Mexico's distinguished and always to be remembered diplomat and statesman, Don Matias Romero.

I am quite certain that it is unnecessary to urge upon any one who had commercial dealings with countries other than his own, the desirability, from every point of view, of having a uniform commercial nomenclature in practical, official, daily use in the custom houses of this Hemisphere, and equally certain that no argument will be required to convince the distinguished Delegates here present that such a measure, in so far as it may be possible to carry it out, would undoubtedly be of practical value to the commerce of their respective countries, and, hence, that it thus becomes a fitting and proper subject for our consideration and favorable action.

As the honorable Delegates know, the Washington Conference made provision for the preparation of a commercial nomenclature in English, Spanish and Portuguese, the work to be submitted to each of the Governments that participated in that Conference, with the evident intent that it should be adopted and used by each Government in its customs administration.

The contemplated work was prepared with great care by the Bureau of American Republics, and is now in the possession of the different Governments represented here; beyond that point, however, no action, I believe, has been taken by any one of them to make practical use of the work, and therein lies the reason why I deem it proper to bring the subject to the notice of the Conference.

I am certain that any one who has examined the printed volumes of which I speak will cordially agree with me in saying that the work is one of which the Bureau of American Republics may be proud, and that it is a valuable addition to the world's knowledge. It is equally worthy of note as being the first attempt made in any part of the world to codify and make uniform in three languages the names of the tens of thousands of articles which enter into the commerce carried on between the Republics of this Hemisphere.

Notwithstanding that all this is true and that the general excellence of the work is to be heartily commended, it is to be admitted, as well, that the work is defective in translation in many instances, and, that it is far from complete. That this should be true is not strange, when we recall the fact that, in collecting the material, the compilers had no previous work which could be taken as a guide. Such would not now be the case, since the work of which I speak would itself form the basis required, upon which a careful, exhaustive and satisfactory revision of the entire nomenclature contained in, or omitted, from the volumes in question could be made. This work, I believe, should now be undertaken by the countries, represented at this Conference, and that a thorough and correct commercial nomenclature, embodying the common articles of production, and those of exportation and importation, of the different Republics composing this Conference should be prepared and published, and that when this has been secured that it should be officially adopted by each of the Governments represented here, and thereafter used and made the basis of the customs tariff schedule of each such Government.

With the view of concretely placing the subject thus briefly outlined before the Conference, I beg leave on behalf of the United States Delegation to submit the following:

WHEREAS, The Second International Conference

of the American States believes that the use by each Government represented therein, of a uniform commercial nomenclature of the products and commerce of the American Republics, in English, Spanish and Portuguese, would be of great utility and advantage to the commercial relations existing between said countries, and, that the «Commercial Nomenclature of the American Republics» issued heretofore by the Bureau of American Republics forms a satisfactory basis for such work;

THEREFORE, The Second International Conference of American States earnestly recommends to the Governments represented therein the following:

(a). The careful revision and completion, in English, Spanish and Portuguese, and under the direction of the Customs Division of each of said Governments, of the «Commercial Nomenclature of the American Republics» heretofore issued by the Bureau of American Republics;

(b). The compilation and publication by the Bureau of American Republics of the said revised and completed work, or, in the event this shall be for any reason made impossible, by a Committee of three to be designated by the Secretary of State of the United States, two members of which Committee shall be residents of countries represented at this Conference, other than the United States; the cost of such compilation and publication, including the expenses of said Committee, if it shall be constituted, to be paid by the Secretary of State of the United States from the fund provided for, under (d) below;

(c). That one year after the completion and publication of the said work, as provided for under (b) above, each Government represented at this Conference shall officially adopt the said nomenclature, and thereafter use it in its customs tariff schedule and law; and,

(d). The appropriation by each Government represented at this Conference of such proportionate amount of the sum of Forty Thousand Dollars Gold (which sum shall be the maximum amount to be expended for the purposes above set out) as may be found to be due from each Government by the application to said total sum of the rule now in force in the Bureau of American Republics for determining the amount due from each such Government for the maintenance of said Bureau, the said proportionate amount to be transmitted by each Government to the Secretary of State of the United States, and to be held in trust by that officer for general purposes above set-out, and specifically named under (b) above.

SESSION OF THE 20th OF DECEMBER, 1901.

Secretary Macedo.—The Committee on Commerce and Reciprocity has submitted its report, which by ruling of the Chair will be printed and distributed among Their Excellencies the Delegates. Said report reads as follows:

REPORT of the Committee on Commerce and Reciprocity.—Second International American Conference.—9th. Committee.

The Committee on Commerce and Reciprocity has studied most carefully the various matters which are embraced in the extended scope of its labors, and it has the honor to present to the Conference the result of those studies, prefacing them by a brief exposition of the fundamental principles which have been its guide.

I.

The Committee, in the first place, believes it best to exclude systematically from the resolutions it submits to your consideration all general recommendations referring to principles which it may be truthfully said are universally accepted.

There is no one today who does not admit that at all times Commerce has been the vehicle of culture and progress, and no one will question the convenience, and, it almost might be said, the necessity of favoring by all possible means, international commerce; for the eminently industrial character, of human civilization at the present time, imposes itself upon all minds, there being, among the great thinkers, proselytes of the doctrine which affirms that back of the armed conflicts which even now unfortunately take place among nations, there lies often an economic problem for the solution of which no other method has been found more in conformity with the high principles of human co-fraternity.

To ask, therefore, the Conference to declare in a general way that the American Republics should favor Commerce amongst themselves, would be tantamount to proposing to it to repeat collectively a conviction which each one of the Delegates who has the honor of belonging to it already entertains; and we understand that, if our labors are to be fruitful they must tend to indicate ways and means which can be carried into practice, and translating into facts this and other equally firm convictions they need not relate to subjects, already accepted by all, or at least by the majority of the Nations, such as the establishment of navigation lines, bonded warehouses and others of the same character.

II.

The Committee also believes that the economic policy and the fiscal laws of each Government must be guided primarily, and in order to favor the particular interests of its own people in the manner that this people and its Government may understand, and determine in accordance with their sovereignty; and, furthermore, that the principal source of revenue among most of the nations of this Continent is derived and must continue to be derived from the customs dues on the imports; and that many of the Republics represented in this Conference which, up to this time, only have exported raw materials and imported manufactured products, are now tending, in view of the growing development of their domestic industries, to transform their own natural products, making use of the same and exporting them under more elaborate forms, diminishing therefore the imports of similar foreign merchandise.

III.

Your Committee infers from these three principles, which it believes to be based on facts, that it should abstain from all recommendations which would tend, directly or indirectly, to counsel the American Republics to alter, either customs duties, or the basis established in their customs duties, or the basis established in their tariff schedules for the collection of such rates of duties.

These are problems, as already has been stated, which each country must solve as it may think fit. The Committee has not failed to see the advantages which would result from the greatest possible un-

iformity in all these important matters, and from its earliest possible application, but it considers that such uniformity carried out to the point consistent with the diversity of habits and with the necessities of the inhabitants of an entire hemisphere, must be the natural and spontaneous product of the study which is being made by each one of our Governments in order that our respective countries be not left behind in the struggle which competition necessitates in the modern world.

IV.

The field of investigation of the Committee being thus limited, it only remains to examine what practical remedies can be made use of in order that the obstacles which the Custom Houses naturally and inevitably oppose to the currents of mercantile traffic may be reduced to a minimum compatible with the fiscal interests of each nation; but, inasmuch as modern legislation, as a result of its greater amplitude, tending to specialize the distinct parts of which it is composed, is not a proper matter to be considered in this connection, but requires knowledge of a real technical nature in each one of its branches, the undersigned think that the best measure which they can propose to the Conference, is that an International Conference of specialists shall occupy itself in investigating the best methods of solving certain clear and simple propositions of evident common interest; and also shall suggest to the Governments of the American Republics, what propositions, as before indicated, will tend to diminish the obstacle which the Custom Houses constitute towards Commerce, within certain limits compatible with the fiscal system of each nation, and without injury to the high interest which is involved in an honorable and loyal collection of customs imposts.

In this sense the first of the recommendations which your Committee has the honor to submit has been formulated, and, if the reasons for each one of the details comprised therein are not specially expressed, it is with the purpose of not making the present report too long.

V.

We only have to refer to the several points of the important initiative of His Excellency Mr. William I. Buchanan, with which the Committee has occupied itself, which initiative asks this Conference to adopt certain resolutions submitted to it with the object of concluding the work of forming a common nomenclature of merchandise in the four languages which are spoken in the Republics of America, and which, after having been revised by all the Governments, is to serve as a basis for the tariff or rates of duty which shall be collected by all the Republics.

The Committee sympathizing sincerely with this initiative, has, however, had to take into consideration certain important facts related therewith.

In the first place, the vocabulary formed by the International Bureau of American Republics only comprises the equivalent of each word in English, Spanish and Portuguese, the French having been omitted.

Besides, and as His Excellency Mr. Buchanan already has stated, an examination of this vocabulary, even if it be a very slight one, is sufficient to show at once that, although it may be very commen-

dable for a first effort, it contains numerous inaccuracies, which it is easy to understand proceed from the provincialisms and local idioms peculiar to the several American Republics in which the Spanish language is spoken, which the peculiar character of each people and the influence of the aboriginal idioms and dialects have modified in the course of centuries.

Finally, although it be a fact, as the Honorable Delegate from the United States very aptly has stated, that «a uniform commercial nomenclature of the products and of the commerce of the American Republics, would be of great utility and would offer great advantages for the commercial relations existing between the countries referred to,» and that «if this nomenclature should be officially adopted and accepted as a basis of the tariffs and Custom House laws of the Republics of this Hemisphere, an evident and valuable advance in everything related to the general improvement of the commerce of said nations would have been realized,» this Committee however, has, consulted various opinions according to which this desideratum can only be realized with difficulty, not only because it is a question of four languages of so different a character as the Spanish, the English, the French and the Portuguese, but also because this difficulty becomes more complicated by reason of the numerous provincialisms before alluded to, and finally because of the frequency with which modern industry throws upon the market products either entirely new, or old ones in a new form, which compels the Custom House laws of all the countries to make incessant changes and modifications in their nomenclatures, which would be very laborious and difficult to include opportunely in a nomenclature previously adopted by international agreement.

The undersigned, surely, are not those to decide whether these obstacles are insuperable, and for this reason, they have resolved, as will be seen hereafter, to recommend that examination be made by the Governments of the American Republics of the nomenclature formed by the International Bureau of said Republics and that, in view of this examination, the Customs Congress, which is under contemplation, shall examine and resolve the questions connected with this important problem.

VI.

The Committee also had commenced to consider the matter of the creation of commercial museums; but, upon being informed that another Committee of the Conference was busying itself with the same subject, it abandoned this part of its work in order to avoid two reports being presented upon the same proposition which, although representing identical ideas, might vary in their form and would, for that reason, create some perplexity among the members of this Assembly.

VII.

The problem of commercial reciprocity between the Republics of the American Continent, has also been the subject of attentive consideration on the part of the Committee on Commerce and Reciprocity, which, besides the principles that have served as its guides and which are specially stated in the second paragraph of this report, had to take and has taken into consideration, that a careful and calm in-

vestigation by the Governments, would, without doubt, demonstrate the fact that the nations are able to make mutual concessions to each other, which, with the reciprocal advantages derived from a more active trade between themselves, would stimulate the development of their natural products and national industries to such an extent as to constitute an adequate compensation for the pecuniary sacrifices which these concessions might cause, as their first and most apparent consequence.

That this view is the correct one is demonstrated by the well known facility of exchanges and the consequent prosperity which the many treaties of reciprocity which govern the mutual relations existing between the five Republics of Central America have produced. Moreover, the Committee cherishes the profound conviction that one of the tangible results of the present Conference will be the fraternal intercourse of the nations represented in it, founded upon a better knowledge of their resources, of their tendencies and even of their representative men; which intercourse will produce among them the security of a lasting peace based upon mutual esteem, and this, for its part, will bring nearer the period in which a more complete development of their unexploited and almost inexhaustible elements will induce them to favor the extension of their railroads and navigation lines and will lead all the nations of this Continent, necessarily and happily, to broader and more liberal usages than those that have been customary up to this time in the interchange of their natural and manufactured products.

It is a difficult task, however, to present these ideas in a concrete form, unless by using a vague expression similar to that adopted by the Conference of 1889, and for this reason, the Committee limits itself to affirming, in harmony with the spirit of the age, its adhesion to the system of celebrating treaties of commercial reciprocity, as a broad foundation for the encouragement of the sentiments of union between the Republics of America, with the understanding that these treaties be founded upon a careful study of the interests of the nations that may conclude them, so that the concessions made in them may be mutually compensated, in order that they be permanent and may constitute, in a lasting manner, a facility for international trade.

Founded upon these considerations the Committee on Commerce and Reciprocity has the honor to request the Conference to adopt the following

RESOLUTION:

The Second American International Conference recommends to the Governments of North, Central and South America:

First.—That within one year from the date of the closing of the sessions of the American International Conference, there should meet at the City of New York, United States of America, a Customs Congress composed of one or more Delegates appointed by each Government from among its Directorates or Chief Customs Officers, Consuls, Presidents, or members of Chambers of Commerce, prominent merchants, or other persons, supposed to possess technical and special knowledge in all customs matters.

The moment that the majority, and not less than said majority, of the Governments of the American