

it is not simply a commercial problem, it is an economic financial problem, a political problem, a problem truly social.

The countries producing coffee, wherein it forms the principal industry, are suffering considerably in their commercial relations. Not only do they suffer from this point of view, but the governmental revenues have also diminished considerably, causing countless difficulties.

It is, moreover, a political problem, for to an impartial observer, in some of our Republics, it would be easy to encounter, as cause of revolution, this state of discouragement for certain social classes, this state of disgust that occasions misery with its cohort of calamity. It is, furthermore, a social problem, because all our peoples, in one form or another, are being affected by this great question.

I believe, Messrs. Delegates, that to terminate this crisis, or at least to find a remedy for it, is an effort worthy of this Conference, and therefore, in name of the Delegation over which I preside, I have the honor to propose the following:

PROPOSITION of the Delegation of Guatemala, for the reunion of a Committee, for the purpose of proposing means of avoiding or diminishing the crisis through which the coffee industry is now passing.

The Delegation of Guatemala has the honor to propose the adoption of the following resolution:

The Second International American Conference resolves:

First. That within one year from the close of the sessions of the International American Conference there shall meet in the City of New York, United States of America, a Commission composed of one or more Delegates appointed by each Government which may desire to be represented, and who must possess technical and expert knowledge regarding the production, distribution and consumption of Coffee.

Second. The Governing Board of the International Union of the American Republics shall appoint the day on which said Commission is to assemble. Said Commission will be organized in the manner it may decide upon, with the assistance of said Bureau, and it shall have for its object the investigation of the causes which at the present time are producing the crisis through which that great industry is passing, and to propose practical means to prevent or abate the same.

Even should the Committee that I propose attain no other result than the negative, that is, should declare that there is no practical remedy to terminate the crisis, this alone would be a great result, for the producing countries, they would not extend their production, would not invest in this industry their already scanty resources, and would exert their efforts in new industries. That alone would be an advantage for the coffee producing countries. But I believe, gentlemen, that the committee will not encounter that negative result, but will find a practical solution favorable to all producing countries, and that in indirect manner will result in great benefit to the four countries that do not produce the grain, but which due to the present crisis find the production menaced at present time, find themselves in danger of altered relations with the rest of the continent.

Secretary Macedo.—The Chair rules that the proposition presented by the Delegation of Guatemala, pass for examination to the Committee on Agriculture and Industry.

SESSION OF JANUARY 20, 1902.

Secretary Macedo.—The Committee on Agriculture and Industry has presented its report relative to the initiative of His Excellency Mr. Lazo Arriaga, that a committee be named for the purpose of studying the causes of the coffee crisis and to propose the practical means of avoiding or diminishing it. Said report, ordered by the Chair to be printed and distributed among the Honorable Delegates, reads as follows:

REPORT of the Committee on Agriculture and Industry, about the initiative for the meeting of a Commission to study the causes of the crisis in the Coffee-growing industry, and to propose the means of remedying it.

International Conference:

The Committee on Agriculture and Industry has considered with due care the initiative offered by the Delegation of Guatemala on the 30th. ultimo, which has for its object to arrange for the meeting in the City of New York of a Commission composed of the representatives of the American Nations, and experts in matters relating to Coffee.

In the speech delivered by His Excellency Mr. Lazo Arriaga, in introducing said proposition, he demonstrated the great practical importance of this matter, pointing out at the same time the gravity of the crisis through which that great industry is passing, and the economic, financial, social and political consequences which it is producing.

The Delegate of Guatemala believes, and probably with reason, that it would be impossible to find efficacious means which would prevent, or at least would diminish the lamentable effects of this crisis. The Committee thinks that, among other measures, some might be indicated which are intended, not so much to limit the production, but to increase the consumption of that precious berry, as for example its exemption from the duties which are caused by its exportation; exemption or reduction of the duties of importation which are charged by some of the principal European countries to be secured by means of treaties of commerce; reduction of the cost of transportation; withdrawal from commerce of the most inferior classes of the berry, which at present are thrown upon such markets to the injury of public health.

Finally, the Committee believes with His Excellency Mr. Lazo Arriaga, that, if the meeting of exports should have no other result but that of affirming with solid arguments, that it is impossible to propose a remedy for this crisis, even such negative result would by itself constitute an advantage, because in such case the producers, who are already discouraged, instead of continuing to make useless sacrifices for the preservation of their plantations, would reduce the same and would devote their resources and efforts to the development of other industries, producing a variety of national products and thereby increasing the public wealth.

Based on the foregoing arguments, this Committee has the honor of proposing to the Conference, that it adopt the following initiative submitted by the Delegation of Guatemala:

«The Second International American Conference resolves:

First.—That within one year counted from the close of the sessions of the International American Conference, a Commission composed of one or more Delegates, to be named by each Government which

may desire to be represented therein, shall meet in the City of New York, United States of America, which Delegates shall possess technical and expert knowledge regarding the production, distribution and consumption of coffee.

Second.—The Board of Directors of the International Bureau of American Republics shall fix the date on which said Commission shall meet, which Commission shall perfect its organization in the manner which it may decide upon, with the assistance of the said Bureau, and it shall have for its object the investigation of the causes which at present produce the crisis through which this great industry is passing, and to propose practical measures to prevent or diminish it.

Mexico, January 16, 1902.—(Signed) *Cecilio Baez.*
—*Quintín Gutierrez.*—*M. Sanchez Marmol.*—*Francisco Orla.*

SESSION OF JANUARY 24, 1902.

Secretary Duret.—The report of the Committee on Agriculture and Industry is now under discussion, as a whole, with regard to the initiative of His Excellency Mr. Lazo Arriaga, for the creation of a committee to study the causes of the crisis in coffee, and to propose means to avoid or to diminish it.

Without discussion, it was approved, as a whole, and later in detail, by a unanimous vote of the Delegations present.

Secretary Macedo.—The Chair rules that the matter pass to the Committee on Engrossing.

SESSION OF JANUARY 28, 1902.

Secretary Macedo.—To facilitate the purposes of the resolution passed on the 22nd. instant, the reports of the Committee on Engrossing, upon the resolutions approved by the Conference, will remain in the hands of the Secretary at the disposal of the Honorable Delegates, who may revise them and make such observations upon them as may be deemed convenient.

See page 74.

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Claims for Pecuniary Damages.

SESSION OF NOVEMBER 6, 1901.

His Excellency Mr. Lazo Arriaga, Delegate from Guatemala.—Messrs. Delegates to the International American Conference:

The claims for damages of citizens or corporations of a country against the Government of another, are the frequent cause of friction between friendly nations and many times cause annoying diplomatic correspondence.

Even in the event that the interested parties should agree to submit their differences to the decision of an impartial judge, the painful impression of those controversies will exist for some time, although not unfrequently contributing to keep alive distrust and jealousies to the detriment of the good harmony which ought to exist between friendly nations.

To avoid, as far as possible, those causes of fric-

The report upon the resolution relative to the meeting of a committee for the purpose of studying the coffee crisis, reads as follows:

Committee on Engrossing.—The undersigned have the honor to propose the following draft of resolution voted by the Conference and relative to the meeting of a committee to be charged with the study of the causes of the crisis through which the coffee industry is passing.

The International Conference of Mexico, acting upon the bases expressed by its Committee on Agriculture and Industry, resolves:

«First. That within one year, calculated from the closing of the sessions of the International American Conference, there shall meet in the City of New York, United States of America, a commission composed of one or more delegates appointed by each government, which may desire to be represented, and who must possess technical and expert knowledge regarding the production, distribution and consumption of coffee.

«Second. The Governing Board of the International Union of the American Republics shall appoint the day on which said Commission is to assemble. Said Commission will be organized in the manner it may decide upon, with the assistance of said Bureau, and it shall have for its object the investigation of the causes which at the present time are producing the crisis through which that great industry is passing, and to propose practical means to prevent or abate the same.»

Mexico, January 25, 1902.—(Signed).—*Alberto Elmore.*—*Rosendo Pineda.*

The resolution relative to the meeting of a commission charged with studying the coffee crisis, redacted in the same terms as in the preceding report, was signed on the 29th. day of January, 1902, by the Delegations of the Argentine Republic, Bolivia, Colombia, Costa Rica, Dominican Republic, Ecuador, Salvador, United States of America, Guatemala, Hayti, Honduras, Mexico, Nicaragua, Paraguay, Peru and Uruguay.

tion and disagreement, is equivalent in my opinion, to work in the most practical and effective manner for the maintenance of peace and friendly relations between the American Republics.

Such is the idea that guided me when, in having the honor of forming a part of the Committee for the drafting of the program of this Conference, I suggested, and succeeded in having it accepted, the point which refers to the organization of an International Court of Equity which may decide matters of its competence.

Other reasons of no less importance prompted me, since then, to persevere in my purpose, to present to the consideration of this Conference the transcendental matter I am now dealing with.

The opinion of Governments is to-day unanimously accentuated by recent and lamentable ex-

periences, that the form heretofore followed to organize tribunals that may resolve matters of this kind, does not give the guarantee of true findings to the interested parties, neither do they satisfy the purposes of equity to which nations aspire to.

To find, hence, a practical solution of this difficult problem, which is of such vital importance to our Continent, is a work, Messrs. Delegates, worthy of this great Assembly of nations, and I shall always consider it an honor to have brought before it my modest initiative.

A few words more to close.

The project which I now present is not, and could not be, an original work; it is the result of the suggestions with which I have been favored by many eminent men of various countries of high standing at the bar, as professors, as diplomats, and as statesmen, all interested in the realization of the high aims of justice.

This project was drafted with the direct and valuable cooperation of the distinguished representative of the Republic of Hayti, His Excellency Mr. J. N. Leger, and in handing it to you, I do so without any pretension and only inspired by the wish of presenting to the appropriate Committee a plan whose study taking into account all the indications suggested, may prepare a definite project which will serve as a basis for the deliberations of the Conference.

His Excellency the President.—The Secretary will read the project presented by the Honorable Delegate Mr. Lazo Arriaga.

Secretary Macedo.—The project of treaty reads thus:

The President of the Republic, etc., etc., etc.

The President of the United States, etc., etc., etc.

Wishing to favor a friendly settlement of international conflicts being and satisfied that the institution of a «Court of Claims» will attain such results:

Have decided to hold a Convention for that purpose and have appointed their Plenipotentiaries, to wit:

X. X. X., etc., etc.

Who, after presenting their respective plenary powers to one another and having found that the same are proper and in due form, have agreed to the following provisions:

Art. I. In order to facilitate the adjustment of differences which the respective governments may have been unable to settle diplomatically, the High Contracting Parties bind themselves to refer to a Tribunal of Claims all questions pending, or which may arise in the future between the Governments of one of them and the citizens of the other, whether individual persons or corporations, *provided* that the claimants in those cases have not been in the service of the enemies of the Government against which the claim is presented, or have wilfully assisted them.

Art. II. The reference of a case to the Tribunal provided for in the preceding article shall be obligatory and it shall take place immediately upon application by either of the parties interested therein.

No claimant shall be allowed, nevertheless to resort to the jurisdiction of this Tribunal, if he has not previously exhausted all legal means before the courts of the country, against the Government against which the claim is made, should the nature

of the claim permit it to be adjusted by the said courts.

The Tribunal of Claims herein established shall be governed, unless provided otherwise, by the Treaty, by the rules to be given elsewhere in this Convention.

Art. III. Four months after the exchange of the ratifications of the present Treaty, each one of the High Contracting Parties shall appoint three jurists, of recognized authority in matters of International Law, and of high respectability, to serve as members of the Tribunal.

The names of these jurists shall be sent to the Bureau of American Republics,¹ where they shall be properly recorded, and published in its monthly bulletin.

Any change which may happen to be made in this list, through death, resignation, or disability of any of the appointed members of the Tribunal, shall be communicated in the same way to the Bureau of American Republics, and similarly acted upon by it.

The fact that a member of this tribunal has received his appointment from one Government shall not disqualify him from receiving an identical appointment from any of the others Governments, or from more than one, and of acting as such in the same capacity.

The term of service of the members of the Tribunal shall be two years; but the appointment may be indefinitely renewed. The renewal shall be made and recorded in exactly the same way as the original appointment.

Art. IV. When, in pursuance of the provisions of Articles I and II of the present Convention, the opportunity presents itself to call the Tribunal into actual existence, for the purpose of adjusting some case or difference, the Tribunal shall be constituted as follows:

Each one of the interested parties in the case that is about to be resolved, shall elect one of the jurists comprised in the list to be kept in the Bureau of American Republics, and of common accord they shall designate at the same time an umpire, selecting him from the persons on the same list. The members of the Court so formed must not be citizens of the countries interested in the controversy.

If the two Judges cannot agree on the election of umpire, the latter shall be appointed by one of the powers signatory of the present Convention that has no interest in the case, who must be designated with priority by the contending parties. If these parties do not come to an agreement as to the designation, the umpire shall be appointed by lot.

The umpire must be, besides, of a different nationality than that of the Justices.

The Justices, as well as the umpire, shall be subject to challenge, at the will of the contending parties, if before rendering their decision they have expressed an opinion on the matter submitted to them for judgment.

Art. V. The contending parties shall have the power to submit, by a special agreement to that effect, to the decision of only one of the Justices named in the list on file at the Bureau of American Republics, any difference between them, provided

¹ The participation which is assigned in this project to the Bureau of American Republics, may or may not subsist according to the form in which the Bureau may be reorganized.

that he is not a citizen of any one of the contending countries.

Art. VI. The Tribunal shall hold sessions in the capital of the country against the Government of which the claim is made, unless at the request of the same Government, some other place may be chosen.

Art. VII. As soon as the Justices of the Tribunal are chosen, notice thereof shall be given to the Bureau of American Republics, the Director whereof shall then inform the Justices, both of their appointment and of the place where the Tribunal shall seat.

The contending parties shall be informed by the same Bureau of the acceptance or declination, by the Justices, of their appointment.

Art. VIII. Unless provided otherwise by special agreement, both the Justices and the Umpire shall be bound to begin their functions within six months subsequent to the date on which the Bureau of American Republics informed them of their appointment.

Art. IX. During the time of their services outside their own countries, the Justices shall enjoy all the privileges and immunities of Foreign Envoys.

Art. X. The Tribunal shall take jurisdiction over cases arising between countries, which are not parties to the present Convention, or of which only one is a party thereto, if so agreed upon by them.

Art. XI. The High Contracting Parties shall deem it to be their duty, in case of any acute conflict between other Governments, to offer *motu proprio* their good offices to the latter, and remind them that the Tribunal is open to them.

Art. XII. The Governments resorting to the Tribunal shall set forth, in precise terms, in a protocol made and signed for that purpose, the subject matter of the Convention, and the extent of the powers of the Tribunal. The Protocol may embrace also, if so desired, the designation of the Justices chosen, of the Government upon which the duty to name the Umpire devolves in the case provided for in article IV, and the time and place where the Tribunal shall hold its sessions.

In signing the Protocol, the parties thereto shall bind themselves to abide in good faith by the award of the Tribunal.

Art. XIII. The Bureau of American Republics shall act as Clerk, or Clerk's office, of the Tribunal of Claims, and shall be the channel through which all the communications relating thereto shall be made. It shall be the custodian of the archives of the Tribunal, and shall keep a certified copy of the protocols referred to in article XII, and of all the decisions rendered, either by the Tribunal itself, or by some other Court of special jurisdiction to which the parties may have agreed to resort.

Art. XIV. At the first meeting of the Tribunal the members thereof shall sign, before entering into the transaction of any business, the following declaration: «We bind ourselves, upon our honor, to impartially examine the claims referred to us for adjustment, and to decide them, without fear, or favor, according to Equity, Law and Justice.»

Art. XV. After the signing of this declaration, which shall be entered on the minutes, the Tribunal shall proceed to organize, the Umpire, if there is any, being the President.

There being no umpire, each one of the Justices shall preside alternatively over the sessions.

Unless provided otherwise by agreement, the Tri-

bunal shall choose its work and render its decision, within six months, and no later, from the date of its organization. This time can, however, be extended, at the request of the Tribunal, by agreement of the contending parties.

Art. XVI. The contending parties shall have the power to entrust their defense to counsel or agents especially appointed by them for that purpose.

The language of the country against which the claim is presented shall be the language of the Tribunal, if no stipulation to the contrary is made by the contending parties.

Art. XVII. Two months after the receipt of the information imparted by the Bureau of American Republics as to the acceptance by the Justices of their respective places in the Tribunal, the country which has presented the claim shall furnish the other countries with authentic copies of all the papers and documents to be filed by it at the Tribunal.

One month after the receipt of these papers the other party to the claim shall furnish the plaintiff Government with copies of all the papers and documents etc. to be used by it in its defense.

One month after the receipt of the papers and documents transmitted to it, the complaining Government shall provide the defense with copies of the arguments and papers filed by it in the case; and one month thereafter the defence shall, in its turn, furnish the complainant with a copy of its reply.

Should rejoinders be allowed, the Tribunal shall grant such further time as may be necessary for the purpose of having them prepared and filed.

The Tribunal shall also have the power to extend the time above fixed for the interchange of papers and documents and of the arguments, whenever it should appear that that time was insufficient.

The Tribunal shall fix the time at the end of which the case may be closed for decision.

Art. XVIII. As soon as the Tribunal is organized is shall be the duty of the contending parties to submit to it all the papers, documents, arguments, and evidence, which they propose to use, either in support of the claim or in opposition to it.

No document or papers of any kind shall be allowed to be put on file in the case by one of the parties without a copy of the same having been previously furnished to the other party.

Art. XIX. The Tribunal shall be at liberty to take into consideration new evidence submitted to it by the agents of the respective countries. It shall have therefore the power to permit that evidence to be filed, provided that a copy of the same be furnished to the other party.

Art. XX. The Tribunal shall have the power to take, of its own accord, any steps which may be deemed by it necessary for the proper investigation of the truth.

If the examination of witnesses is required, the Tribunal shall take testimony in the manner and form which it shall establish.

Art. XXI. Upon the expiration of the time which the Tribunal may have allowed for filing the evidence, the counsel or agents of the contending parties shall be given an opportunity to explain verbally the grounds upon which each one bases his contention.

The Tribunal shall have the power to ask them such questions, as in its judgment may be conducive to throw light on any doubtful point.