

FINAL ACT
OF THE
THIRD MEETING OF THE MINISTERS OF FOREIGN AFFAIRS
OF THE AMERICAN REPUBLICS

Rio de Janeiro, Brazil, January 15, to 28, 1942

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OF THE AMERICAN REPUBLICS

The Governments of the American Republics, desirous that their Ministers of Foreign Affairs or their respective representatives meet for purposes of Consultation, in accordance with agreements adopted at previous inter-American Conferences, designated for this purpose the representatives listed below in the order determined by lot, who met in the city of Rio de Janeiro from January 15th to January 26th, 1942:

COSTA RICA:

His Excellency, Alberto Echandi,
Minister of Foreign Affairs.

COLOMBIA:

His Excellency, Gabriel Turbay,
Representative of the Minister of Foreign Affairs.

CUBA:

His Excellency, Aurelio Fernandez Conchoso,
Representative of the Minister of State.

DOMINICAN REPUBLIC:

His Excellency, Arturo Despradel,
Secretary of State for Foreign Affairs.

HONDURAS:

His Excellency, Julián R. Cáceres,
Representative of the Minister of Foreign Affairs.

EL SALVADOR:

His Excellency, Hector David Castro,
Representative of the Minister of Foreign Affairs.

PARAGUAY:

His Excellency, Luis A. Argaña,
Minister of Foreign Affairs.

URUGUAY:

His Excellency, Alberto Guani,
Minister of Foreign Affairs.

ARGENTINA:

His Excellency, Enrique Ruiz Guinazú,
Minister of Foreign Affairs and Worship.

CHILE:

His Excellency, Juan Bautista Rossetti,
Minister of Foreign Affairs.

BOLIVIA:

His Excellency, Eduardo Anze Matienzo,
Minister of Foreign Affairs and Worship.

PANAMA:

His Excellency, Octavio Fábrega,
Minister of Foreign Affairs.

VENEZUELA:

His Excellency, Caracciolo Parra Pérez,
Minister of Foreign Affairs.

ECUADOR:

His Excellency, Julio Tobar Donoso,
Minister of Foreign Affairs.

GUATEMALA:

His Excellency, Manuel Arroyo,
Representative of the Minister of Foreign Affairs.

MEXICO:

His Excellency, Ezequiel Padilla,
Secretary of Foreign Affairs.

UNITED STATES
OF AMERICA:

The Honorable Sumner Welles,
Representative of the Secretary of State.

PERU:

His Excellency, Alfredo Soló y Muro,
Minister of Foreign Affairs.

HAITI:

His Excellency, Charles Fombrun,
Secretary of State for Foreign Affairs.

NICARAGUA:

His Excellency, Mariano Arguello Vargas,
Minister of Foreign Affairs.

BRAZIL:

His Excellency, Oswaldo Aranha,
Minister of Foreign Affairs.

His Excellency, Getulio Vargas, President of the Republic of the United States of Brazil, delivered an address at the Inaugural Session held at the Tiradentes Palace on January 15th, under the provisional presidency of His Excellency, Oswaldo Aranha, Minister of Foreign Affairs of Brazil. The response on behalf of the delegates was delivered by His Excellency, Juan B. Rossetti, Minister of Foreign Affairs of Chile.

At a Plenary Session held immediately after the Inaugural Session, His Excellency, Oswaldo Aranha, was elected by acclamation Permanent President of the Meeting. In accordance with the Regulations, the Government of Brazil designated His Excellency, José de Paula Rodrigues Alves, Secretary General of the Meeting.

The program of the Meeting was approved by the Governing Board of the Pan American Union on December 17th, 1941.

The regulations had been previously formulated by the Governing Board in accordance with a resolution of the Second Meeting of Foreign Ministers.

As provided for in the regulations a Committee on Credentials was appointed, composed of His Excellency, Dr. Ezequiel Padilla, Secretary of Foreign Affairs of Mexico; His Excellency, Dr. Alberto Echandi Montero, Minister of Foreign Affairs of Costa Rica; and His Excellency, Dr. Luis A. Argaña, Minister of Foreign Affairs of Paraguay.

In order to coordinate the texts of the conclusions in the four official languages of the Meeting, a Committee on Coordination was appointed, composed of L. A. Podestá Costa (Argentina), A. Camillo de Oliveira (Brazil), Warren Kelchner (United States of America), and Dantès Bellegarde (Haiti).

The Meeting further agreed that there should be two committees to consider the topics included in the Agenda, each Committee to be composed of the Ministers of Foreign Affairs, or their representatives, of all the countries, with the right to appoint another member of their respective Delegations in the event they were unable to attend a session in person.

As a result of its deliberations the Third Meeting of Ministers of Foreign Affairs of the American Republics approved the following conclusions:

I

BREAKING OF DIPLOMATIC RELATIONS

I

The American Republics reaffirm their declaration to consider any act of aggression on the part of a non-American State against one of them as an act of aggression against all of them, constituting as it does an immediate threat to the liberty and independence of America.

II

The American Republics reaffirm their complete solidarity

and their determination to cooperate jointly for their mutual protection until the effects of the present aggression against the Continent have disappeared.

III

The American Republics, in accordance with the procedures established by their own laws and in conformity with the position and circumstances obtaining in each country in the existing continental conflict, recommend the breaking of their diplomatic relations with Japan, Germany and Italy, since the first-mentioned State attacked and the other two declared war on an American country.

IV

Finally, the American Republics declare that, prior to the reestablishment of the relations referred to in the preceding paragraph, they will consult among themselves in order that their action may have a solidary character.

II

PRODUCTION OF STRATEGIC MATERIALS

WHEREAS:

1. Continental solidarity must be translated into positive and efficient action of the highest significance, which action can be no other than an economic mobilization of the American Republics capable of rapidly and fully guaranteeing the supply of strategic and basic materials necessary to the defense of the Hemisphere;

2. This mobilization should include all activities which will advance the desired end, and must have a preferential character

which its nature and purpose require;

3. In order to ensure the smooth carrying out of the suggested plan, every positive action must be taken; all existing obstacles or those which may in the future appear should be eliminated or minimized; and all contributory factors should be strengthened;

4. Commercial speculation should be prevented from taking unfair advantage of the situation;

5. Guarantees should be given for the continuance of long-term contracts and for the maintenance of prices, equitable both for the consumer and profitable to the producer, to permit the attainment and maintenance of a fair wage level;

6. Consideration must be given to measures providing for transition to the post-war period and the resulting readjustment with a minimum of disturbance to production and commerce; taking steps to protect, at the opportune time, producers against competition from goods produced in countries with a low standard of living;

7. Credit operations should have, as far as possible, an economic character, and should take into account the real ability of the debtors to repay;

8. There should exist in each country of the Americas special organizations to formulate promptly the respective national plans for economic mobilization;

9. A Pan American organization should formulate coordinated general plans for mobilization on the basis of the national plans above indicated; and

10. The Inter-American Financial and Economic Advisory Committee can efficiently carry out these functions if its authority and powers are enlarged,

The Third Meeting of the Ministers of Foreign Affairs

of the American Republics

RECOMMENDS:

1. That, as a practical expression of continental solidarity, an economic mobilization of the American Republics be effected, with a view to assuring to the countries of this Hemisphere, and particularly to those at war, an adequate supply of basic and strategic materials in the shortest possible time;
2. That such mobilization include mining, agricultural, industrial and commercial activities related to the supply not only of materials for strictly military use but also of products essential for civilian needs.
3. That full recognition be given to the imperative character and extreme urgency of the existing situation when formulating measures necessary to effect economic mobilization.
4. That the mobilization include measures to stimulate production and other measures designed to eliminate or minimize administrative formalities and the regulations and restrictions which impede the production and free flow of basic and strategic materials.
5. That, in addition, measures be adopted to strengthen the finances of the producing countries.
6. That the American nations take measures to prevent commercial speculation from increasing export prices of basic and strategic products above the limits fixed for the respective domestic markets.
7. That, insofar as possible, the increase of production be assured by bilateral or multilateral agreements or contracts which provide for purchases during long periods at prices

which are equitable for the consumer, remunerative to the producer and which provide a fair standard of wages for the workers of the Americas, in which producers are protected against competition from products originating in areas wherein real wages are unduly low; and which make provision for the period of transition after the war and the readjustments which will follow in a manner guaranteeing the continuance of adequate production and permitting the existence of trade under conditions equitable to producers;

8. That the service of financial obligations incurred to maintain and stimulate production in each country be made conditional, insofar as possible, upon the proceeds of its exports;

9. That the American nations which do not possess appropriate agencies organize special commissions prior to April 30, 1942 to formulate national plans for economic mobilization;

10. That the said commissions provide the Inter-American Financial and Economic Advisory Committee with the necessary material so that it may formulate a coordinated general plan for economic mobilization;

11. That the Inter-American Financial and Economic Advisory Committee be further charged with preparing a list, to be periodically revised, of the basic and strategic materials considered by each country as necessary for the defense of the Hemisphere; and

RESOLVES:

12. That, in order to enable the Inter-American Financial and Economic Advisory Committee to carry out the new duties entrusted to it, its means of operation be expanded immediately, and that it be empowered to request the American Governments to execute the Inter-American economic agreements which they have previously approved.

III

MAINTENANCE OF THE INTERNAL ECONOMY OF THE AMERICAN
COUNTRIES

WHEREAS:

1. The First and Second Meetings of the Ministers of Foreign Affairs of the American Republics recommended that there be established, among them, a close and sincere cooperation in order to protect their economic and financial structure, maintain their fiscal equilibrium, safeguard the stability of their currencies, promote and expand their industries, intensify their agriculture and develop their commerce and, in addition, declared that the American nations continue to adhere to the liberal principles of international trade, conducted with peaceful motives and based upon equality of treatment and fair and equitable trade practices, and that they do everything in their power to strengthen their economic position, to improve further the trade and other economic relations among themselves, by devising and applying appropriate measures to lessen the difficulties, disadvantages and dangers arising from disturbed and dislocated world conditions;

2. The dislocations of the economy of the American nations caused by the war demand, more than ever before, common and coordinated action, in order that their trade may be intensified in accordance with their mutual needs and upon the basis of the greatest possible equality;

3. The establishment of adequate facilities for commercial credit, on the part of nations which produce raw materials, industrial machinery or manufactured articles, is an indispensable requirement for the maintenance of a sound economy in the consuming countries;

4. The fixing of prices and ceilings on raw materials and foodstuffs should be based upon a fair correlation, which takes into account not only costs of production, transportation, insurance and a reasonable profit, but also the general price level of products exported by the country which imports such raw materials and foodstuffs;

5. The systems of priority and licenses established by some countries with respect to the exportation of materials, which are related to their defense requirements, have brought about consequences affecting commercial interchange and it is therefore necessary to recommend adequate systems and measures to alleviate said consequences;

The Third Meeting of the Ministers of Foreign Affairs of the American Republics

RESOLVES:

1. To recommend to the nations which produce raw materials, industrial machinery and other articles essential for the maintenance of the domestic economies of the consuming countries that they do everything possible to supply such articles and products in quantities sufficient to prevent a scarcity thereof, which might bring about consequences detrimental to the economic life of the American peoples. The application of this recommendation is subject to the practical limitations of the existing emergency and shall not endanger the security or the defense of the exporting nations.
2. To recommend that all the nations of this continent have access, with the greatest possible degree of equality, to inter-American commerce and to the raw materials which they require for the satisfactory and prosperous development of their respective economies, provided, however, that they shall give preferential treatment to the nations at war for equal access to materials essential to their defense; and that, in agreements which may be concluded, the essential needs of other American countries be considered with a view to preventing dislocations in their domestic economies.
3. To recommend to the countries which export industrial raw materials, foodstuffs, manufactured products or industrial machinery, that they establish adequate, ample, liberal and effective systems of credit which will facilitate the acquisition of such of these products as may be required by the industry and commerce of the consumer nations

to maintain their economy upon firm foundations, and that this be done in such a way as to lessen and alleviate the adverse effects upon the consumer nations of the extension of the war and the closing down of non-American markets.

4 - To urge the Governments of America to adopt necessary measures to harmonize prices on the following bases:

a) That sharp increases in the prices of export products shall not be permitted;

b) That the distributors or processors of imported goods shall likewise not be permitted to increase unduly the prices to be paid by the consumer;

c) That the maximum purchase price fixed by an American Republic for any product or article which it imports from another American Republic shall be submitted to consultation, if deemed advisable, by the Governments of the interested countries;

d) That in their price policies the American Republics endeavor to establish a fair relation between the prices of foodstuffs, raw materials and manufactured articles.

5 - Finally, to recommend to the American Governments, the following standards for the purpose of improving their economic relations:

a) The establishment, for the control of exports, of simple administrative systems of the greatest possible autonomy, based upon rapid and efficient methods which will satisfy essential requirements promptly, especially for the maintenance of the basic industries of each country;

b) The adoption by the governments of exporting countries of a system of allocation to each country of products and articles subject to priorities and licenses which are essential to the domestic economy of the importing countries;

c) The appointment by exporting countries which main-

tain systems of priorities, licenses or allocations of representatives in the capitals of the importing countries to cooperate with the appropriate organizations of the latter in the study of questions arising in connection with the export and import of products and articles subject to allocations or special controls, so as to accelerate procedure and to diminish, as much as possible, other difficulties involved in the interchange of such products and articles. The recommendation or opinion of such representatives shall constitute, in principle, a recognition on their part of the need and desirability of such imports;

d) The prompt exchange of statistics relating to consumer needs and to the production of raw materials, foodstuffs and manufactured products, utilizing, whenever appropriate, such organizations as the Inter-American Financial and Economic Advisory Committee or others which appropriately may facilitate and stimulate commercial interchange among the nations of the Americas.

IV

MOBILIZATION OF TRANSPORTATION FACILITIES

WHEREAS:

1. The problem of increasing to the highest degree the efficiency of transportation facilities among the Republics of the Western Hemisphere is of great importance in view of the difficulties arising from the existing emergency;
2. The establishment of the greatest possible coordination of the various inland waterway, land, maritime and air services of the American Republics is indispensable for their most effective use;
3. The difficulties of transporting essential articles and

materials normally exported and imported by each nation could provoke economic and social dislocation and diminish or paralyze its industrial activities, a particularly serious situation when such activities are devoted primarily to the production of articles or materials necessary for the defense of the continent; and

4. In order properly to provide for defense and to develop inter-American commerce it is indispensable to improve and expand the systems of communication among the countries of the continent,

The Third Meeting of the Ministers of Foreign Affairs of the American Republics

RESOLVES:

1. To recommend to the Governments of the American Republics:

(a) That they adopt immediately, in so far as possible, adequate measures to expand and improve all the communication systems of importance to continental defense and to the development of commerce between the American nations;

(b) That they make every effort consistent with national or continental defense fully to utilize and develop their respective internal transportation facilities in order to assure the rapid delivery of those goods which are essential to the maintenance of their respective economies;

(c) That through their national authorities, the Inter-American Financial and Economic Advisory Committee, and all other instruments of inter-American economic cooperation which may have been established, they take every appropriate measure individually and jointly to improve and supplement inter-American communication facilities--air, maritime, land, inland waterway-- related to the economy and defense of the Western Hemisphere and to the other objectives set forth in this resolution;

(d) That they adopt measures to ensure the allocation

of sufficient shipping tonnage for general trade and cooperate in creating and facilitating, by every means in their power, the maintenance of adequate maritime services, utilizing especially all the vessels that are immobilized in their ports, belonging to countries at war with any American nation;

(e) That those with merchant fleets consider the necessity of maintaining in service sufficient vessels to guarantee maritime transportation which will permit the nations of the continent to import and export products essential to their respective economies and that, in cooperation with the Inter-American Financial and Economic Advisory Committee, maritime organizations functioning in various American nations and the Inter-American Maritime Technical Commission, they endeavour to coordinate shipping between the American Republics so that the vessels now in continental service, without omitting or changing existing stops, may make such calls at ports of nations, which are most affected in certain regions of the Hemisphere, as are necessary in order to assure them regular and suitable transportation;

(f) That they take, in so far as possible, measures necessary to minimize expenses at ports of call, such as port dues and lighthouse charges, etc.

(g) That they endeavor to expand port facilities and provide means necessary for the rapid repair of damaged vessels and for their normal maintenance;

(h) That they undertake to speed up internal transportation and increase the carrying capacity of railway systems, taking steps rapidly to complete routes important for continental defense which are under construction or reconstruction;

(i) That they study the desirability of recognizing the right of each State to full participation in international trade under a system of free access to transportation for all classes of cargo in conformity with the provisions of existing international agreements and consistent with the legislation of each country;

(j) That they undertake to improve and enlarge existing airports and to construct new airports equipped with necessary installations and repair shops, so as to create a system of air transportation, with terminals in the Americas, which fully meets the requirements of inter-American and domestic air services;

(k) That they speed up the construction of the unfinished sections of the Pan American Highway and the improvement of the sections already constructed so as to provide efficient transportation in the Hemisphere and permit the development of inter-American and domestic commerce, connecting centers of production with centers of consumption. To this end, there are expressly reiterated the conclusions approved in recommendation number LII of the Lima Conference of 1938 and in resolution number XXIII of the Habana Meeting of 1940; and

(l) That they give full support and render the fullest practicable measure of cooperation to the work of the Inter-American Financial and Economic Advisory Committee and of its Inter-American Maritime Technical Commission in all their problems and, particularly, in the field of merchant shipping, taking joint steps necessary to enable the Governments of the American Republics to mobilize, in the fullest and most effective manner, all the ships available in the Western Hemisphere, so as to give priority to the transportation of strategic and basic materials essential for the

defense of the continent and for the maintenance of the economic welfare of the American Republics.

2. To recommend to the Inter-American Financial and Economic Advisory Committee and the Inter-American Maritime Technical Commission:

(a) That they suggest to the Governments measures necessary in order, by previous agreement between administrative agencies of such Governments, aviation and shipping concerns, and public or private railway companies operating in the American Republics, to promote and improve the entire system of inter-American transportation, endeavoring to guarantee regular and coordinated mobilization and provision of means necessary for the transportation both of products which are imported and exported by each of the countries as well as for the effective and comfortable travel of their peoples;

(b) That they encourage the conclusion of agreements regarding the matters set forth in the preceding paragraph between countries that wish to enter into them, and study ways of replacing existing means of transportation should they become inadequate;

(c) That they study the possibility of allocating adequate and sufficient transportation to each country, taking into account not only tonnage but also the speed of and the facilities for loading and discharging vessels which carry essential raw materials, and that, moreover, they encourage the fixing, from time to time, of maximum freight rates;

(d) That they study a general plan of inter-American maritime transportation, taking into account the availability of vessels and the minimum requirements of each of the Republics of the continent, so that they will all be linked, by regular and adequate services, with their principal import and export markets.

(e) That they examine the desirability of applying the "Cash

and Carry System" to the transportation of commodities.

V

SEVERANCE OF COMMERCIAL AND FINANCIAL RELATIONS

WHEREAS:

1. At the Second Meeting of Ministers of Foreign Affairs of the American Republics, held at Habana in July 1940, it was declared that any attempt on the part of a non-American State against the integrity or inviolability of the territory, the sovereignty or the political independence of an American State should be considered as an act of aggression against all of the American States;

2. As a result of the aggression committed against the Western Hemisphere a state of war exists between American republics and non-American States, which affects the political and economic interests of the whole continent and demands the adoption of measures for the defense and security of all of the American republics;

3. All of the American republics have already adopted measures which subject to some control the exportation or re-exportation of merchandise; most of the American republics have instituted systems of restriction and control of financial and commercial transactions with the nations signatory to the Tripartite Pact and the territories dominated by them, and others have adopted measures to curb other alien economic activities prejudicial to their welfare; and all the American republics have approved the recommendations of the Inter-American Financial and Economic Advisory Committee regarding the immediate placing into service of the merchant vessels of non-American registry.

The Third Meeting of the Ministers of Foreign Affairs of the American Republics

RECOMMENDS:

1. That the Governments of the American Republics, in a manner consistent with the usual practices and the legislation of the respective countries, adopt immediately:

(a) Any additional measures necessary to cut off for the duration of the present Hemispheric emergency all commercial and financial intercourse, direct or indirect, between the Western Hemisphere and the nations signatory to the Tripartite Pact and the territories dominated by them.

(b) Measures to eliminate all other financial and commercial activities prejudicial to the welfare and security of the American Republics, measures which shall have, among others, the following purposes:

I) To prevent, within the American republics, all commercial and financial transactions inimical to the security of the Western Hemisphere, which are entered into directly or indirectly, by or for the benefit of the members of the Tripartite Pact, the territories dominated by them, as well as the nationals of any of them, whether real or juridical persons, it being understood that real persons may be excepted if they are resident within an American republic and on condition that they are controlled according to the following paragraph;

II) To supervise and control all commercial and financial transactions within the American republics by nationals of the states signatory to the Tripartite Pact, or of the territories dominated by them, who are resident within the American republics, and to prevent all transactions of whatsoever nature which are inimical to the security of the Western Hemisphere.

Whenever a government of an American republic considers it desirable and in accordance with its national interest and its own legislation, and especially if any of the aforesaid measures, when applied to concrete cases, should be prejudicial to its national economy, the properties, interests, and enterprises of such states and nationals which exist within its jurisdiction, may be placed in trust or subjected to permanent administrative intervention for purposes of control; moreover, such government of an American republic may resort to sales to its nationals, provided that the proceeds thereof be subject to the same control and to similar regulations as those applicable to the funds of the above-mentioned aliens.

2. That the Governments of the American Republics adopt, severally or jointly, measures to counteract any adverse effects upon their respective economies which may result from the application of this recommendation. Special consideration should be given to measures to avoid the problems of partial or total unemployment which might arise in the American countries as a result of the application of the measures of control and restriction of the activities of aliens.

VI

CONFERENCE TO STANDARDIZE PROCEDURE IN BANKING OPERATIONS
RELATING TO NATIONALS OF AGGRESSOR COUNTRIES

The Third Meeting of the Ministers of Foreign Affairs of the
American Republics

RECOMMENDS:

That the Inter-American Financial and Economic Advisory
Committee convokes, when it believes it opportune, a conference of

representatives of the central banks or equivalent or analogous institutions of the American Republics for the purpose of drafting standards of procedure for the uniform handling of bank credits, collections, contracts of lease and consignments of merchandise, involving real or juridical persons who are nationals of a State which has committed an act of aggression against the American Continent.

VII

DEVELOPMENT OF COMMERCIAL INTERCHANGE

The Third Meeting of the Ministers of Foreign Affairs of the American Republics.

RECOMMENDS:

That the Governments of the American Republics, as a means of promoting the development of commercial interchange among them, study the desirability of making an exception in the commercial agreements which they conclude with nations outside the Western Hemisphere of the treatment which they extend in commercial and customs matters to all of the other American Republics.

VIII

INTER-AMERICAN DEVELOPMENT COMMISSION

WHEREAS:

1. The Second Meeting of the Ministers of Foreign Affairs of the American Republics reaffirmed Resolution XIII of the Inter-American Financial and Economic Advisory Committee by which the Inter-American Development Commission was created, and made recommendations for the promotion of the economic forces of the American nations in accordance with the program of

the Inter-American Development Commission;

2. The Inter-American Development Commission, in order to carry out specific provisions of said Resolution XIII, as well as the recommendations of the Second Meeting of Foreign Ministers, sent from Washington a mission to the other twenty American Republics to establish national commissions affiliated with it;

3. The work accomplished during 1941 by the Inter-American Development Commission in creating an Inter-American system of twenty-one national commissions affiliated with it and functioning with the collaboration of their respective governments has been completely satisfactory;

4. The time has come to stimulate, intensify and coordinate the work of such national commissions and of the Inter-American Development Commission in Washington in order to promote, or maintain, the economic forces of the American nations, using for this purpose to the fullest extent possible the advantages offered by the existence of such system of Inter-American commissions,

The Third Meeting of the Ministers of Foreign Affairs of the American Republics

RESOLVES:

1. To recommend that the Governments of the American Republics continue to lend to the national commissions and to the Inter-American Development Commission in Washington all the assistance and support they may need to carry out the objectives for which they were created.

2. To recommend that the Inter-American Financial and Economic Advisory Committee entrust, when deemed appropriate by the Committee, to the Commission such further matters and problems as the Committee may wish to have studied, surveyed or carried out for the benefit of Inter-American economic development.

3. To instruct the Inter-American Financial and Economic Advisory Committee to create, under the auspices of the Inter-

American Development Commission, a permanent body of technical experts to study the natural resources of each country when so requested by its government.

IX

DEVELOPMENT OF BASIC PRODUCTION

WHEREAS:

1. The war situation has impelled certain American nations to create, in special cases, emergency industries which under normal circumstances would be considered as uneconomic or prejudicial to the economic solidarity of the Americas; and

2. It is imperative that there be avoided, insofar as is possible, the prejudicial effects on the economies of the American Republics of such action,

The Third Meeting of the Ministers of Foreign Affairs
of the American Republics

RESOLVES:

That the nations of the Americas stimulate the development of the basic production of each of them, avoiding insofar as possible the establishment or expansion of production of substitute or synthetic commodities which is economically artificial and might displace the consumption of natural products available in other American nations, there being excepted only those industries which are indispensable for national defense provided that such defense needs cannot be effectively met with natural products.

I

INTER-AMERICAN BANK

The Third Meeting of the Ministers of Foreign Affairs of
the American Republics

RECOMMENDS:

That the Governments of the American Republics which have
not already adhered to the Convention for the Establishment of an
Inter-American Bank study the proposal in accordance with their
respective situations and make their decision in the matter known,
as soon as possible, to the Inter-American Financial and Economic
Advisory Committee.

XI

INVESTMENT OF CAPITAL IN THE AMERICAN REPUBLICS

The Third Meeting of the Ministers of Foreign Affairs of
the American Republics

RECOMMENDS:

That the Inter-American Financial and Economic Advisory
Committee take steps to encourage capital investments by any of the
American Republics in any one of the others, requesting the various
governments to adopt the measures necessary to facilitate the flow
and protection of such investments within the Continent.

XII

INTER-AMERICAN STATISTICAL INSTITUTE

The Third Meeting of Ministers for Foreign Affairs of the
American Republics,

AGREES:

1. To request the American Governments to participate in and support the Inter-American Statistical Institute of Washington in order to establish, as soon as possible, a service for the interchange of statistical information and standards among the American nations,

2. To recommend to the Pan American Union that it organize periodic meetings of representatives of the national statistical services of the American Republics for the coordination of their work.

XIII**UTILIZATION OF RAW MATERIALS**

The Third Meeting of Ministers of Foreign Affairs of the American Republics

DECLARES:

1. That to raise the standard of living of the people, the economic policy of the American nations must be founded upon a broad and complete utilization of their natural resources and directed toward a greater industrialization of those raw materials which present favorable and permanent economic possibilities both as to production and markets; and at the same time it shall be the policy to seek to improve continental coordination through international agreements.

2. That it is the desire of the Third Meeting of the Ministers of Foreign Affairs that the Inter-American Development Commission and the respective National Commissions endeavor to put into practice the economic policy referred to in this declaration.

XIV

COMMERCIAL FACILITIES FOR THE
INLAND COUNTRIES OF THE AMERICAS

The Third Meeting of Ministers for Foreign Affairs of
the American Republics

RECOMMENDS:

That the American Republics study promptly the possibility of concluding a multilateral convention binding themselves not to claim, by virtue of the most-favored-nation clause, concessions and facilities which each of them may grant or may have granted to the commerce of the inland countries of the Americas in order to eliminate or minimize the disadvantages inherent in the geographical position of such countries.

XV

INTERNATIONAL STABILIZATION FUND

WHEREAS:

1. A more effective mobilization and utilization of foreign exchange resources would be of assistance in the struggle against aggression and would contribute to the realization of the economic objectives set forth at the First and Second Meetings of the Ministers of Foreign Affairs of the American Republics at Panama and Habana; and

2. The American Republics which are combined in a common effort to maintain their political and economic independence can cooperate in the creation of an organization to promote stability of foreign exchange rates, encourage the international movement of productive capital, facilitate the reduction of artificial and

discriminatory barriers to the movement of goods, assist in the correction of the maldistribution of gold, strengthen monetary systems, and facilitate the maintenance of monetary policies that avoid serious inflation or deflation,

The Third Meeting of the Ministers of Foreign Affairs
of the American Republics

RECOMMENDS:

1. That the Governments of the American Republics participate in a special conference of Ministers of Finance or their representatives to be called for the purpose of considering the establishment of an international stabilization fund.

2. That the conference in considering the establishment of such a fund shall formulate the plan of organization, powers and resources necessary to the proper functioning of the fund, shall determine the conditions requisite to participation in the fund, and shall propose principles to guide the fund in its operation.

XVI

ECONOMIC COLLABORATION

The Third Meeting of the Ministers of Foreign Affairs of
the American Republics

DECLARES:

1. That since the best interests of the Continent require the proper utilization of the natural resources of each country, including those of the subsoil, the American Republics should endeavor, within their own economic systems, to develop such resources.

2. That in keeping with the spirit of solidarity and collaboration inspired by the doctrine of Pan Americanism, plans for cooperation should be made through the Inter-American Develop-

Development Commission and its National Commissions in order to facilitate the financing of such development projects, with due regard to the economic possibilities of each country.

XVII

SUBVERSIVE ACTIVITIES

WHEREAS:

1. Acts of aggression of the nature contemplated in Resolution IV adopted by the Second Meeting of the Ministers of Foreign Affairs of the American Republics at Habana have now taken place against the integrity and inviolability of the territory of an American Republic;
2. Acts of aggression of a non-military character, including systematic espionage, sabotage, and subversive propaganda are being committed on this Continent, inspired by and under the direction of member states of the Tripartite Pact and states subservient to them, and the fate of numbers of the formerly free nations of Europe has shown them to be both preliminary to and an integral part of a program of military aggression;
3. The American Republics are determined to maintain their integrity and solidarity, in the emergency created by aggression by non-American States, and to give the fullest cooperation in the establishment and enforcement of extraordinary measures of continental defense;
4. The Second Meeting of the Ministers of Foreign Affairs

of the American Republics recommended that the necessary steps be taken to prevent the carrying on of such subversive activities in the resolutions entitled:

- "II. Norms concerning Diplomatic and Consular Functions".
- "III. Coordination of Police and Judicial Measures for the Defense of Society and Institutions of each American State".
- "V. Precautionary Measures with Reference to the Issuance of Passports".
- "VI. Activities Directed from Abroad against Domestic Institutions".
- "VII. Diffusion of Doctrines tending to place in Jeopardy the common Inter-American Democratic Ideal or to threaten the Security and Neutrality of the American Republics".

5. The gravity of the present emergency requires that the American states, individually and in concert, take additional and more stringent measures to protect themselves against groups and individuals that seek to weaken their defenses from within,

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RESOLVES:

1. To reaffirm the determination of the American Republics to prevent individuals or groups within their respective jurisdictions from engaging in activities detrimental to the individual or collective security and welfare of the American Republics as

expressed in Resolutions II, III, V, VI and VII of the Second Meeting of the Ministers of Foreign Affairs of the American Republics.

2. To recommend to the Governments of the American Republics the adoption of similar legislative measures tending to prevent or punish as crimes, acts against the democratic institutions of the States of the Continent in the same manner as attempts against the integrity, independence or sovereignty of any one of them; and that the Governments of the American Republics maintain and expand their systems of surveillance designed to prevent subversive activities of nationals of non-American countries, as individuals or groups of individuals, that originate in or are directed from a foreign country and are intended to interfere with or limit the efforts of the American Republics individually or collectively to preserve their integrity and independence, and the integrity and solidarity of the American Continent.

3. To recommend to the American Republics that they adopt in conformance with their constitutions and laws, regulatory provisions that are, as far as possible, in keeping with the memorandum which is attached to this Resolution for purposes of information;

4. To recommend, according to Resolution VII of the Habana Meeting on the subject of anti-democratic propoganda, that the Governments of the American Republics control, within their respective national jurisdictions, the existence of organizations directed or supported by elements of non-American States which are now or may in the future be at war with American countries, whose activities are harmful to American security; and proceed to terminate their existence if it is established that they are centers of total-

totalitarian propaganda.

5. That, to study and coordinate the measures recommended in this resolution, the Governing Board of the Pan American Union shall elect, prior to March 1, 1942, a committee of seven members, to be known as "The Emergency Advisory Committee for Political Defense".

6. The Governing Board of the Pan American Union, after consulting the Governments of the American Republics, shall determine the functions of this Committee, prepare the regulations which shall govern its actions, and fix its budget of expenditures.

ATTACHMENT TO RESOLUTION XVII

MEMORANDUM ON THE REGULATION OF SUBVERSIVE ACTIVITIES

It is recommended to the American Republics that, as far as practicable in view of present conditions and those which may be foreseen, they take comprehensive regulatory measures, that are not in conflict with their respective constitutional provisions, and that these measures include the following, it being recognized that many of them are already in force:

(A) To control dangerous aliens by:

1. Requiring that all aliens register and periodically report in person to the proper authorities and exercising a strict supervision over the activities and conduct of all nationals of member states of the Tripartite Pact and states subservient to them; communicating immediately to other American Republics information that may be obtained relative to the presence of foreigners suspect with relation to the peace and security of such other Republics;

2. Establishing procedures whereby such nationals of the aforesaid states as are deemed dangerous to the country of their residence shall during their stay therein remain in detention or be restricted in their freedom of movement;

3. Preventing such nationals from possessing, trading in or making use of aircraft, firearms, explosives, radio transmitting instruments, or other implements of warfare, propaganda, espionage, or sabotage;

4. Limiting internal travel and change of residence of those aliens deemed dangerous in so far as such travel may be incompatible with national security.

5. Forbidding the participation by such nationals in organizations controlled by or acting in the interest of member states of the Tripartite Pact or states subservient to them;

6. Protecting all aliens not deemed dangerous from being deprived of adequate means of livelihood, unfairly discriminated against, or otherwise interfered with in the conduct of their normal social and business activities.

(B) To prevent the abuse of citizenship by:

1. Exercising that redoubled vigilance which the circumstances demand in the naturalization of aliens, with

particular reference to denying citizenship to those who continue in any way to retain allegiance to, or to recognize citizenship in the member states of the Tripartite Pact or states subservient to them;

2 - Causing the status of citizenship and the inherent rights with respect thereto of those citizens of non-American origin who have been granted the privilege of becoming citizens of an American state to be forfeited if, by acts detrimental to the security or independence of that state or otherwise, they demonstrate allegiance to a member state of the Tripartite Pact or any state subservient to them, including the termination of the status of citizenship of such persons recognizing or attempting to exercise dual rights of citizenship.

(C) To regulate transit across national boundaries by:

1 - Exercising strict surveillance over all persons seeking to enter or depart from the country, particularly those persons engaged in the interests of member states of the Tripartite Pact or subservient to them, or whose point of departure or destination is such a state, without prejudice, however, to the maintenance of the most liberal practices consistent with local conditions for the granting of safe refuge to those persons who, as victims of aggression, are fleeing from oppression by foreign powers, and by cooperating fully in the exchange of information on the transit of persons from one state to another;

2 - Strictly regulating and controlling the entry and departure of all persons as to whom there are well-founded and sufficient grounds to believe that they are engaged in political activities as agents or in the interest of member states of the Tripartite Pact or states subservient to them.

(D) To prevent acts of political aggression by:

1 - Establishing penalties for acts designed to obstruct the war or defense efforts of the country concerned or its cooperation with other American Republics in matters of mutual defense;

2 - Preventing the dissemination by any agent or national of or by any political party organized in any member state of the Tripartite Pact or any state subservient to them, or by any other person or organization acting at the behest or under the direction thereof, of propaganda designed to impair the security of any of the American Republics or the relations between them, to create political or social dissension, to intimidate the nationals of any American Republic, or to influence the policies of any American state;

3 - Requiring the registration with an appropriate agency of Government of or otherwise regulating any persons or organizations seeking to act in any way on behalf of, or in the political interest of, any non-American state which is not engaged at war on the side of an American Republic; or of a political party thereof, including clubs, societies and institutions, whether of a social, humanitarian, sporting, educational, technical or charitable nature, which are directed or supported by nationals of any such states; requiring the full and constant public disclosure to the people of the country in which they are carried on, of the identity and nature of all activities of such persons and organizations, and maintaining constant surveillance of all such persons and members of such organizations, whether citizens or aliens;

4 - Punishing acts of sabotage, injury to and destruction of essential defense materials, factories, buildings, areas and utilities for manufacture and storage, public services, means of transportation and communication,

and water front areas and facilities; punishing acts of espionage and the collection and communication of vital defense information for hostile purposes; and anticipating and forestalling acts of sabotage and espionage by measures to protect and safeguard vital documents, installations, and operations;

5 - Supervising all communications to and from states subservient to or in communication with member states of the Tripartite Pact, in order to censor any information or intelligence of use to any such state in the execution of hostile designs against any of the American Republics, or in activities otherwise detrimental to the security of any or all of the American Republics.

XVIII

INTER-AMERICAN CONFERENCE ON COORDINATION OF POLICE AND JUDICIAL MEASURES

WHEREAS:

1 - The Second Meeting of the Ministers of Foreign Affairs of the American Republics approved a resolution providing for the convocation, by the Governing Board of the Pan American Union, of the States members thereof, to an international conference at such place and date as it would determine, to draft international conventions and recommendations deemed necessary to assure, through the action of the proper authorities in each State, and through the coordination of such action with that of other States in the Continent, the most complete and effective defense against acts of an unlawful character, as well as against any other unlawful activities likely to affect the institutions of American States. The resolution also stated that each State would be represented at the Conference by a jurist with plenipotentiary powers accompanied, if deemed desirable, by experts

on police and judicial matters. It was likewise resolved that prior to the Conference, the Pan American Union would undertake the preparatory work by means of an inquiry among the Governments of the Continent, with regard to existing legislation, as well as with respect to their opinions on the various topics which it might be thought advisable to consider;

2 - In accordance with this resolution, the Governing Board of the Pan American Union, after consulting with the Government of the Argentine Republic, decided that the Conference should be held at Buenos Aires in September 1942, the Governing Board having prepared the agenda and the regulations of the Conference, which after being submitted to the consideration of the respective Governments were approved at the meeting of November 5, 1941. Inquiries having been made of all the Governments of the Continent by the Pan American Union, and several countries having replied, the compiled material is available for use; and

3 - The unjustified aggression of which the United States of America has been the victim and the war which has followed as a consequence, make it necessary to hold the projected Conference because the measures for the coordination of national defense against espionage, sabotage, treason, sedition and other unlawful or subversive activities, as well as inter-American cooperation for the coordination of the systems adopted in each State for the identification and registration of persons and the recording of data for the preparation of rules and procedures concerning the communication of judicial decisions and for the fulfillment of requests for extradition, the presentation of evidence and the expulsion of foreigners, in accordance with the program approved by the Pan American Union, require its immediate execution,

The Third Meeting of the Ministers of Foreign Affairs of the American Republics

RESOLVES:

