restriction, any and all vessels, dredges, engines, cars, machinery, tools, explosives, materials, supplies, and other articles necessary and convenient in the construction, maintenance and operation of the canal and auxiliary works, also all provisions, medicines, clothing, supplies and other things necessary and convenient for the officers, employees, workmen and laborers in the service and employ of the United States and for their families. If any such articles are disposed of for use without the zone excepting Panama and Colon and within the territory of the Republic, they shall be subject to the same import or other duties as like articles under the laws of Colombia or the ordinances of the Department of Panama.

**Article XIII.**

The United States shall have authority to protect and make secure the canal, as well as railways and other auxiliary works and dependencies, and to preserve order and discipline among the laborers and other persons who may congregate in that region, and to make and enforce such police and sanitary regulations as it may deem necessary to preserve order and public health thereon, and to protect navigation and commerce through and over said canal, railways and other works and dependencies from interruption or damage.

I. The Republic of Colombia may establish judicial tribunals within said zone, for the determination, according to its laws and judicial procedure, of certain controversies hereinafter mentioned.

Such judicial tribunal or tribunals so established by the Republic of Colombia shall have exclusive jurisdiction in said zone of all controversies between citizens of the Republic of Colombia, or between citizens of the Republic of Colombia and citizens of any foreign nation other than the United States.

II. Subject to the general sovereignty of Colombia over said zone, the United States may establish judicial tribunals thereon, which shall have jurisdiction of certain controversies hereinafter mentioned to be determined according to the laws and judicial procedure of the United States.

Such judicial tribunal or tribunals so established by the United States shall have exclusive jurisdiction in said zone of all controversies between citizens of the United States, and between citizens of the United States and citizens of any foreign nation other than the Republic of Colombia; and of all controversies in any wise growing out of or relating to the construction, maintenance or operation of the canal, railway and other properties and works.

III. The United States and Colombia engage jointly to establish and maintain upon said zone, judicial tribunals having civil, criminal and admiralty jurisdiction, and to be composed of jurists appointed by the Governments of the United States and Colombia in a manner hereafter to be agreed upon between said Governments, and which tribunals shall have jurisdiction of certain controversies hereinafter mentioned, and of all crimes, felonies and misdemeanors committed within said zone, and of all cases arising in admiralty, according to such laws and procedure as shall be hereafter agreed upon and declared by the two governments.

Such joint judicial tribunal shall have exclusive jurisdiction in said zone of all controversies between citizens of the United States and
citizens of Colombia, and between citizens of nations other than Colombia or the United States; and also of all crimes, felonies and misdemeanors committed within said zone, and of all questions of admiralty arising therein.

IV. The two Governments hereafter, and from time to time as occasion arises, shall agree upon and establish the laws and procedures which shall govern such joint judicial tribunal and which shall be applicable to the persons and cases over which such tribunal shall have jurisdiction, and also shall likewise create the requisite officers and employees of such court and establish their powers and duties; and further shall make adequate provision by like agreement for the pursuit, capture, imprisonment, detention and delivery within said zone of persons charged with the commitment of crimes, felonies or misdemeanors without said zone; and for the pursuit, capture, imprisonment, detention and delivery without said zone of persons charged with the commitment of crimes, felonies and misdemeanors within said zone.

Article XIV.

The works of the canal, the railways and their auxiliaries are declared of public utility, and in consequence all areas of land and water necessary for the construction, maintenance, and operation of the canal and other specified works may be expropriated in conformity with the laws of Colombia, except that the indemnity shall be conclusively determined without appeal, by a joint commission appointed by the Governments of Colombia and the United States.

The indemnities awarded by the Commission for such expropriation shall be borne by the United States, but the appraisal of said lands and the assessment of damages shall be based upon their value before the commencement of the work upon the canal.

Article XV.

The Republic of Colombia grants to the United States the use of all the ports of the Republic open to commerce as places of refuge for any vessels employed in the canal enterprise, and for all vessels in distress having the right to pass through the canal and wishing to anchor in said ports. Such vessels shall be exempt from anchorage and tonnage dues on the part of Colombia.

Article XVI.

The canal, when constructed, and the entrance thereto shall be neutral in perpetuity, and shall be opened upon the terms provided for by Section I of Article three of, and in conformity with all the stipulations of, the treaty entered into by the Governments of the United States and Great Britain on November 18, 1901.

Article XVII.

The Government of Colombia shall have the right to transport over the canal its vessels, troops, and munitions of war at all times without paying charges of any kind. This exemption is to be extended to the auxiliary railway for the transportation of persons in the service of
the Republic of Colombia or of the Department of Panama, or of the police force charged with the preservation of public order outside of said zone, as well as to their baggage, munitions of war and supplies.

Article XVIII.

The United States shall have full power and authority to establish and enforce regulations for the use of the canal, railways, and the entering ports and auxiliary works, and to fix rates of tolls and charges thereof, subject to the limitations stated in Article XVI.

Article XIX.

The rights and privileges granted to the United States by this convention shall not affect the sovereignty of the Republic of Colombia over the real estate that may be acquired by the United States by reason of the transfer of the rights of the New Panama Canal Company and the Panama Railroad Company lying outside of the said canal zone.

Article XX.

If by virtue of any existing treaty between the Republic of Colombia and any third power, there may be any privilege or concession relative to an interoceanic means of communication which especially favors such third power, and which in any of its terms may be incompatible with the terms of the present convention, the Republic of Colombia agrees to cancel or modify such treaty in due form, for which purpose it shall give to the said third power the requisite notification within the term of four months from the date of the present convention, and in case the existing treaty contains no clause permitting its modification or annulment, the Republic of Colombia agrees to procure its modification or annulment in such form that there shall not exist any conflict with the stipulations of the present convention.

Article XXI.

The rights and privileges granted by the Republic of Colombia to the United States in the preceding Articles are understood to be free of all anterior concessions or privileges to other Governments, corporations, syndicates or individuals, and consequently, if there should arise any claims on account of the present concessions and privileges or otherwise, the claimants shall resort to the Government of Colombia and not to the United States for any indemnity or compromise which may be required.

Article XXII.

The Republic of Colombia renounces and grants to the United States the participation to which it might be entitled in the future earnings of the canal under Article XV of the concessionary contract with Lucien N. B. Wyse now owned by the New Panama Canal Company and any and all other rights or claims of a pecuniary nature arising under or relating to said concession, or arising under or relating to the concessions to the Panama Railroad Company or any
extension or modification thereof; and it likewise renounces, confirms and grants to the United States, now and hereafter, all the rights and property reserved in the said concessions which otherwise would belong to Colombia at or before the expiration of the terms of ninety-nine years of the concessions granted to or held by the above mentioned party and companies, and all right, title and interest which it now has or may hereafter have, in and to the lands, canal, works, property and rights held by the said companies under said concessions or otherwise, and acquired or to be acquired by the United States from or through the New Panama Canal Company, including any property and rights which might or may in the future either by lapse of time, forfeiture or otherwise, revert to the Republic of Colombia under any contracts of concessions, with said Wyse, the Universal Panama Canal Company, the Panama Railroad Company and the New Panama Canal Company.

The aforesaid rights and property shall be and are free and released from any present or reversionary interest in or claims of Colombia and the title of the United States thereto upon consummation of the contemplated purchase by the United States from the New Panama Canal Company, shall be absolute, so far as concerns the Republic of Colombia, excepting always the rights of Colombia specifically secured under this treaty.

**Article XXIII.**

If it should become necessary at any time to employ armed forces for the safety or protection of the canal, or of the ships that make use of the same, or the railways and other works, the Republic of Colombia agrees to provide the forces necessary for such purpose, according to the circumstances of the case, but if the Government of Colombia cannot effectively comply with this obligation, then, with the consent of or at the request of Colombia, or of her Minister at Washington, or of the local authorities, civil or military, the United States shall employ such force as may be necessary for that sole purpose; and as soon as the necessity shall have ceased will withdraw the forces so employed. Under exceptional circumstances, however, on account of unforeseen or imminent danger to said canal, railways and other works, or to the lives and property of the persons employed upon the canal, railways, and other works, the Government of the United States is authorized to act in the interest of their protection, without the necessity of obtaining the consent beforehand of the Government of Colombia; and it shall give immediate advice of the measures adopted for the purpose stated; and as soon as sufficient Colombian forces shall arrive to attend to the indicated purpose, those of the United States shall retire.

**Article XXIV.**

The Government of the United States agrees to complete the construction of the preliminary works necessary, together with all the auxiliary works, in the shortest time possible; and within two years from the date of the exchange of ratification of this convention the main works of the canal proper shall be commenced, and it shall be opened to the traffic between the two oceans within twelve years after
such period of two years. In case, however, that any difficulties or obstacles should arise in the construction of the canal which are at present impossible to foresee, in consideration of the good faith with which the Government of the United States shall have proceeded, and the large amount of money expended so far on the works and the nature of the difficulties which may have arisen, the Government of Colombia will prolong the terms stipulated in this Article up to twelve years more for the completion of the work of the canal.

But in case the United States should, at any time, determine to make such canal practically a sea level canal, then such period shall be extended for ten years further.

**Article XXV.**

As the price or compensation for the right to use the zone granted in this convention by Colombia to the United States for the construction of a canal, together with the proprietary right over the Panama Railroad, and for the annuity of two hundred and fifty thousand dollars gold, which Colombia ceases to receive from the said railroad, as well as in compensation for other rights, privileges and exemptions granted to the United States, and in consideration of the increase in the administrative expenses of the Department of Panama consequent upon the construction of the said canal, the Government of the United States binds itself to pay Colombia the sum of ten million dollars in gold coin of the United States on the exchange of the ratification of this convention after its approval according to the laws of the respective countries, and also an annual payment during the life of this convention of two hundred and fifty thousand dollars in like gold coin, beginning nine years after the date aforesaid.

The provisions of this Article shall be in addition to all other benefits assured to Colombia under this convention.

But no delay nor difference of opinion under this Article shall affect nor interrupt the full operation and effect of this convention in all other respects:

**Article XXVI.**

No change either in the Government or in the laws and treaties of Colombia, shall, without the consent of the United States, affect any right of the United States under the present convention, or under any treaty stipulation between the two countries (that now exist or may hereafter exist) touching the subject matter of this convention.

If Colombia shall hereafter enter as a constituent into any other Government or into any union or confederation of States so as to merge her sovereignty or independence in such Government, union, or confederation, the rights of the United States under this convention shall not be in any respect lessened or impaired.

**Article XXVII.**

The joint commission referred to in Articles III, VII and XIV shall be established as follows:

The President of the United States shall nominate two persons and the President of Colombia shall nominate two persons and they
shall proceed to a decision; but in case of disagreement of the Commission (by reason of their being equally divided in conclusion) an umpire shall be appointed by the two Governments, who shall render the decision. In the event of death, absence or incapacity of any Commissioner or umpire, or of his omitting, declining or ceasing to act, his place shall be filled by the appointment of another person in the manner above indicated. All decisions by a majority of the Commission or by the umpire shall be final.

Article XXVIII.

This convention when signed by the contracting parties, shall be ratified according to the laws of the respective countries and shall be exchanged at Washington within a term of eight months from this date, or earlier if possible.

In faith whereof, the respective plenipotentiaries have signed the present convention in duplicate and have hereunto affixed their respective seals.

Done at the City of Washington, the 22d day of January in the year of our Lord nineteen hundred and three.

(Signed) John Hay. [seal.]
(Signed) Tomás Herrán. [seal.]
CONVENTION BETWEEN THE UNITED STATES AND GREAT BRITAIN TO FACILITATE THE CONSTRUCTION OF A SHIP CANAL, ETC.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING A CONVENTION BETWEEN THE UNITED STATES AND GREAT BRITAIN TO FACILITATE THE CONSTRUCTION OF A SHIP CANAL TO CONNECT THE ATLANTIC AND PACIFIC OCEANS AND TO REMOVE ANY OBJECTION WHICH MIGHT ARISE OUT OF THE CONVENTION COMMONLY CALLED THE CLAYTON-BULWER TREATY.

[February 8, 1900: Ordered to be printed together with "Clayton-Bulwer treaty." December 17, 1900: Ordered reprinted with the committee amendment already adopted and with the proposed committee amendments in place. December 20, 1900: Ratified with amendments; and ordered reprinted, as amended, for the use of the Senate.]

To the Senate:

I transmit herewith, with a view to receive the advice and consent of the Senate to its ratification, a convention this day signed by the respective plenipotentiaries of the United States and Great Britain to facilitate the construction of a ship canal to connect the Atlantic and Pacific oceans, and to remove any objection which might arise out of the convention of April 19, 1850, commonly called the Clayton-Bulwer treaty, to the construction of such canal under the auspices of the Government of the United States.

WILLIAM MCKINLEY.

EXECUTIVE MANSION,
Washington, D. C., February 5, 1900.

The United States of America and Her Majesty the Queen of the United Kingdom of Great Britain and Ireland, Empress of India, being desirous to facilitate the construction of a ship canal to connect the Atlantic and Pacific Oceans, and to that end to remove any objection which may arise out of the Convention of April 19, 1850, commonly called the Clayton-Bulwer Treaty, to the construction of such canal under the auspices of the Government of the United States, without impairing the "general principle" of neutralization established in Article VIII of that Convention, have for that purpose appointed as their Plenipotentiaries:

The President of the United States, John Hay, Secretary of State of the United States of America,
And Her Majesty the Queen of Great Britain and Ireland, Empress of India, The Right Honble. Lord Pauwecfote, G. C. B., G. C. M. G., Her Majesty’s Ambassador Extraordinary and Plenipotentiary to the United States;

Who, having communicated to each other their full powers, which were found to be in due and proper form, have agreed upon the following articles:

**Article I.**

It is agreed that the canal may be constructed under the auspices of the Government of the United States, either directly at its own cost, or by gift or loan of money to individuals or corporations or through subscription to or purchase of stock or shares, and that, subject to the provisions of the present Convention, the said Government shall have and enjoy all the rights incident to such construction, as well as the exclusive right of providing for the regulation and management of the canal.

**Article II.**

The High Contracting Parties, desiring to preserve and maintain the “general principle” of neutralization established in Article VIII of the Clayton-Bulwer Convention, which convention is hereby superseded, adopt, as the basis of such neutralization, the following rules, substantially as embodied in the convention between Great Britain and certain other Powers, signed at Constantinople, October 29, 1888, for the Free Navigation of the Suez Maritime Canal, that is to say:

1. The canal shall be free and open, in time of war as in time of peace, to the vessels of commerce and of war of all nations, on terms of entire equality, so that there shall be no discrimination against any nation or its citizens or subjects in respect of the conditions or charges of traffic, or otherwise.

2. The canal shall never be blockaded, nor shall any right of war be exercised nor any act of hostility be committed within it.

3. Vessels of war of a belligerent shall not revictual nor take any stores in the canal except so far as may be strictly necessary; and the transit of such vessels through the canal shall be effected with the least possible delay, in accordance with the regulations in force, and with only such intermission as may result from the necessities of the service.

Prizes shall be in all respects subject to the same rules as vessels of war of the belligerents.

4. No belligerent shall embark or disembark troops, munitions of war or warlike materials in the canal except in case of accidental hindrance of the transit, and in such case the transit shall be resumed with all possible despatch.

5. The provisions of this article shall apply to waters adjacent to the canal, within three marine miles of either end. Vessels of war of a belligerent shall not remain in such waters longer than twenty-four hours at any one time except in case of distress, and in such case shall depart as soon as possible; but a vessel of war of one belligerent shall not depart within twenty-four hours from the departure of a vessel of war of the other belligerent.
It is agreed, however, that none of the immediately foregoing conditions and stipulations in sections numbered one, two, three, four, and five of this article shall apply to measures which the United States may find it necessary to take for securing by its own forces the defense of the United States and the maintenance of public order.

6. The plant, establishments, buildings, and all works necessary to the construction, maintenance and operation of the canal shall be deemed to be part thereof, for the purposes of this convention, and in time of war as in time of peace shall enjoy complete immunity from attack or injury by belligerents and from acts calculated to impair their usefulness as part of the canal.

7. No fortifications shall be erected commanding the canal or the waters adjacent. The United States, however, shall be at liberty to maintain such military police along the canal as may be necessary to protect it against lawlessness and disorder.

[Article III stricken out.]

[Article III.]

[The High Contracting Parties will, immediately upon the exchange of the ratifications of this Convention, bring it to the notice of the other Powers and invite them to adhere to it.]

Article IV.

The present Convention shall be ratified by the President of the United States, by and with the advice and consent of the Senate thereof, and by Her Britannic Majesty; and the ratifications shall be exchanged at Washington or at London within six months from the date hereof, or earlier if possible.

In faith whereof, the respective Plenipotentiaries, have signed this Convention and thereunto affixed their seals.

Done in duplicate at Washington, the fifth day of February, in the year of Our Lord one thousand nine hundred.  

John Hay.  
Pauncefote.
No. 4.

HAY-PAUNCEFOTE TREATY.

TREATY BETWEEN THE UNITED STATES AND GREAT BRITAIN TO FACILITATE THE CONSTRUCTION OF A SHIP CANAL.

[Signed at Washington, November 18, 1901; ratified by the Senate, December 16, 1901; ratified by the President, December 26, 1901; ratified by Great Britain, January 20, 1902; ratifications exchanged at Washington, February 21, 1902; proclaimed, February 22, 1902.]

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, a Convention between the United States of America and the United Kingdom of Great Britain and Ireland, to facilitate the construction of a ship canal to connect the Atlantic and Pacific Oceans, by whatever route may be considered expedient, and to that end to remove any objection which may arise out of the Convention of the 19th April, 1850, commonly called the Clayton-Bulwer treaty, to the construction of such canal under the auspices of the Government of the United States, without impairing the "general principle" of neutralization established in Article VIII of that Convention, was concluded and signed by their respective plenipotentiaries at the city of Washington on the 18th day of November, 1901, the original of which Convention is word for word as follows:

The United States of America and His Majesty Edward the Seventh, of the United Kingdom of Great Britain and Ireland, and of the British Dominions beyond the Seas, King, and Emperor of India, being desirous to facilitate the construction of a ship canal to connect the Atlantic and Pacific Oceans, by whatever route may be considered expedient, and to that end to remove any objection which may arise out of the Convention of the 19th April, 1850, commonly called the Clayton-Bulwer Treaty, to the construction of such canal under the auspices of the Government of the United States, without impairing the "general principle" of neutralization established in Article VIII of that Convention, have for that purpose appointed as their Plenipotentiaries:

The President of the United States, John Hay, Secretary of State of the United States of America;

And His Majesty Edward the Seventh, of the United Kingdom of Great Britain and Ireland, and of the British Dominions beyond the Seas, King, and Emperor of India, the Right Honourable Lord Pauncefote, G. C. B., G. C. M. G., His Majesty's Ambassador Extraordinary and Plenipotentiary to the United States;

Who, having communicated to each other their full powers which were found to be in due and proper form, have agreed upon the following Articles:—
ARTICLE I.

The High Contracting Parties agree that the present Treaty shall supersede the afore-mentioned Convention of the 19th April, 1850.

ARTICLE II.

It is agreed that the canal may be constructed under the auspices of the Government of the United States, either directly at its own cost, or by gift or loan of money to individuals or Corporations, or through subscription to or purchase of stock or shares, and that, subject to the provisions of the present Treaty, the said Government shall have and enjoy all the rights incident to such construction, as well as the exclusive right of providing for the regulation and management of the canal.

ARTICLE III.

The United States adopts, as the basis of the neutralization of such ship canal, the following Rules, substantially as embodied in the Convention of Constantinople, signed the 28th October, 1888, for the free navigation of the Suez Canal, that is to say:

1. The canal shall be free and open to the vessels of commerce and of war of all nations observing these Rules, on terms of entire equality, so that there shall be no discrimination against any such nation, or its citizens or subjects, in respect of the conditions or charges of traffic, or otherwise. Such conditions and charges of traffic shall be just and equitable.

2. The canal shall never be blockaded, nor shall any right of war be exercised nor any act of hostility be committed within it. The United States, however, shall be at liberty to maintain such military police along the canal as may be necessary to protect it against lawlessness and disorder.

3. Vessels of war of a belligerent shall not revictual nor take any stores in the canal except so far as may be strictly necessary; and the transit of such vessels through the canal shall be effected with the least possible delay in accordance with the Regulations in force, and with only such intermission as may result from the necessities of the service.

Prizes shall be in all respects subject to the same Rules as vessels of war of the belligerents.

4. No belligerent shall embark or disembark troops, munitions of war, or warlike materials in the canal, except in case of accidental hindrance of the transit, and in such case the transit shall be resumed with all possible dispatch.

5. The provisions of this Article shall apply to waters adjacent to the canal, within 3 marine miles of either end. Vessels of war of a belligerent shall not remain in such waters longer than twenty-four hours at any one time, except in case of distress, and in such case shall depart as soon as possible; but a vessel of war of one belligerent shall not depart within twenty-four hours from the departure of a vessel of war of the other belligerent.

6. The plant, establishments, buildings, and all works necessary to the construction, maintenance, and operation of the canal shall
be deemed to be part thereof, for the purposes of this Treaty, and in time of war, as in time of peace, shall enjoy complete immunity from attack or injury by belligerents, and from acts calculated to impair their usefulness as part of the canal.

Article IV.

It is agreed that no change of territorial sovereignty or of the international relations of the country or countries traversed by the before-mentioned canal shall affect the general principle of neutralization or the obligation of the High Contracting Parties under the present Treaty.

Article V.

The present Treaty shall be ratified by the President of the United States, by and with the advice and consent of the Senate thereof, and by His Britannic Majesty; and the ratifications shall be exchanged at Washington or at London at the earliest possible time within six months from the date hereof.

In faith whereof the respective Plenipotentiaries have signed this Treaty and thereunto affixed their seals.

Done in duplicate at Washington, the 18th day of November, in the year of Our Lord one thousand nine hundred and one.

John Hay [seal.]
Paunceforte [seal.]

And Whereas the said Convention has been duly ratified on both parts, and the ratification of the two Governments were exchanged in the city of Washington on the twenty-first day of February, one thousand nine hundred and two.

Now, therefore, be it known that I, Theodore Roosevelt, President of the United States of America, have caused the said Convention to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington, this twenty-second day of February, in the year of Our Lord one thousand nine hundred and two, and of the Independence of the United States the one hundred and twenty-sixth.

[seal.]

By the President:
John Hay
Secretary of State.

Theodore Roosevelt
No. 5.

HAY-BUNAU VARILLA TREATY.

CONVENTION BETWEEN THE UNITED STATES AND THE REPUBLIC OF PANAMA FOR THE CONSTRUCTION OF A SHIP CANAL TO CONNECT THE WATERS OF THE ATLANTIC AND PACIFIC OCEANS.

[Signed at Washington, November 18, 1903; ratification advised by the Senate, February 23, 1904; ratified by the President, February 25, 1904; ratified by Panama, December 2, 1903; ratifications exchanged at Washington, February 28, 1904; proclaimed, February 26, 1904.]

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas a Convention between the United States of America and the Republic of Panama to insure the construction of a ship canal across the Isthmus of Panama to connect the Atlantic and Pacific Oceans, was concluded and signed by their respective Plenipotentiaries at Washington, on the eighteenth day of November, one thousand nine hundred and three, the original of which Convention, being in the English language, is word for word as follows:

ISTHMIAN CANAL CONVENTION.

The United States of America and the Republic of Panama being desirous to insure the construction of a ship canal across the Isthmus of Panama to connect the Atlantic and Pacific oceans, and the Congress of the United States of America having passed an act approved June 28, 1902, in furtherance of that object, by which the President of the United States is authorized to acquire within a reasonable time the control of the necessary territory of the Republic of Colombia, and the sovereignty of such territory being actually vested in the Republic of Panama, the high contracting parties have resolved for that purpose to conclude a convention and have accordingly appointed as their plenipotentiaries,—

The President of the United States of America, JOHN HAY, Secretary of State, and

The Government of the Republic of Panama, PHILIPPE BUNAU-VARILLA, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Panama, thereunto specially empowered by said government, who after communicating with each other their respective full powers, found to be in good and due form, have agreed upon and concluded the following articles:
The United States guarantees and will maintain the independence of the Republic of Panama.

Article II.

The Republic of Panama grants to the United States in perpetuity the use, occupation and control of a zone of land and land under water for the construction, maintenance, operation, sanitation and protection of said Canal of the width of ten miles extending to the distance of five miles on each side of the center line of the route of the Canal to be constructed; the said zone beginning in the Caribbean Sea three marine miles from mean low water mark and extending to and across the Isthmus of Panama into the Pacific ocean to a distance of three marine miles from mean low water mark with the proviso that the cities of Panama and Colon and the harbors adjacent to said cities, which are included within the boundaries of the zone above described, shall not be included within this grant. The Republic of Panama further grants to the United States in perpetuity the use, occupation and control of any other lands and waters outside of the zone above described which may be necessary and convenient for the construction, maintenance, operation, sanitation and protection of the said Canal or of any auxiliary canals or other works necessary and convenient for the construction, maintenance, operation, sanitation and protection of the said enterprise.

The Republic of Panama further grants in like manner to the United States in perpetuity all islands within the limits of the zone above described and in addition thereto the group of small islands in the Bay of Panama, named Perico, Naos, Culebra and Flamenco.

Article III.

The Republic of Panama grants to the United States all the rights, power and authority within the zone mentioned and described in Article II of this agreement and within the limits of all auxiliary lands and waters mentioned and described in said Article II which the United States would possess and exercise if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority.

Article IV.

As rights subsidiary to the above grants the Republic of Panama grants in perpetuity to the United States the right to use the rivers, streams, lakes and other bodies of water within its limits for navigation, the supply of water or water-power or other purposes, so far as the use of said rivers, streams, lakes and bodies of water and the waters thereof may be necessary and convenient for the construction, maintenance, operation, sanitation and protection of the said Canal.

Article V.

The Republic of Panama grants to the United States in perpetuity a monopoly for the construction, maintenance and operation of any
system of communication by means of canal or railroad across its
territory between the Caribbean Sea and the Pacific ocean.

Article VI.

The grants herein contained shall in no manner invalidate the titles
or rights of private land holders or owners of private property in the
said zone or in or to any of the lands or waters granted to the United
States by the provisions of any Article of this treaty, nor shall they
interfere with the rights of way over the public roads passing
through the said zone or over any of the said lands of waters unless
said rights of way or private rights shall conflict with rights herein
granted to the United States in which case the rights of the United
States shall be superior. All damages caused to the owners of private
lands or private property of any kind by reason of the grants con-
tained in this treaty or by reason of the operations of the United
States, its agents or employees, or by reason of the construction,
maintenance, operation, sanitation and protection of the said Canal
or of the works of sanitation and protection herein provided for,
shall be appraised and settled by a joint Commission appointed by
the Governments of the United States and the Republic of Panama,
whose decisions as to such damages shall be final and whose awards
as to such damages shall be paid solely by the United States. No
part of the work on said Canal or the Panama railroad or on any
auxiliary works relating thereto and authorized by the terms of this
treaty shall be prevented, delayed or impeded by or pending such
proceedings to ascertain such damages. The appraisal of said private
lands and private property and the assessment of damages to them
shall be based upon their value before the date of this convention.

Article VII.

The Republic of Panama grants to the United States within the
limits of the cities of Panama and Colon and their adjacent harbors
and within the territory adjacent thereto the right to acquire by
purchase or by the exercise of the right of eminent domain, any
lands, buildings, water rights or other properties necessary and con-
venient for the construction, maintenance, operation and protection
of the Canal and of any works of sanitation, such as the collection
and disposition of sewage and the distribution of water in the said
cities of Panama and Colon, which, in the discretion of the United
States may be necessary and convenient for the construction, mainte-
nance, operation, sanitation and protection of the said Canal and
railroad. All such works of sanitation, collection and disposition
of sewage and distribution of water in the cities of Panama and Colon
shall be made at the expense of the United States, and the Govern-
ment of the United States, its agents or nominees shall be authorized
to impose and collect water rates and sewerage rates which shall be
sufficient to provide for the payment of interest and the amortiza-
tion of the principal of the cost of said works within a period of fifty
years and upon the expiration of said term of fifty years the system
of sewers and water works shall revert to and become the properties
of the cities of Panama and Colon respectively, and the use of the
water shall be free to the inhabitants of Panama and Colon, except
to the extent that water rates may be necessary for the operation and maintenance of said system of sewers and water.

The Republic of Panama agrees that the cities of Panama and Colon shall comply in perpetuity with the sanitary ordinances whether of a preventive or curative character prescribed by the United States and in case the Government of Panama is unable or fails in its duty to enforce this compliance by the cities of Panama and Colon with the sanitary ordinances of the United States the Republic of Panama grants to the United States the right and authority to enforce the same.

The same right and authority are granted to the United States for the maintenance of public order in the cities of Panama and Colon and the territories and harbors adjacent thereto in case the Republic of Panama should not be, in the judgment of the United States, able to maintain such order.

**Article VIII.**

The Republic of Panama grants to the United States all rights which it now has or hereafter may acquire to the property of the New Panama Canal Company and the Panama Railroad Company as a result of the transfer of sovereignty from the Republic of Colombia to the Republic of Panama over the Isthmus of Panama and authorizes the New Panama Canal Company to sell and transfer to the United States its rights, privileges, properties and concessions as well as the Panama Railroad and all the shares or part of the shares of that company; but the public lands situated outside of the zone described in Article II of this treaty now included in the concessions to both said enterprises and not required in the construction or operation of the Canal shall revert to the Republic of Panama except any property now owned by or in the possession of said companies within Panama or Colon or the ports or terminals thereof.

**Article IX.**

The United States agrees that the ports at either entrance of the Canal and the waters thereof, and the Republic of Panama agrees that the towns of Panama and Colon shall be free for all time so that there shall not be imposed or collected custom house tolls, tonnage, anchorage, lighthouse, wharf, pilot, or quarantine dues or any other charges or taxes of any kind upon any vessel using or passing through the Canal or belonging to or employed by the United States, directly or indirectly, in connection with the construction, maintenance, operation, sanitation and protection of the main Canal, or auxiliary works, or upon the cargo, officers, crew, or passengers of any such vessels, except such tolls and charges as may be imposed by the United States for the use of the Canal and other works, and except tolls and charges imposed by the Republic of Panama upon merchandise destined to be introduced for the consumption of the rest of the Republic of Panama, and upon vessels touching at the ports of Colon and Panama and which do not cross the Canal.

The Government of the Republic of Panama shall have the right to establish in such ports and in the towns of Panama and Colon
such houses and guards as it may deem necessary to collect duties on importations destined to other portions of Panama and to prevent contraband trade. The United States shall have the right to make use of the towns and harbors of Panama and Colon as places of anchorage, and for making repairs, for loading, unloading, depositing, or transshipping cargoes either in transit or destined for the service of the Canal and for other works pertaining to the Canal.

**Article X.**

The Republic of Panama agrees that there shall not be imposed any taxes, national, municipal, departmental, or of any other class, upon the Canal, the railways and auxiliary works, tugs and other vessels employed in the service of the Canal, store houses, work shops, offices, quarters for laborers, factories of all kinds, warehouses, wharves, machinery and other works, property, and effects appertaining to the Canal or railroad and auxiliary works, or their officers or employees, situated within the cities of Panama and Colon, and that there shall not be imposed contributions or charges of a personal character of any kind upon officers, employees, laborers, and other individuals in the service of the Canal and railroad and auxiliary works.

**Article XI.**

The United States agrees that the official dispatches of the Government of the Republic of Panama shall be transmitted over any telegraph and telephone lines established for canal purposes and used for public and private business at rates not higher than those required from officials in the service of the United States.

**Article XII.**

The Government of the Republic of Panama shall permit the immigration and free access to the lands and workshops of the Canal and its auxiliary works of all employees and workmen of whatever nationality under contract to work upon or seeking employment upon or in any wise connected with the said Canal and its auxiliary works, with their respective families, and all such persons shall be free and exempt from the military service of the Republic of Panama.

**Article XIII.**

The United States may import at any time into the said zone and auxiliary lands, free of custom duties, imposts, taxes, or other charges, and without any restrictions, any and all vessels, dredges, engines, cars, machinery, tools, explosives, materials, supplies, and other articles necessary and convenient in the construction, maintenance, operation, sanitation and protection of the Canal and auxiliary works, and all provisions, medicines, clothing, supplies and other things necessary and convenient for the officers, employees, workmen and laborers in the service and employ of the United States and for their families. If any such articles are disposed of for use outside of the zone and auxiliary lands granted to the United States...
and within the territory of the Republic, they shall be subject to the same import or other duties as like articles imported under the laws of the Republic of Panama.

**Article XIV.**

As the price or compensation for the rights, powers and privileges granted in this convention by the Republic of Panama to the United States, the Government of the United States agrees to pay to the Republic of Panama the sum of ten million dollars ($10,000,000) in gold coin of the United States on the exchange of the ratification of this convention and also an annual payment during the life of this convention of two hundred and fifty thousand dollars ($250,000) in like gold coin, beginning nine years after the date aforesaid.

The provisions of this Article shall be in addition to all other benefits assured to the Republic of Panama under this convention.

But no delay or difference of opinion under this Article or any other provisions of this treaty shall affect or interrupt the full operation and effect of this convention in all other respects.

**Article XV.**

The joint commission referred to in Article VI shall be established as follow:

The President of the United States shall nominate two persons and the President of the Republic of Panama shall nominate two persons and they shall proceed to a decision; but in case of disagreement of the Commission (by reason of their being equally divided in conclusion) an umpire shall be appointed by the two Governments who shall render the decision. In the event of the death, absence, or incapacity of a Commissioner or Umpire, or of his omitting, declining or ceasing to act, his place shall be filled by the appointment of another person in the manner above indicated. All decisions by a majority of the Commission or by the umpire shall be final.

**Article XVI.**

The two Governments shall make adequate provision by future agreement for the pursuit, capture, imprisonment, detention and delivery within said zone and auxiliary lands to the authorities of the Republic of Panama of persons charged with the commitment of crimes, felonies or misdemeanors without said zone and for the pursuit, capture, imprisonment, detention and delivery without said zone to the authorities of the United States of persons charged with the commitment of crimes, felonies and misdemeanors within said zone and auxiliary lands.

**Article XVII.**

The Republic of Panama grants to the United States the use of all the ports of the Republic open to commerce as places of refuge for any vessels employed in the Canal enterprise, and for all vessels passing or bound to pass through the Canal which may be in distress and be driven to seek refuge in said ports. Such vessels shall
be exempt from anchorage and tonnage dues on the part of the Republic of Panama.

**Article XVIII.**

The Canal, when constructed, and the entrances thereto shall be neutral in perpetuity, and shall be opened upon the terms provided for by Section I of Article three of, and in conformity with all the stipulations of, the treaty entered into by the Governments of the United States and Great Britain on November 18, 1901.

**Article XIX.**

The Government of the Republic of Panama shall have the right to transport over the Canal its vessels and its troops and munitions of war in such vessels at all times without paying charges of any kind. The exemption is to be extended to the auxiliary railway for the transportation of persons in the service of the Republic of Panama, or of the police force charged with the preservation of public order outside of said zone, as well as to their baggage, munitions of war and supplies.

**Article XX.**

If by virtue of any existing treaty in relation to the territory of the Isthmus of Panama, whereof the obligations shall descend or be assumed by the Republic of Panama, there may be any privilege or concession in favor of the Government or the citizens and subjects of a third power relative to an interoceanic means of communication which in any of its terms may be incompatible with the terms of the present convention, the Republic of Panama agrees to cancel or modify such treaty in due form, for which purpose it shall give to the said third power the requisite notification within the term of four months from the date of the present convention, and in case the existing treaty contains no clause permitting its modifications or annulment, the Republic of Panama agrees to procure its modification or annulment in such form that there shall not exist any conflict with the stipulations of the present convention.

**Article XXI.**

The rights and privileges granted by the Republic of Panama to the United States in the preceding Articles are understood to be free of all anterior debts, liens, trusts, or liabilities, or concessions or privileges to other Governments, corporations, syndicates or individuals, and consequently, if there should arise any claims on account of the present concessions and privileges or otherwise, the claimants shall resort to the Government of the Republic of Panama and not to the United States for any indemnity or compromise which may be required.

**Article XXII.**

The Republic of Panama renounces and grants to the United States the participation to which it might be entitled in the future earnings of the Canal under Article XV of the concessionary contract with Lucien N. B. Wyse now owned by the New Panama Canal Company and any and all other rights or claims of a pecuniary
nature arising under or relating to said concession, or arising under or relating to the concessions to the Panama Railroad Company or any extension or modification thereof; and it likewise renounces, confirms and grants to the United States, now and hereafter, all the rights and property reserved in the said concessions which otherwise would belong to Panama at or before the expiration of the terms of ninety-nine years of the concessions granted to or held by the above mentioned party and companies, and all right, title and interest which it now has or may hereafter have, in and to the lands, canal, works, property and rights held by the said companies under said concessions or otherwise, and acquired or to be acquired by the United States from or through the New Panama Canal Company, including any property and rights which might or may in the future either by lapse of time, forfeiture or otherwise, revert to the Republic of Panama under any contracts or concessions, with said Wyse, the Universal Panama Canal Company, the Panama Railroad Company and the New Panama Canal Company.

The aforesaid rights and property shall be and are free and released from any present or reversionary interest in or claims of Panama and the title of the United States thereto upon consummation of the contemplated purchase by the United States from the New Panama Canal Company, shall be absolute, so far as concerns the Republic of Panama, excepting always the rights of the Republic specifically secured under this treaty.

**Article XXIII.**

If it should become necessary at any time to employ armed forces for the safety or protection of the Canal, or of the ships that make use of the same, or the railways and auxiliary works, the United States shall have the right, at all times and in its discretion, to use its police and its land and naval forces or to establish fortifications for these purposes.

**Article XXIV.**

No change either in the Government or in the laws and treaties of the Republic of Panama shall, without the consent of the United States, affect any right of the United States under the present convention, or under any treaty stipulation between the two countries that now exists or may hereafter exist touching the subject matter of this convention.

If the Republic of Panama shall hereafter enter as a constituent into any other Government or into any union or confederation of states, so as to merge her sovereignty or independence in such Government, union or confederation, the rights of the United States under this convention shall not be in any respect lessened or impaired.

**Article XXV.**

For the better performance of the engagements of this convention and to the end of the efficient protection of the Canal and the preservation of its neutrality, the Government of the Republic of Panama will sell or lease to the United States lands adequate and necessary
for naval or coaling stations on the Pacific coast and on the western
Caribbean coast of the Republic at certain points to be agreed upon
with the President of the United States.

Article XXVI.

This convention when signed by the Plenipotentiaries of the Con-
tracting Parties shall be ratified by the respective Governments and
the ratifications shall be exchanged at Washington at the earliest
date possible.

In faith whereof the respective Plenipotentiaries have signed the
present convention in duplicate and have hereunto affixed their
respective seals.

Done at the City of Washington the 18th day of November in
the year of our Lord nineteen hundred and three.

John Hay [seal]
P. BunaW Varilla [seal]

And whereas the said Convention has been duly ratified on both
parts, and the ratifications of the two governments were exchanged
in the City of Washington, on the twenty-sixth day of February, one
thousand nine hundred and four;

Now, therefore, be it known that I, Theodore Roosevelt, Presi-
dent of the United States of America, have caused the said Conven-
tion to be made public, to the end that the same and every article
and clause thereof, may be observed and fulfilled with good faith by
the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused
the seal of the United States of America to be affixed.

Done at the City of Washington, this twenty-sixth day of Febru-
ary, in the year of our Lord one thousand nine hundred
[seal] and four, and of the Independence of the United States
the one hundred and twenty-eighth.

Theodore Roosevelt

By the President:
John Hay
Secretary of State.

Legación de la República de
Panamá en Washington,
Washington, D. C., February 18, 1904.

His Excellency John Hay,
Secretary of State, etc., Washington, D. C.

Sirs: I have the honor of acknowledging the receipt of your com-
unication, No. 28, of January 30th, 1904, in which you express to me
certain observations about the translation of the treaty of November
18th, 1903, contained in the decree ratifying the Treaty.

I accept in the name of the Government of the Republic what you
propose in said letter, which reads as follows:

"Sirs: I have the honor to acknowledge the receipt of your note of
the 9th instant, transmitting a copy of the decree ratifying the treaty
of November 18, 1903, and containing its text in the Spanish language.
In reply to your request to be notified 'in case the translation is in every respect satisfactory,' I have the honor to invite your attention to a few omissions, as follows:

1. In Article VIII, line 4, of page 6 of the translation, the words 'á la República de Panamá,' after 'traspaso de soberanía de la República de Colombia,' should be added.

2. In the same article, last line of the article, the word 'ó' should be inserted between 'puertos' and 'terminales.'

3. In Article IX, last line but two in the second paragraph of the article on page 7, the words 'cargar, descargar, almacenar y,' omitted from the English text should come before the words 'trasbordar cargas.'

4. In article XXII, page 11, line 2 of the last paragraph, the words 'present or' in the English text have been omitted, and should be represented by the words 'ó actuales' placed in the Spanish text after the words 'derechos de reversión.'

In regard to the exact equivalence of words in both languages, I have to indicate the following changes which appear to be necessary:

1. In Article VII, line 2 of page 5, the word 'puertos' should be used instead of 'bahías' for the English word 'harbors.'

2. In Article IX, line 4 of the article, page 6 of the copy submitted by you, the words 'custom-house tolls' have been rendered into 'derechos de aduana,' which are understood to mean duties collected on merchandise entered for actual consumption in the country. It is believed that the word 'peajes' would be preferable.

3. In article XIII, line 2 of page 8, the English word 'lands' has been translated 'obras,' for which 'terrenos' should obviously be substituted.

There are a number of other words the accurate meaning of which may give rise to a difference of interpretation, but inasmuch as there could be no other difficulty in connection with the said words, and in view of the fact that the Spanish text has already been formally approved by your Government, the necessity of making further changes therein will be obviated by your official statement that the English text shall prevail in case of such difference of interpretation.

Accept, Mr. Minister, the renewed assurances of my highest consideration.

Francis B. Loomis,
Acting Secretary.

I am, sir, with great respect, your very obedient servant.

P. Bunau Varilla.

Decrerto Número 24 de 1903 (de 2 de Diciembre), por el cual se aprueba un Tratado con los Estados Unidos de Norte America.

La junta de gobierno provisional de la República de Panamá,
Por cuanto se ha celebrado entre el Enviado Extraordinario y Ministro Plenipotenciario de la República acreditado ante el Gobierno de los Estados Unidos de América, y el Señor Secretario de Estado de aquella Nación un tratado que copiado á la letra dice así:
CONVENCION DE CANAL A TRAVÉS DEL ISTMO.

Los Estados Unidos de América y la República de Panamá, deseosos de asegurar la construcción de un Canal para naves a través del Istmo de Panamá para comunicar los océanos Atlántico y Pacífico y habiendo expedido el Congreso de los Estados Unidos de América una ley aprobada el 28 de Junio de 1902 en prosecución de aquel objeto por la cual se autoriza al Presidente de los Estados Unidos para adquirir de la República de Colombia dentro de un plazo razonable el control del territorio necesario y perteneciendo actualmente la soberanía de ese territorio a la República de Panamá, las altas partes contratantes han resuelto con ese propósito concluir una convención y han designado de conformidad como sus Plenipotenciarios,

El Presidente de los Estados Unidos de América a John Hay, Secretario de Estado, y
El Gobierno de la República de Panamá a Philippe Bunau-Varilla, Enviado Extraordinario y Ministro Plenipotenciario de la República de Panamá, para ello especialmente facultado por dicho Gobierno, quienes después de haberse comunicado reciprocamente sus respectivos plenos poderes y de haberlos hecho en buena y debida forma, han convenido y concluido los siguientes artículos:

ARTÍCULO I.

Los Estados Unidos garanticen y mantendrán la Independencia de la República de Panamá.

ARTÍCULO II.

La República de Panamá concede a perpetuidad a los Estados Unidos el uso, ocupación y control de una zona de tierra y de tierra cubierta por agua, para la construcción, conservación, servicio, sanidad y protección de dicho Canal, zona de una anchura de diez millas que se extenderá cinco millas a cada lado de la línea central del Canal que se va a construir, principiando dicha zona a tres millas de la línea media de la bahía mar en el mar Caribe, extendiéndose a través del Istmo y terminando en el océano Pacífico a tres millas de distancia de la línea media de la bahía mar, con la condición de que las ciudades de Panamá y Colón y los puertos adyacentes a dichas ciudades que estén incluidos dentro de los límites de la zona descrita no quedarán comprendidos en esta concesión. La República de Panamá concede además a perpetuidad a los Estados Unidos el uso, ocupación y control de otras tierras y aguas fuera de la zona arriba descrita que puedan ser necesarias y convenientes para la construcción, conservación, servicio, sanidad y protección de dicha empresa.

La República de Panamá concede también del mismo modo y a perpetuidad a los Estados Unidos todas las islas que se encuentren dentro de los límites de la zona y descrita y además el grupo de pequeñas islas situadas en la bahía de Panamá y conocidas con los nombres de Naos, Perico, Culebra y Flamenco.

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ARTÍCULO III.

La República de Panamá concede á los Estados Unidos todos los derechos, poder y autoridad en la zona mencionada y descrita en el artículo II de este convenio y dentro de los límites de todas las tierras y aguas auxiliares mencionadas y descritas en dicho artículo II las cuales poseerán y ejercitarán los Estados Unidos como si fuesen soberanos del territorio en que dichas tierras y aguas se encuentran situadas, con entera exclusión de la República de Panamá en el ejercicio de tales derechos soberanos, poder ó autoridad.

ARTÍCULO IV.

Como derechos subsidiarios de las concesiones que anteceden la República de Panamá concede á perpetuidad á los Estados Unidos el derecho de usar los ríos, riachuelos, lagos y otras aguas dentro de sus límites para la navegación, provisión de agua ó agua para fuerza motriz ó otros objetos, en cuanto el uso de tales ríos, riachuelos y aguas puedan ser necesarios y convenientes para la construcción, conservación, servicio, sanidad y protección del dicho Canal.

ARTÍCULO V.

La República de Panamá concede á los Estados Unidos á perpetuidad el monopolio para la construcción, conservación y servicio de cualquier sistema de comunicación por medio de Canal ó ferrocarril á través de su territorio entre el mar Caribe y el océano Pacífico.

ARTÍCULO VI.

Las concesiones que aquí se expresan de ninguna manera invalidarán los títulos de derecho de los ocupantes de tierras ó dueños de propiedad particular en la referida zona, ó en cualquiera de las tierras ó aguas concedidas á los Estados Unidos según las provisiones de cualquier artículo de este tratado, ni tampoco se opondrán á los derechos de tránsito por las vías públicas que pasen á través de la referida zona ó por cualquiera de dichas tierras ó aguas á menos que esos derechos de tránsito ó derechos particulares se hallen en conflicto con los derechos que aquí se le conceden á los Estados Unidos, caso en el cual los derechos de los Estados Unidos serán de mayor valor. Todos los daños que se causen á los dueños de tierras ó de propiedades particulares de cualquiera clase que sean, á causa de las concesiones que contiene este tratado ó por causa de las obras que se efectúen por los Estados Unidos, por sus agentes ó sus empleados, ó debido á la construcción, conservación, servicio, sanidad y protección de dicho Canal ó de las obras de saneamiento y protección de que aquí se hace mérito, serán valorados y arreglados por una comisión mixta que se nombrará por los Gobiernos de los Estados Unidos y de la República de Panamá, y cuyas decisiones con respecto á daños serán finales, y cuyos avalúos serán cubiertos solamente por los Estados Unidos. Ninguna parte de los trabajos del Canal ó del Ferrocarril de Panamá, ni ninguna de las obras auxiliares que á éstos se refieran y autorizadas por los términos de este tratado, será impedida, demorada ni estorbada mientras esten pendientes los pro-
cedimientos para averiguar dichos daños. La apreciación de esas tierras ó propiedades particulares y el avalúo de los daños á ellas causados tendrán por base el valor que tenían antes de celebrarse este tratado.

Artículo VII.

La República de Panamá concede a los Estados Unidos, dentro de los límites de las ciudades de Panamá y Colón y de sus bahías y territorios adyacentes, el derecho de adquirir por compra ó en ejercicio del derecho de dominio eminente, las tierras, edificios, derechos de aguas ú otras propiedades necesarias y convenientes para la construcción, conservación, servicio y protección del Canal y otras obras de saneamiento tales como el recogimiento y disposición de desperdicios y la distribución de agua en las referidas ciudades de Panamá y Colón, y que á juicio de los Estados Unidos sean necesarios y convenientes para la construcción, conservación, servicio, saneamiento y protección de dicho Canal y del Ferrocarril. Todas las obras de sanidad, coleción y distribución de desperdicios así como la distribución de aguas en las ciudades de Panamá y Colón se ejecutarán por los Estados Unidos y á su costo, y el Gobierno de los Estados Unidos, sus agentes y representantes tendrán autoridad para imponer y cobrar tarifas de agua y de alcantarillado que sean suficientes para proveer al pago de los intereses y á la amortización del capital del costo de esas obras dentro del término de cincuenta años; y al expirar esos cincuenta años el alcantarillado y el acueducto vendrán á ser propiedad de las ciudades de Panamá y Colón, respectivamente, y el uso del agua será libre para los habitantes de Panamá y Colón, excepto en cuanto la contribución de agua sea necesaria para el servicio y conservación de dicho sistema de albañales y acueducto.

La República de Panamá conviene en que las ciudades de Panamá y Colón cumplirán á perpetuidad las disposiciones sanitarias de carácter preventivo ó curativo dictadas por los Estados Unidos y si llega el caso de que el Gobierno de Panamá no pueda ó falte á su deber de hacer que se cumplan tales disposiciones en Panamá y Colón, la República de Panamá concede á los Estados Unidos el derecho y la autoridad de ponerlas en vigor. El mismo derecho y la misma autoridad se concede á los Estados Unidos para el mantenimiento del órden público en las ciudades de Panamá y Colón y sus territorios y bahías adyacentes en caso de que, á juicio de los Estados Unidos, la República de Panamá no pueda mantenerlo.

Artículo VIII.

La República de Panamá concede á los Estados Unidos todos los derechos que hoy tiene y que más tarde pueda adquirir sobre las propiedades de la Compañía Nueva del Canal de Panamá y la Compañía del Ferrocarril, como resultado del traspaso de soberanía de la República de Colombia sobre el Istmo de Panamá y autoriza á la Compañía Nueva del Canal de Panamá para vender y trasvasar á los Estados Unidos sus derechos, privilegios, propiedades y concesiones, como también el Ferrocarril de Panamá, y todas las acciones ó parte de las acciones de dicha Compañía, pero las tierras públicas situadas fuera de la zona descrita en el artículo II de este tratado, actualmente incluidas en las concesiones á ambas de las ex-
presadas Compañías y que no sean necesarias para la construcción y servicio del Canal, volverán á poder de la República con excepción de aquellas propiedades que ahora pertenecen á ó están en posesión de dichas Compañías en Panamá ó Colón ó en los puertos terminales de éstas.

**Artículo IX.**

Los Estados Unidos convienen en que los puertos en ambas entradas del Canal y aguas de éstas, y la República de Panamá conviene en que las poblaciones de Panamá y Colón sean libres en todo tiempo de modo que en ellos no se impondrá ni cobrarán derechos de aduana, tonelaje, anclaje, faros, muelles, pilotaje ó cuarentena ni ninguna otra contribución ó derecho sobre las naves que usen ó que pasen por el Canal ó que pertenezcan á los Estados Unidos ó que sean empleados por ellos directa ó indirectamente en conexión con la construcción, mantenimiento, servicio, saneamiento y protección del Canal principal ú obras auxiliares ó sobre la carga, oficiales, tripulación ó pasajeros de ninguna de las dichas naves, excepto los derechos ó impuestos que establezcan los Estados Unidos por el uso del Canal ú otras obras y excepto los derechos ó impuestos que establezca la República de Panamá sobre las mercancías destinadas á ser introducidas para el consumo del resto de la República de Panamá y sobre los buques que toquen en los puertos de Panamá y Colón y que no crucen el Canal.

El Gobierno de la República de Panamá tendrá el derecho de establecer en dichos puertos y en las ciudades de Panamá y Colón los edificios y vigilancia que crea necesarios para el cobro de derechos sobre importaciones destinadas á otras partes de Panamá y para impedir los contrabandos. Los Estados Unidos tendrán el derecho de hacer uso de las poblaciones y puertos de Panamá y Colón como lugares de anclaje y para hacer reparaciones, trasbordar cargas y sean de tránsito ó destinadas al servicio de Canal ó para otros trabajos que pertenezcan al Canal.

**Artículo X.**

La República de Panamá se obliga á no imponer contribuciones de ninguna clase, ya sean nacionales, municipales ó departamentales sobre el Canal, los ferrocarriles y obras auxiliares, remolcadores, naves empleadas en el servicio de Canal, depósitos, talleres, oficinas, habitaciones para obreros, fábricas de todas clases, almacenes, muelles, maquinaria y demás obras, á sus oficiales ó empleados que se encuentren dentro de las ciudades de Panamá y Colón; y á no establecer contribuciones ó impuestos de carácter personal de ninguna clase que deban pagar los oficiales, empleados, obreros y demás individuos al servicio del Canal y ferrocarriles y obras auxiliares.

**Artículo XI.**

Los Estados Unidos se obligan á trasmitir los despachos oficiales del Gobierno de la República de Panamá por las líneas telegráﬁcas y telefónicas establecidas para el Canal y usadas para negocios públicos y privados á precios no mayores que los exigidos de los empleados al servicio de los Estados Unidos.
Artículo XII.

El Gobierno de la República de Panamá permitirá la inmigración y libre acceso á las tierras y talleres del Canal y á sus obras auxiliares de todos los empleados y obreros de cualquiera nacionalidad bajo contrato de trabajar en el Canal ó que busquen empleo en él ó que estén relacionados con el dicho Canal y obras auxiliares, con sus respectivas familias y todas estas personas estarán libres del servicio militar de la República de Panamá.

Artículo XIII.

Los Estados Unidos podrán importar en cualquier tiempo á dicha zona y obras auxiliares, libres de derechos de aduana, impuestos, contribuciones y gravámenes de otra clase y sin ninguna restricción, toda clase de naves, dragas, máquinas, carros, maquinarias, instrumentos, explosivos, materiales, abastos y otros artículos necesarios y convenientes para la construcción, conservación, servicio, sanidad y protección del Canal y de sus obras auxiliares, y todas las provisiones, medicinas, vestidos, abastos y otras cosas necesarias y convenientes para los oficiales, empleados, obreros y jornaleros al servicio y en el empleo de los Estados Unidos y para sus familias. Si de algunos de esos artículos se dispone y se hace uso fuera de la zona y de las tierras accesorias concedidas á los Estados Unidos y dentro del territorio de la República, quedarán sujetos á los mismos impuestos de importación y otros derechos que lo están iguales artículos importados bajo las leyes de la República de Panamá.

Artículo XIV.

Como precio ó compensación por los derechos, poder y privilegios concedidos en esta convención por la República de Panamá á los Estados Unidos, el Gobierno de los Estados Unidos se obliga á pagar á la República de Panamá la suma de diez millones de dólares ($10,000,000.00) en oro amonedado de los Estados Unidos al efectuar el canje de la ratificación de este convenio y también un pago anual de doscientos cincuenta mil dólares ($250,000.00) en la misma moneda de oro durante la vida de esta convención, principiando nueve años después de la fecha antes expresada.

Las provisiones de este artículo serán en adición á todos los demás beneficios asegurados á la República de Panamá en esta convención. Pero ninguna demora ó diferencia de opiniones respecto de este artículo ó de otras estipulaciones de estos tratado afectará ó interrumpirá la completa ejecución y efectos de esta convención en todos los demás respectos.

Artículo XV.

La Comisión mixta á que se refiere el artículo VI se establecerá como sigue:

El Presidente de los Estados Unidos nombrará dos personas y el Presidente de la República de Panamá nombrará dos personas y ellas procederán á dictar una decisión; pero en caso de desacuerdo de la Comisión (con motivo de estar igualmente divididas sus con-
clusiones) se nombrará por los dos Gobiernos un dirimente que dic-
tará su decisión. En caso de muerte, ausencia o incapacidad de un
miembro de la comisión del dirimente, ó en caso de omisión excusa
ó cesación de actuar, su puesto será llenado por nombramiento de
otra persona del modo antes indicado. Todas las decisiones dicta-
das por la mayoría de la Comisión ó por el dirimente serán finales.

Artículo XVI.

Los dos Gobiernos proveerán de modo adecuado por un arreglo
futuro á la persecución, captura, prisión, detención y entrega en
dicha zona y tierras accesorias á las autoridades de la República de
Panamá de las personas acusadas de la comisión de crímenes, deli-
tos ó faltas fuera de dicha zona, y para la persecución, captura,
prisión, detención y entrega fuera de dicha zona á las autoridades de
los Estados Unidos de personas acusadas de la comisión de crímenes,
delitos ó faltas en la zona mencionada y sus tierras accesorias.

Artículo XVII.

La República de Panamá concede á los Estados Unidos el uso de
todos los puertos de la República abiertos al comercio, como lugares
de refugio para todas las naves empleadas en la Empresa del Canal
y para todas aquellas que hallándose en las mismas circunstancias
derribada forzosa vayan destinadas á atravesar el Canal y necesiten
anclar en dichos puertos. Esas naves estarán exentas de derechos
de anclaje y tonelaje por parte de la República de Panamá.

Artículo XVIII.

El Canal, una vez construido, y las entradas á él serán neutrales
perpetuamente y estarán abiertas en los términos de la sección I del
artículo tercero del tratado celebrado entre los Estados Unidos y la
Gran Bretaña el 18 de Noviembre de 1901 y de conformidad con las
estipulaciones de este tratado.

Artículo XIX.

El Gobierno de la República de Panamá tendrá el derecho de
transportar por el Canal sus naves, tropas y elementos de guerra en
esas naves en todo tiempo sin pagar derechos de ninguna clase. Esta
excención se extiende al Ferrocarril auxiliar para el trasporte de
las personas al servicio de la República de Panamá y de la fuerza
de policía encargada de guardar el orden público fuera de la dicha
zona, así como para sus equipajes pertrechos y provisiones.

Artículo XX.

Si en virtud de algún tratado existente en relación con el territorio
del Istmo de Panamá, cuyas obligaciones corresponden ó sean asu-
midas por la República de Panamá, existieren algunos privilegios ó
concesiones en favor del Gobierno ó de los ciudadanos y subditos de
una tercera potencia, relativos á una vía de comunicación intero-
ceánica, que en alguna de sus estipulaciones puedan ser incompati-
bles con los términos de la presente convención, la República de Panamá se obliga á cancelar ó modificar tal tratado en debida forma para lo cual le dará al dicho tercer poder la necesaria notificación dentro del término de cuatro meses desde la fecha de esta conven­ción, y en caso de que el tratado existente no contenga cláusula que permita su modificación ó anulación, la República de Panamá se obliga á procurar su modificación ó anulación en tal forma que no exista conflicto con las estipulaciones de la presente convención.

Artículo XXI.

Los derechos y privilegios concedidos por la República de Panamá á los Estados Unidos en los artículos precedentes se entiende que están libres de toda deuda, limitación, enfitesía ó responsabilidad anterior, ó de concesiones ó privilegios á otros Gobiernos, corporaciones, sindicatos ó individuos, y en consecuencia si surgieren algunos reclamos con motivo de las presentes concesiones y privilegios ó de otro modo los reclamantes se dirigirán contra la República de Panamá y no contra los Estados Unidos para obtener la indemnización ó el arreglo que pueda ser del caso.

Artículo XXII.

La República de Panamá renuncia y concede á los Estados Unidos la participación á que puede tener derecho en los futuros productos del Canal fijada en el artículo XV del Contrato de concesión celebrado con Lucien N. B. Wyse del cual hoy es dueña la Compañía Nueva del Canal de Panamá y á cualesquiera otros derechos ó reclamos de naturaleza pecuniaria que pudieran originarse de esa concesión ó relativos á ella ó que pudieran surgir de las concesiones á la Compañía del Ferrocarril de Panamá ó relativas á ellas, ó á algunas de sus modificaciones ó prorrogas; y del mismo modo renuncia, confirma y concede á los Estados Unidos desde ahora y para el futuro todos los derechos y propiedades reservadas en las mencionadas concesiones y que de otro modo habrían de corresponderle á Panamá antes ó á la expiración de los términos de noventa y nueve años de las concesiones otorgadas, al interesado y á las Compañías arriba mencionadas y todo derecho, título y participación que ahora tenga y que en lo futuro pueda corresponderle en las tie­rras en el Canal, en las obras propiedades y derechos pertenecientes á dichas compañías en virtud de las citadas concesiones ó de otra manera, y los que los Estados Unidos hayan adquirido ó adquieran de la Compañía Nueva del Canal de Panamá ó por su conducto incluyendo cualesquiera propiedades ó derechos que en lo futuro pudieren corresponderle á la República de Panamá en virtud del tránscurso del tiempo de caducidad ó de otra manera, en virtud de reversión según los contratos ó concesiones con dicho Wyse, la Com­pañía Universal del Canal de Panamá, la Compañía del Ferrocarril de Panamá y la Compañía nueva del Canal de Panamá.

Los arriba mencionados derechos y propiedades quedarán libres de todos los derechos de reversión que pueda tener Panamá y el título de los Estados Unidos, cuando se efectúe la compra proyec­tada á la Compañía Nueva del Canal de Panamá, será absoluto en
cual toca á la República de Panamá, exceptuándose siempre los derechos de la República expresamente asegurados en este tratado.

Artículo XXIII.

Si en algún tiempo fuere necesario el empleo de fuerzas armadas para la seguridad y protección del Canal ó de las naves que lo usen, ó de los ferrocarriles y obras auxiliares, los Estados Unidos tendrán el derecho en todo tiempo y á su juicio para usar su fuerza de policía y sus fuerzas terrestres y navales ó para establecer fortificaciones con ese objeto.

Artículo XXIV.

Ningún cambio en el Gobierno ó en las leyes y tratados de la República de Panamá afectará, sin el consentimiento de los Estados Unidos, los derechos que correspondan á los Estados Unidos en virtud de esta convención ó en virtud de estipulaciones en tratados que existan entre los dos países ó que para lo futuro lleguen á existir en lo relativo al objeto de esta convención.

Si la República de Panamá llegare á ser más tarde parte constituyente de otro Gobierno ó forme unión ó confederación de Estados de tal modo que su soberanía ó independencia quede confundida con la de otro Gobierno, unión ó confederación, los derechos de los Estados Unidos según esta convención no serán de manera alguna minorados ó restringidos.

Artículo XXV.

Para el mejor cumplimiento de las obligaciones de esta convención y con el fin de dar protección eficaz al Canal y de preservar su neutralidad, el Gobierno de la República de Panamá venderá á los Estados Unidos las tierras adecuadas y necesarias para estaciones navales ó carboneras en la costa del Pacífico y en la parte occidental de la costa del mar Caribe de la República en ciertos puntos que serán convenidos con el Presidente de los Estados Unidos.

Artículo XXVI.

Esta Convención, después de firmada por los Plenipotenciarios de las partes contratantes, será ratificada por los respectivos Gobiernos y las ratificaciones canjeadas en Washington á la mayor brevedad posible.

En fe de lo cual los respectivos Plenipotenciarios firman la presente convención en duplicado y la sellan con sus respectivos sellos.

Hecha en la ciudad de Washington el 18 de Noviembre del año del Señor de mil novecientos tres.

(Fdo.) P. Bunau-Varilla [HAY UN SELLO]
(Fdo.) John Hat. [HAY UN SELLO]

y Considerando:
1° Que en ese Tratado se ha obtenido para la República la garantía de su Independencia;
2° Que por razones de seguridad exterior es indispensable proceder con la mayor celeridad á la consideración del Tratado, á efecto
de que esá obligación principal por parte de los Estados Unidos de América, principie á ser cumplida con eficacia;
3°. Que con el tratado se realiza la aspiración de los pueblos del Istmo cual es la apertura del Canal y su servicio en favor del comercio de todas las naciones; y
4°. Que la Junta de Gobierno Provisional formada por voluntad unánime de los pueblos de la República, posee todos los poderes del soberano del territorio.

**DECRETA:**

Artículo único. Apruébese el tratado celebrado en Washington, Distrito Capital de la República de los Estados Unidos de América, el día 18 de Noviembre del presente año, entre su Excelencia Philippe Bunau-Varilla, Enviado Extraordinario y Ministro Plenipotenciario de esta República y Su Excelencia John Hay, Secretario de Estado de la República de los Estados Unidos de América.

Publíquese.

Dado en Panamá, á 2 de Diciembre de 1903.

(sgd.) J. A. ARANGO.

(sgd.) TOMAS ARIAS.

(sgd.) MANUEL ESPINOZA B.

(sgd.) EUSEBIO A. MORALES

(sgd.) F. V. DE LA ESPRIELLA

(sgd.) CARLOS A. MENDOZA

(sgd.) MANUEL E. AMADOR

(sgd.) Nicanor A. de Obarrio

Por el Ministro de Instrucción Pública, El Subsecretario,

(sgd.) FRANCISCO A. FACIO

[HAY UN SELLO DE LA REPÚBLICA DE PANAMÁ.]
No. 6.

[Executive N, Sixtieth Congress, second session.]

TREATIES WITH PANAMA AND COLOMBIA RELATING TO THE PANAMA CANAL.¹

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING TREATIES BETWEEN THE UNITED STATES AND THE REPUBLICS OF PANAMA AND COLOMBIA RELATING TO THE PANAMA CANAL, BOTH SIGNED ON JANUARY 9, 1909.

[January 11, 1909: Read; treaties read the first time and referred to the Committee on Foreign Relations, and, together with the message and accompanying papers, ordered to be printed in confidence for the use of the Senate. February 24, 1909: Injunction of secrecy removed. February 24, 1909: Treaty with Colombia ratified. March 3, 1909: Treaty with Panama ratified.]

The President:

I have the honor to submit herewith, with a view to their transmission to the Senate to receive the advice and consent of that body to ratification, a treaty between the United States and the Republic of Panama and a treaty between the United States and the Republic of Colombia, both signed on January 9, 1909.

I transmit also, for your information and that of the Senate, a copy of treaty between the Republic of Colombia and the Republic of Panama, concluded at the same time, the three treaties being in effect parts of the same transaction whereby peace is established between Panama and Colombia, the separation of the two Republics is agreed to, and the relations incident to the separation are adjusted.

Respectfully submitted.

ELIHU ROOT.

DEPARTMENT OF STATE,

To the Senate:

I transmit, with a view to receiving the advice and consent of the Senate to their ratifications, a treaty between the United States and the Republic of Panama and a treaty between the United States and the Republic of Colombia, both signed on January 9, 1909.

I transmit also, for the information of the Senate, a copy of the treaty between the Republic of Colombia and the Republic of Panama, concluded at the same time, and mentioned in the accompanying report of the Secretary of State.

THEODORE ROOSEVELT.

THE WHITE HOUSE, January 11, 1909.

¹ Consented to by United States Senate Feb. 24, 1909, and Mar. 3, 1909, and by Panama. Never acted upon by Colombian Congress.
TREATY WITH PANAMA.

The United States of America and the Republic of Panama, mutually desiring to facilitate the construction, maintenance and operation of the interoceanic canal across the Isthmus of Panama and to promote a good understanding between the nations most closely and directly concerned in this highway of the world's commerce, and thereby to further its construction and protection, deem it well to amend and in certain respects supplement the treaty concluded between the United States of America and the Republic of Panama on the 18th of November, 1903, and to that end have appointed their respective Plenipotentiaries, to wit:

The President of the United States of America, Elihu Root, Secretary of State of the United States;

The President of the Republic of Panama, Carlos Constantino Arosemena, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Panama,

Who, after exchange of their full powers, found to be in good and due form, have agreed upon the following articles:

**Article I.**

It is mutually agreed between the High Contracting Parties that Article XIV of the treaty concluded between them on the 18th day of November, 1903, be and the same is hereby amended by substituting therein the words "four years" for the words "nine years," and accordingly the United States of America agrees to make the annual payments therein provided for beginning four years from the exchange of said treaty instead of nine years from that date.

The United States of America consents that the Republic of Panama may assign and transfer, in advance, to the Republic of Colombia, and to its assigns or nominees, the first ten annual installments of Two Hundred and Fifty Thousand Dollars each, so falling due under said treaty as thus amended, on the 26th days of February in the years 1908 to 1917, both inclusive, and its right and title thereto, and, upon the direction and acquittance therefor of the Republic of Panama, will pay said ten installments as they respectfully fall due directly to the Republic of Colombia, its assigns or nominees, for account of the Republic of Panama. Such installments as may have matured when the ratifications of this treaty shall be exchanged pursuant to its terms shall be payable on the ninetieth day after the date of such exchange.

**Article II.**

Final delimitation of the cities of Panama and Colon and of the harbors adjacent thereto, under and to effectuate the provisions of Article II of said treaty of November 18th, 1903, shall be made by agreement between the Executive Departments of the two Governments, immediately upon the exchange of ratifications of this treaty.

It is further agreed that the Republic of Panama shall have the right, upon one year's previous notice, at any time within the period of fifty years mentioned in Article VII of said treaty of November 18th, 1903, to purchase and take over from the United
States of America so much of the water mains and distributing system of the water works mentioned in said article, for the supply of the City of Panama, and of the appliances and appurtenances thereof, as may lie outside the Canal Zone, and terminate the provisions of said treaty for the ultimate acquisition by the Republic of Panama of said water works, upon payment of such sum in cash as may be agreed upon as just by the Presidents of the two High Contracting Parties, who are hereby fully empowered so to agree; if there shall arise any dispute or difference between the High Contracting Parties with respect to such delimitation, or if their Presidents shall not be able to agree as to the sum so to be paid, then upon the request of either party, any such difference shall be submitted to the Tribunal of Arbitration, hereinafter provided for.

**Article III.**

It is further agreed that all differences which may arise relating to the interpretation or application of the treaty between the United States of America and the Republic of Panama concluded on the 18th day of November, 1903, which it may not have been possible to settle by diplomacy, shall be referred, on the request of either party, to a Tribunal of Arbitration to consist of three members, of whom the United States shall nominate one member, the Republic of Panama shall nominate one member, and the two members thus nominated shall jointly nominate a third member, or, in the event of their failure to agree within three months after appointment, upon the nomination of the third member, such member shall be appointed by the President of Peru. Said Tribunal shall decide by a majority vote all questions respecting its procedure and action, as well as all questions concerning the matters submitted to it. The Tribunal shall deliver duplicate copies of its decisions upon any of the matters submitted to it, as hereinafter specified, to the United States and to the Republic of Panama, and any such decision signed by a majority of the members of the Tribunal shall be conclusively deemed the decision of the Tribunal. Any vacancy in the membership of the Tribunal caused by the death, incapacity, or withdrawal of any member shall be filled in the manner provided for the original appointment of the member whose office shall thus become vacant. The determinations of said Tribunal shall be final, conclusive and binding upon the High Contracting Parties hereto, who bind themselves to abide by and conform to the same.

The temporary working arrangement or modus vivendi contained in the Executive Orders of December 3rd, 6th, 16th, and 28th, 1904, and January 5, 1905, made at Panama by the Secretary of War of the United States, and by the President of Panama, on December 6, 1904, which was entered into for the purpose of the practical operation of the aforesaid Treaty of November 18, 1903, shall be submitted to revision by the Executive Departments of the two Governments with the view to making the same and the practice thereunder conform (if in any respect they shall be found not to conform) to the true intent and meaning of the said treaty and to the preservation and protection of the rights of the two Governments and of the citizens of both parties thereunder; and any question as
to such conformity arising upon such revision which shall remain in dispute shall be submitted to said Tribunal of Arbitration.

It is now agreed, however, that the rate of duty to be levied by the Republic of Panama and fixed at 10 per cent ad valorem by the first proviso to said Executive Order of December 3rd, 1904, may be increased to any rate not exceeding twenty per cent ad valorem, at the pleasure of said Republic.

**Article IV.**

There shall be a full, entire and reciprocal liberty of commerce and navigation between the citizens of the two High Contracting Parties, who shall have reciprocally the right, on conforming to the laws of the country, to enter, travel, and reside in all parts of the respective territories, saving always the right of expulsion of undesirable persons which right each Government reserves to itself, and they shall enjoy in this respect, for the protection of their persons and their property, the same treatment and the same rights as the citizens or subjects of the most favored nation; it being understood and agreed that citizens of either of the two Republics thus residing in the territory of the other shall be exempt from military service imposed upon the citizens of such Republic.

And the United States of America further agrees that the Republic of Panama and the citizens thereof shall have and shall be accorded on equal terms all such privileges, rights, and advantages in respect to the construction, operation, and use of the Canal, railroad, telegraph and other facilities of the United States within the Canal Zone, and in respect of all other matters relating thereto, operating within or affecting the Canal Zone or property and persons therein, as may at any time be granted by the United States of America in accord with said treaty of November 18th, 1903, directly or indirectly, to any other nation or the citizens or subjects thereof, it being the intention of the Parties that the Republic of Panama and the citizens thereof shall be with respect thereto placed at least on an equal footing with the most favored nation and the citizens or subjects thereof.

**Article V.**

It is expressly understood and agreed that this treaty shall not become operative nor its provisions obligatory upon either of the High Contracting Parties, until and unless the treaties of even date between the Republic of Colombia and the Republic of Panama and between the Republic of Colombia and the United States of America are both duly ratified and the ratifications thereof are exchanged simultaneously with the exchange of ratifications of the present treaty.

**Article VI.**

This treaty shall be ratified and the ratifications thereof shall be exchanged at Washington as soon as possible.

In witness whereof, we the respective Plenipotentiaries have signed the present treaty, in duplicate, in the English and Spanish languages and have hereunto affixed our respective seals.
Done at Washington the 9th day of January, in the year of our Lord one thousand nine hundred and nine.

(Signed) ELIHU ROOT [SEAL]
(Signed) C. C. AROSEMENA [SEAL]

TREATY WITH COLOMBIA.

The United States of America and the Republic of Colombia, being equally animated by the desire to remove all obstacles to a good understanding between them and to facilitate the settlement of the questions heretofore pending between Colombia and Panama by adjusting at the same time the relations of Colombia to the canal which the United States is now constructing across the Isthmus of Panama, have resolved to conclude a Treaty and to that end have appointed as their Plenipotentiaries:

The President of the United States of America, Elihu Root, Secretary of State of the United States;

The President of the Republic of Colombia, Señor Don Enrique Cortes, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Colombia at Washington;

Who, after communicating to each other their respective full powers, which were found to be in due and proper form, have agreed upon the following articles:

**Article I.**

There shall be mutual and inviolable peace and sincere friendship between the Governments and peoples of the two High Contracting Parties without exception of persons or places under their respective dominion.

**Article II.**

In consideration of the provisions and stipulations hereinafter contained it is agreed as follows:

The Republic of Colombia shall have liberty at all times to convey through the ship canal now in course of construction by the United States across the Isthmus of Panama the troops, materials for war and ships of war of the Republic of Colombia, without paying any duty to the United States; even in the case of an international war between Colombia and another country.

While the said interoceanic canal is in course of construction the troops and materials for war of the Republic of Colombia, even in the case of an international war between Colombia and any other country, shall be transported on the railway between Ancon and Cristobal, or on any other railway substituted therefor, upon the same conditions on which similar service is rendered to the United States.

The officers, agents and employees of the Government of Colombia shall, during the same period, be entitled to free passage upon the said railway across the Isthmus of Panama upon due notification to the railway officials and the production of evidence of their official character.
The foregoing provisions of this article shall not, however, apply in case of war between Colombia and Panama.

Article III.

The products of the soil and industry of the Republic of Colombia, such as provisions, cattle, etc., shall be admitted to entry in the Canal Zone subject only to such duty as would be payable on similar products of the United States of America under similar conditions, so far as the United States of America has any right or authority to fix the conditions of such importations.

Colombian laborers employed in the Canal Zone during the construction of the canal, who may desire that their own families supply them with provisions for their personal use, shall be entitled to have such provisions admitted to the Canal Zone for delivery to them free of any duty, provided that declaration thereof shall first have been made before the commissary officers of the Isthmian Canal Commission, in order to obtain the previous permit for such entry, and subject to such reasonable regulations as shall be prescribed by the Commission for ensuring the bona fides of the transaction.

Article IV.

Colombian mails shall have free passage through the Canal Zone and through the post-offices of Ancon and Cristobal in the Canal Zone, paying only such duties or charges as are paid by the mails of the United States.

During the construction of the canal Colombian products passing over the Isthmian Railway from and to Colombia ports shall be transported at the lowest rates which are charged for similar products of the United States passing over said railway to and from the ports of the United States; and sea salt, exclusively produced in Colombia, passing from the Atlantic coast of Colombia to any Colombian port on the Pacific coast, shall be transported over said railway free of any charge except the actual cost of handling and transportation, not exceeding one-half of the ordinary freight charges.

Article V.

The United States recognizes and accepts notice of the assignment by the Republic of Panama to the Republic of Colombia of the right to receive from the United States payment of $250,000 in American gold in each year from the year 1908 to the year 1917, both inclusive, such assignment having been made in manner and form as contained in the treaty between the Republic of Colombia and the Republic of Panama bearing even date herewith, whereby the independence of the Republic of Panama is recognized by the Republic of Colombia and the Republic of Panama is released from obligation for the payment of any part of the external and internal debt of the Republic of Colombia.

Article VI.

The Republic of Colombia grants to the United States the use of all the ports of the Republic open to commerce as places of refuge
for any vessels employed in the canal enterprise, and for all vessels in distress passing or bound to pass through the canal and seeking shelter or anchorage in said ports, subject in time of war to the rules of neutrality properly applicable thereto. Such vessels shall be exempt from anchorage or tonnage dues on the part of the Republic of Colombia.

The Republic of Colombia renounces all rights and interests in connection with any contract or concession made between it and any corporation or person relating to the construction or operation of a canal or railway across the Isthmus of Panama.

**Article VII.**

As soon as practicable after the exchange of ratifications of this treaty and the contemporaneous treaties of even date herewith between the United States of America and the Republic of Panama, and between the Republic of Colombia and the Republic of Panama, the United States of America and the Republic of Colombia will enter into negotiations for the revision of the Treaty of Peace, Amity, Navigation, and Commerce between the United States of America and the Republic of New Granada, concluded on the 12th day of December, 1846, with a view to making the provisions therein contained conform to existing conditions, and to including therein provision for a general treaty of arbitration.

**Article VIII.**

This treaty, duly signed by the High Contracting Parties, shall be ratified by each according to its respective laws, and the ratifications thereof shall be exchanged at Washington as soon as possible.

But it is understood that such ratifications are not to be exchanged nor the provisions of this treaty made obligatory upon either party, until and unless the aforesaid treaties between the Republic of Colombia and the Republic of Panama, and between the United States of America and the Republic of Panama, bearing even date herewith, are both duly ratified, and the ratifications thereof are exchanged simultaneously with the exchange of ratifications of this treaty.

In witness whereof, We, the respective Plenipotentiaries, have signed the present treaty in duplicate, in the English and Spanish languages, and have hereunto affixed our respective seals.

Done at the City of Washington, the 9th day of January, in the year of our Lord nineteen hundred and nine.

(Signed)  **Elihu Root**  [seal]

(Signed)  **Enrique Cortes**  [seal]

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**TREATY BETWEEN THE REPUBLICS OF PANAMA AND COLOMBIA.**

The Republic of Colombia and the Republic of Panama, equally animated by the desire to remove all obstacles to their good understanding, to adjust their pecuniary and other relations to each other and to secure mutually the benefits of amity and accord, have de-
terminated to conclude a convention for these purposes and, therefore, have appointed as their respective Plenipotentiaries, that is to say:

The President of the Republic of Colombia, Enrique Cortes, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Colombia, in Washington, and

The President of the Republic of Panama, Carlos Constantino Arosemena, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Panama, in Washington.

Who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following articles:

**Article I.**

The Republic of Colombia recognizes the Independence of the Republic of Panama and acknowledges it to be a free, sovereign, and independent nation.

**Article II.**

There shall be a mutual and inviolable peace and friendship between the Government of the Republic of Colombia and its citizens on the one part and the Government of the Republic of Panama and its citizens on the other part, without exception of persons or places under their respective dominion.

**Article III.**

The Republic of Panama assigns and transfers to the Republic of Colombia, and its assigns and nominees, in lawful and due form, the first ten annual installments of two hundred and fifty thousand dollars gold coin each becoming due to it, the Republic of Panama, from the United States of America, on the 26th days of February in the years 1908 to 1917, both inclusive, under and pursuant to the provisions of Article XIV of the treaty between the United States of America and the Republic of Panama concluded November 18, 1903, and under and pursuant to the amendment thereof, embodied in a treaty of even date between said nations, whereby said Article XIV is amended by substituting the words "four years" for the words "nine years," so that the first annual payment of which that article treats shall begin four years from the exchange of ratifications of said treaty on February 26th, 1904, instead of nine years from said date, in such manner that the said installments shall be paid by the United States of America directly to the Republic of Colombia or its assigns and nominees for account of the Republic of Panama, in lawful and due form, beginning the 26th day of February, 1908. Such installments as may have matured when the ratifications of this treaty shall be exchanged pursuant to its terms, shall be payable on the ninetieth day after the date of such exchange.

In consideration of the payments and releases which the Republic of Panama makes to the Republic of Colombia, the latter recognizes and agrees that the Republic of Panama has no liability upon and no obligations to the holders of the external and internal debt of

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the Republic of Colombia, nor to the Republic of Colombia, by reason of any such indebtedness or claims relating thereto. The Republic of Colombia recognizes and agrees that it is itself solely obligated for such external and internal debt; assumes the obligation to pay and discharge the same by itself alone; and agrees to indemnify and hold harmless the Republic of Panama, should occasion arise, from any liability in respect of such external and internal indebtedness, and from any expense which may result from failure or delay in respect of such payment and discharge.

**Article IV.**

Each of the contracting Republics releases and discharges the other from all pecuniary claims and obligations of any nature whatever, including the external and internal debt of the Republic of Colombia, which either had against the other on the 3rd day of November, 1903, it being understood that this reciprocal exoneration relates only to the national debts and claims of one against the other, and that it does not relate to individual rights and claims of the citizens of either Republic. Neither party shall be bound to allow or satisfy any of such individual claims arising from transactions or occurrences prior to November 3, 1903, unless the same would be valid according to the laws of the country against which the claim is made, as such laws existed on November 3rd, 1903.

**Article V.**

The Republic of Panama recognizes that it has no title or ownership of any sort to the fifty thousand shares of the capital stock of the New Panama Canal Company, standing in the name of the Republic of Colombia on the books of said company at Paris, and the Republic of Panama confirms the abandonment of all right and title, which, with respect to said shares, it made in the Courts of Justice of France.

**Article VI.**

The citizens of each Republic, residing in the territory of the other, shall enjoy the same civil rights which are or shall hereafter be accorded by the laws of the country of residence to the citizens of the most favored nation. It being understood, however, that the citizens of either of the two Republics residing in the other shall be exempt from military service imposed upon the citizens of such Republic.

All persons born within the territory now of the Republic of Panama, prior to the 3rd day of November, 1903, who were, on that day, residents of the territory now of the Republic of Colombia, may elect to be citizens of the Republic of Colombia or of the Republic of Panama; and all persons born within the territory now of the Republic of Colombia who were, on said 3rd day of November, 1903, residents of the territory now of the Republic of Panama, may elect to be citizens of the Republic of Panama or of the Republic of Colombia, by making declaration of their election in the manner hereinafter provided, within one year from the date of the
proclamation of the exchange of the ratifications of this treaty, or, in case of any persons who shall not on that day be of full age, within one year from their attainment of their majority according to the laws of the country of their residence.

Such election may be made by filing in the office of the Minister or Secretary of Foreign Affairs of the country of residence a declaration of such election. Such declaration may be made before any officer authorized to administer oaths and may be transmitted by mail to such Minister or Secretary of Foreign Affairs, whose duty it shall be to file and register the same, and no other formality except the transmission thereof shall be required and no fees shall be imposed for making of filing thereof. It shall be the duty of the respective Departments of Foreign Affairs of the High Contracting Parties to communicate promptly to each other the names, occupations, and addresses of the persons so exercising such election.

All persons entitled to make such declarations who shall not have made the same within the period hereinbefore limited shall be deemed to have elected to become citizens of the country within whose present territory they were born. But no further declaration shall be required from any such person who has already by formal declaration before a public official of either country, and in accordance with its laws, made election of the nationality of that country.

The natives of the countries of either of the two contracting Republics who have heretofore or shall hereafter become citizens by naturalization, or otherwise as herein provided for, in the other Republic, shall not be punished, molested, or discriminated against by reason of their acts of adhesion to the country whose citizenship they have adopted.

**Article VII.**

Both Republics agree, each for itself, that neither of them shall admit to form any part of its nationality any part of the territory of the other which separates from it by force.

**Article VIII.**

As soon as this treaty and the contemporaneous treaties of even date between the United States of America and the Republic of Colombia and between the United States of America and the Republic of Panama shall be ratified and exchanged, negotiations shall be entered upon between the Republics of Colombia and Panama for the conclusion of additional treaty or treaties, covering questions of commerce, postal, telegraph, copyright, consular relations, extradition of criminals, arbitration and the like.

**Article IX.**

It is agreed between the High Contracting Parties and is declared, that the dividing line between the Republic of Colombia and the Republic of Panama shall be as follows, to wit:

From Cape Tiburon on the Atlantic to the head waters of the Rio de la Miel, and following the range by the Cerro de Gandi to the Sierra de Chagargun and that of Mali, going down by the
Cerros of Nique to the heights of Aspave, and from there to the Pacific at such point and by such line as shall be determined by the Tribunal of Arbitration hereinafter provided for, and the determination of said line shall conform to the decision of such Tribunal of Arbitration as next provided.

As to the territory submitted to arbitration (the region of Jurado) the boundaries and attribution of which to either the Republic of Colombia or the Republic of Panama will be fixed by the determination of the line aforesaid by said Tribunal of Arbitration, the title thereto and the precise limits thereof, and the right to the sovereignty thereof as between the High Contracting Parties, shall be conclusively determined by arbitration in the following manner:

A Tribunal of Arbitration shall be created to investigate and determine all questions of fact and law concerning the rights of the High Contracting Parties to or in all the territory in the above mentioned region of Jurado. The Tribunal shall consist of three members; the Republic of Colombia shall nominate one member, the Republic of Panama shall nominate one member, both of whom shall be nominated within three months after the exchange of ratifications of this treaty, and the two members of the Tribunal thus nominated shall jointly nominate a third member, or, in the event of their failure to agree within three months next after the appointment of the last of them, and on request of the President of either of the High Contracting Parties, the third member of the Tribunal shall be appointed by the President of the Republic of Cuba.

The Tribunal shall hold its sessions at such place as the Tribunal shall determine.

The case on behalf of each party, with the papers and documents, shall be communicated to the other party within three months after the appointment of the third member of the Tribunal.

The counter-cases shall be similarly communicated with the papers and documents within three months after communication of the cases respectively.

And within two months after communication of the counter-case the other party may communicate its reply.

The proceedings of the Tribunal shall be governed by the provisions, so far as applicable, of the Convention for the Pacific Settlement of International Disputes signed at The Hague by the representatives of both the parties hereto on the 18th day of October, 1907.

The Tribunal shall take into consideration all relevant laws and treaties and all facts proved of occupancy, possession and political or administrative control in respect of the territory in dispute.

**Article X.**

This treaty shall not be binding upon either of the High Contracting Parties, nor have any force until and unless the treaties signed on this same date between the Republic of Colombia and the United States of America and between the Republic of Panama and the United States of America are both duly ratified and ratifications thereof are exchanged simultaneously with the exchange of the ratifications of this treaty.
ARTICLE XI.

The present treaty shall be submitted for ratification to the respective Governments, and ratifications hereof exchanged at Washington as soon as possible.

In Witness Whereof, We, the respective Plenipotentiaries, have signed the present treaty in duplicate in the Spanish and English languages, and have hereunto affixed our respective seals.

Done at the City of Washington, the 9th day of January, in the year of our Lord one thousand nine hundred and nine.

(Signed) ENRIQUE CORTES [seal]

(Signed) C. C. AROSEMEÑA [seal]
No. 7.

MESSAGE OF PRESIDENT TAFT, AUGUST 19, 1912.

[House Document No. 914, Sixty-second Congress, second session.]

THE PANAMA CANAL.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, SUGGESTING PASSAGE OF JOINT RESOLUTION RELATIVE TO THE HAY-PAUNCEFOTE TREATY.

[August 19, 1912, read, referred to the Committee on Military Affairs, and ordered to be printed.]

To the Senate and House of Representatives:

Congress has passed a bill for the government of the Panama Canal when it shall have been completed, in section 5 of which it is provided that no tolls shall be levied upon vessels engaged in the coastwise trade of the United States. Under existing law no vessels but those of the United States can engage in the coastwise trade. The same bill provides for the imposition, within the discretion of the President, of tolls not exceeding $1.25 per net registered ton upon all other vessels using the canal.

In the debates in the House and Senate it was contended that this was a discrimination in favor of vessels of the United States in violation of the following provision of the Hay-Pauncefote treaty:

The canal shall be free and open to the vessels of commerce and of war of all nations observing these rules, on terms of entire equality, so that there shall be no discrimination against any such nation, or its citizens or subjects, in respect of the conditions or charges of traffic, or otherwise. Such conditions and charges of traffic shall be just and equitable. (Art. III, sec. 1, p. 1904.)

After full examination of the Hay-Pauncefote treaty and of the treaty which preceded it, I feel confident that the exemption of the coastwise vessels of the United States from tolls and the imposition of tolls on vessels of all nations engaged in the foreign trade is not a violation of the Hay-Pauncefote treaty. But distinguished lawyers in the House and Senate differ from this construction, and the Secretary of State has received an informal protest from the British Government that the contemplated legislation is a violation of her treaty rights.

The necessity for the enactment of the provisions of the bill looking to the maintenance and government of the canal I have already explained in a special message, and this necessity makes me anxious to sign the bill. On the other hand, the question of the foreign relations of the Government is one in respect of which the Executive has special responsibility, and such a protest from a friendly Government, supported as it is by the expressed views of distinguished Members of both Houses, invites the greatest care and the closest
No. 8.

PANAMA CANAL ACT.

[Public—No. 337.]

[H. R. 21969.]

AN ACT To provide for the opening, maintenance, protection, and operation of the Panama Canal, and the sanitation and government of the Canal Zone.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the zone of land and land under water of the width of ten miles extending to the distance of five miles on each side of the center line of the route of the canal now being constructed thereon, which zone begins in the Caribbean Sea three marine miles from mean low-water mark and extends to and across the Isthmus of Panama into the Pacific Ocean to the distance of three marine miles from mean low-water mark, excluding therefrom the cities of Panama and Colon and their adjacent harbors located within said zone, as excepted in the treaty with the Republic of Panama dated November eighteenth, nineteen hundred and three, but including all islands within said described zone, and in addition thereto the group of islands in the Bay of Panama named Perico, Naos, Culebra, and Flamenco, and any lands and waters outside of said limits above described which are necessary or convenient or from time to time may become necessary or convenient for the construction, maintenance, operation, sanitation, or protection of the said canal or of any auxiliary canals, lakes, or other works necessary or convenient for the construction, maintenance, operation, sanitation, or protection of said canal, the use, occupancy, or control whereof were granted to the United States by the treaty between the United States and the Republic of Panama, the ratifications of which were exchanged on the twenty-sixth day of February, nineteen hundred and four, shall be known and designated as the Canal Zone, and the canal now being constructed thereon shall hereafter be known and designated as the Panama Canal. The President is authorized, by treaty with the Republic of Panama, to acquire any additional land or land under water not already granted, or which was excepted from the grant, that he may deem necessary for the operation, maintenance, sanitation, or protection of the Panama Canal, and to exchange any land or land under water not deemed necessary for such purposes for other land or land under water which may be deemed necessary for such purposes, which additional land or land under water so acquired shall become part of the Canal Zone.

Sec. 2. That all laws, orders, regulations, and ordinances adopted and promulgated in the Canal Zone by order of the President for the government and sanitation of the Canal Zone and the construction of
the Panama Canal are hereby ratified and confirmed as valid and binding until Congress shall otherwise provide. The existing courts established in the Canal Zone by Executive order are recognized and confirmed to continue in operation until the courts provided for in this Act shall be established.

Sec. 3. That the President is authorized to declare by Executive order that all land and land under water within the limits of the Canal Zone is necessary for the construction, maintenance, operation, sanitation, or protection of the Panama Canal, and to extinguish, by agreement when advisable, all claims and titles of adverse claimants and occupants. Upon failure to secure by agreement title to any such parcel of land or land under water the adverse claim or occupancy shall be disposed of and title thereto secured in the United States and compensation therefor fixed and paid in the manner provided in the aforesaid treaty with the Republic of Panama, or such modification of such treaty as may hereafter be made.

Sec. 4. That when in the judgment of the President the construction of the Panama Canal shall be sufficiently advanced toward completion to render the further services of the Isthmian Canal Commission unnecessary the President is authorized by Executive order to discontinue the Isthmian Canal Commission, which, together with the present organization, shall then cease to exist; and the President is authorized thereafter to complete, govern, and operate the Panama Canal and govern the Canal Zone, or cause them to be completed, governed, and operated, through a governor of the Panama Canal and such other persons as he may deem competent to discharge the various duties connected with the completion, care, maintenance, sanitation, operation, government, and protection of the canal and Canal Zone. If any of the persons appointed or employed as aforesaid shall be persons in the military or naval service of the United States, the amount of the official salary paid to any such person shall be deducted from the amount of salary or compensation provided by or which shall be fixed under the terms of this Act. The governor of the Panama Canal shall be appointed by the President, by and with the advice and consent of the Senate, commissioned for a term of four years, and until his successor shall be appointed and qualified. He shall receive a salary of ten thousand dollars a year. All other persons necessary for the completion, care, management, maintenance, sanitation, government, operation, and protection of the Panama Canal and Canal Zone shall be appointed by the President, or by his authority, removable at his pleasure, and the compensation of such persons shall be fixed by the President, or by his authority, until such time as Congress may by law regulate the same, but salaries or compensation fixed hereunder by the President shall in no instance exceed by more than twenty-five per centum the salary or compensation paid for the same or similar services to persons employed by the Government in continental United States. That upon the completion of the Panama Canal the President shall cause the same to be officially and formally opened for use and operation.

Before the completion of the canal, the Commission of Arts may make report to the President of their recommendation regarding the artistic character of the structures of the canal, such report to be transmitted to Congress.
Sec. 5. That the President is hereby authorized to prescribe and from time to time change the tolls that shall be levied by the Government of the United States for the use of the Panama Canal: Provided, That no tolls, when prescribed as above, shall be changed, unless six months' notice thereof shall have been given by the President by proclamation. No tolls shall be levied upon vessels engaged in the coastwise trade of the United States. That section forty-one hundred and thirty-two of the Revised Statutes is hereby amended to read as follows:

"Sec. 4132. Vessels built within the United States and belonging wholly to citizens thereof; and vessels which may be captured in war by citizens of the United States and lawfully condemned as prize or which may be adjudged to be forfeited for a breach of the laws of the United States; and seagoing vessels, whether steam or sail, which have been certified by the Steamboat-Inspection Service as safe to carry dry and perishable cargo, not more than five years old at the time they apply for registry, wherever built, which are to engage only in trade with foreign countries or with the Philippine Islands and the islands of Guam and Tutuila, being wholly owned by citizens of the United States or corporations organized and chartered under the laws of the United States or of any State thereof, the president and managing directors of which shall be citizens of the United States or corporations organized and chartered under the laws of the United States or of any State thereof, the President and managing directors of which shall be citizens of the United States, and no others, may be registered as directed in this title. Foreign-built vessels registered pursuant to this Act shall not engage in the coastwise trade: Provided, That a foreign-built yacht, pleasure boat, or vessel not used or intended to be used for trade admitted to American registry pursuant to this section shall not be exempt from the collection of ad valorem duty provided in section thirty-seven of the Act approved August fifth, nineteen hundred and nine, entitled 'An Act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.' That all materials of foreign production which may be necessary for the construction or repair of vessels built in the United States and all such materials necessary for the building or repair of their machinery and all articles necessary for their outfit and equipment may be imported into the United States free of duty under such regulations as the Secretary of the Treasury may prescribe: Provided further, That such vessels so admitted under the provisions of this section may contract with the Postmaster General under the Act of March third, eighteen hundred and ninety-one, entitled 'An Act to provide for ocean mail service between the United States and foreign ports, and to promote commerce,' so long as such vessels shall in all respects comply with the provisions and requirements of said act."

Tolls may be based upon gross or net registered tonnage, displacement tonnage, or otherwise, and may be based on one form of tonnage for warships and another for ships of commerce. The rate of tolls may be lower upon vessels in ballast than upon vessels carrying passengers or cargo. When based upon net registered tonnage for ships of commerce the tolls shall not exceed one dollar and twenty-five cents per net registered ton, nor be less, other than for vessels of the United States and its citizens, than the estimated propor-
tionate cost of the actual maintenance and operation of the canal subject, however, to the provisions of article nineteen of the convention between the United States and the Republic of Panama, entered into November eighteenth, nineteen hundred and three. If the tolls shall not be based upon net registered tonnage, they shall not exceed the equivalent of one dollar and twenty-five cents per net registered ton as nearly as the same may be determined, nor be less than the equivalent of seventy-five cents per net registered ton. The toll for each passenger shall not be more than one dollar and fifty cents. The President is authorized to make and from time to time amend regulations governing the operation of the Panama Canal, and the passage and control of vessels through the same or any part thereof, including the locks and approaches thereto, and all rules and regulations affecting pilots and pilotage in the canal or the approaches thereto through the adjacent waters.

Such regulations shall provide for prompt adjustment by agreement and immediate payment of claims for damages which may arise from injury to vessels, cargo, or passengers from the passing of vessels through the locks under the control of those operating them under such rules and regulations. In case of disagreement suit may be brought in the district court of the Canal Zone against the Governor of the Panama Canal. The hearing and disposition of such cases shall be expedited and the judgment shall be immediately paid out of any moneys appropriated or allotted for canal operation.

The President shall provide a method for the determination and adjustment of all claims arising out of personal injuries to employees thereafter occurring while directly engaged in actual work in connection with the construction, maintenance, operation, or sanitation of the canal or of the Panama Railroad, or of any auxiliary canals, locks, or other works necessary and convenient for the construction, maintenance, operation, or sanitation of the canal, whether such injuries result in death or not, and prescribe a schedule of compensation therefor, and may revise and modify such method and schedule at any time; and such claims, to the extent they shall be allowed on such adjustment, if allowed at all, shall be paid out of the moneys hereafter appropriated for that purpose or out of the funds of the Panama Railroad Company, if said company was responsible for said injury, as the case may require. And after such method and schedule shall be provided by the President, the provisions of the Act entitled "An Act granting to certain employees of the United States the right to receive from it compensation for injuries sustained in the course of their employment," approved May thirty-first, nineteen hundred and eight, and of the Act entitled "An Act relating to injured employees on the Isthmian Canal," approved February twenty-fourth, nineteen hundred and nine, shall not apply to personal injuries thereafter received and claims for which are subject to determination and adjustment as provided in this section.

Sec. 6. That the President is authorized to cause to be erected, maintained, and operated, subject to the International Convention and the Act of Congress to regulate radio-communication, at suitable places along the Panama Canal and the coast adjacent to its two terminals, in connection with the operation of said canal, such wireless telegraphic installations as he may deem necessary for the operation, maintenance, sanitation, and protection of said canal, and for other
purposes. If it is found necessary to locate such installations upon territory of the Republic of Panama, the President is authorized to make such agreement with said Government as may be necessary, and also to provide for the acceptance and transmission, by said system, of all private and commercial messages, and those of the Government of Panama, on such terms and for such tolls as the President may prescribe: Provided, That the messages of the Government of the United States and the departments thereof, and the management of the Panama Canal, shall always be given precedence over all other messages. The President is also authorized, in his discretion, to enter into such operating agreements or leases with any private wireless company or companies as may best insure freedom from interference with the wireless telegraphic installations established by the United States. The President is also authorized to establish, maintain, and operate, through the Panama Railroad Company or otherwise, dry docks, repair shops, yards, docks, wharves, warehouses, storehouses, and other necessary facilities and appurtenances for the purpose of providing coal and other materials, labor, repairs, and supplies for vessels of the Government of the United States and, incidentally, for supplying such at reasonable prices to passing vessels, in accordance with appropriations hereby authorized to be made from time to time by Congress as a part of the maintenance and operation of the said canal. Moneys received from the conduct of said business may be expended and reinvested for such purposes without being covered into the Treasury of the United States; and such moneys are hereby appropriated for such purposes, but all deposits of such funds shall be subject to the provisions of existing law relating to the deposit of other public funds of the United States, and any net profits accruing from such business shall annually be covered into the Treasury of the United States. Monthly reports of such receipts and expenditures shall be made to the President by the persons in charge, and annual reports shall be made to the Congress.

Sec. 7. That the governor of the Panama Canal shall, in connection with the operation of such canal, have official control and jurisdiction over the Canal Zone and shall perform all duties in connection with the civil government of the Canal Zone, which is to be held, treated, and governed as an adjunct of such Panama Canal. Unless in this Act otherwise provided all existing laws of the Canal Zone referring to the civil governor or the civil administration of the Canal Zone shall be applicable to the governor of the Panama Canal, who shall perform all such executive and administrative duties required by existing law. The President is authorized to determine or cause to be determined what towns shall exist in the Canal Zone and subdivide and from time to time resubdivide said Canal Zone into subdivisions, to be designated by name or number, so that there shall be situated one town in each subdivision, and the boundaries of each subdivision shall be clearly defined. In each town there shall be a magistrate's court with exclusive original jurisdiction coextensive with the subdivision in which it is situated of all civil cases in which the principal sum claimed does not exceed three hundred dollars, and all criminal cases wherein the punishment that may be imposed shall not exceed a fine of one hundred dollars, or imprisonment not exceeding thirty days, or both, and all violations of police regula-
tions and ordinances and all actions involving possession or title to personal property or the forcible entry and detainer of real estate. Such magistrates shall also hold preliminary investigations in charges of felony and offenses under section ten of this Act, and commit or bail in bailable cases to the district court. A sufficient number of magistrates and constables, who must be citizens of the United States, to conduct the business of such courts, shall be appointed by the governor of the Panama Canal for terms of four years and until their successors are appointed and qualified, and the compensation of such persons shall be fixed by the President, or by his authority, until such time as Congress may by law regulate the same. The rules governing said courts and prescribing the duties of said magistrates and constables, oaths and bonds, the times and places of holding such courts, the disposition of fines, costs, forfeitures, enforcements of judgments, providing for appeals therefrom to the district court, and the disposition, treatment, and pardon of convicts shall be established by order of the President. The governor of the Panama Canal shall appoint all notaries public, prescribe their powers and duties, their official seal, and the fees to be charged and collected by them.

Sec. 8. That there shall be in the Canal Zone one district court with two divisions, one including Balboa and the other including Cristobal; and one district judge of the said district, who shall hold his court in both divisions at such time as he may designate by order, at least once a month in each division. The rules of practice in such district court shall be presented or amended by order of the President. The said district court shall have original jurisdiction of all felony cases, of offenses arising under section ten of this Act, all causes in equity; admiralty and all cases at law involving principal sums exceeding three hundred dollars and all appeals from judgments rendered in magistrates' courts. The jurisdiction in admiralty herein conferred upon the district judge and the district court shall be the same that is exercised by the United States district judges and the United States district courts, and the procedure and practice shall also be the same. The district court or the judge thereof shall also have jurisdiction of all other matters and proceedings not herein provided for which are now within the jurisdiction of the Supreme Court of the Canal Zone, of the Circuit Court of the Canal Zone, the District Court of the Canal Zone, or the judges thereof. Said judge shall provide for the selection, summoning, serving, and compensation of jurors from among the citizens of the United States, to be subject to jury duty in either division of such district, and a jury shall be had in any criminal case or civil case at law originating in said court on the demand of either party. There shall be a district attorney and a marshal for said district. It shall be the duty of the district attorney to conduct all business, civil and criminal, for the Government, and to advise the governor of the Panama Canal on all legal questions touching the operation of the canal and the administration of civil affairs. It shall be the duty of the marshal to execute all process of the court, preserve order therein, and do all things incident to the office of marshal. The district judge, the district attorney, and the marshal shall be appointed by the President, by and with the advice
and consent of the Senate, for terms of four years each, and until their successors are appointed and qualified, and during their terms of office shall reside within the Canal Zone, and shall hold no other office nor serve on any official board or commission nor receive any emoluments except their salaries. The district judge shall receive the same salary paid the district judges of the United States, and shall appoint the clerk of said court, and may appoint one assistant when necessary, who shall receive salaries to be fixed by the President. The district judge shall be entitled to six weeks' leave of absence each year with pay. During his absence or during any period of disability or disqualification from sickness or otherwise to discharge his duties the same shall be temporarily performed by any circuit or district judge of the United States who may be designated by the President, and who, during such service, shall receive the additional mileage and per diem allowed by law to district judges of the United States when holding court away from their homes. The district attorney and the marshal shall be paid each a salary of five thousand dollars per annum.

Sec. 9. That the records of the existing courts and all causes, proceedings, and criminal prosecutions pending therein as shown by the dockets thereof, except as herein otherwise provided, shall immediately upon the organization of the courts created by this Act be transferred to such new courts having jurisdiction of like cases, be entered upon the dockets thereof, and proceed as if they had originally been brought therein, whereupon all the existing courts, except the supreme court of the Canal Zone, shall cease to exist. The President may continue the supreme court of the Canal Zone and retain the judges thereof in office for such time as to him may seem necessary to determine finally any causes and proceedings which may be pending therein. All laws of the Canal Zone imposing duties upon the clerks or ministerial officers of existing courts shall apply and impose such duties upon the clerks and ministerial officers of the new courts created by this Act having jurisdiction of like cases, matters, and duties.

All existing laws in the Canal Zone governing practice and procedure in existing courts shall be applicable and adapted to the practice and procedure in the new courts.

The Circuit Court of Appeals of the Fifth Circuit of the United States shall have jurisdiction to review, revise, modify, reverse, or affirm the final judgments and decrees of the District Court of the Canal Zone and to render such judgments as in the opinion of the said appellate court should have been rendered by the trial court in all actions and proceedings in which the Constitution, or any statute, treaty, title, right, or privilege of the United States, is involved and a right thereunder denied, and in cases in which the value in controversy exceeds one thousand dollars, to be ascertained by the oath of either party, or by other competent evidence, and also in criminal causes wherein the offense charged is punishable as a felony. And such appellate jurisdiction, subject to the right of review by or appeal to the Supreme Court of the United States as in other cases authorized by law, may be exercised by said circuit court of appeals in the same manner, under the same regulations, and by the same procedure as nearly as practicable as is done in reviewing the final judgments and decrees of the district courts of the United States.
Sec. 10. That after the Panama Canal shall have been completed and opened for operation the governor of the Panama Canal shall have the right to make such rules and regulations, subject to the approval of the President, touching the right of any person to remain upon or pass over any part of the Canal Zone as may be necessary. Any person violating any of such rules or regulations shall be guilty of a misdemeanor, and on conviction in the District Court of the Canal Zone shall be punished by a fine not exceeding five hundred dollars or by imprisonment not exceeding a year, or both, in the discretion of the court. It shall be unlawful for any person, by any means or in any way, to injure or obstruct, or attempt to injure or obstruct, any part of the Panama Canal or the locks thereof or the approaches thereto. Any person violating this provision shall be guilty of a felony, and on conviction in the District Court of the Canal Zone shall be punished by a fine not exceeding ten thousand dollars or by imprisonment not exceeding twenty years, or both, in the discretion of the court. If the act shall cause the death of any person within a year and a day thereafter, the person so convicted shall be guilty of murder and shall be punished accordingly.

Sec. 11. That section five of the Act to regulate commerce, approved February fourth, eighteen hundred and eighty-seven, as heretofore amended, is hereby amended by adding thereto a new paragraph at the end thereof, as follows:

"From and after the first day of July, nineteen hundred and fourteen, it shall be unlawful for any railroad company or other common carrier subject to the Act to regulate commerce to own, lease, operate, control, or have any interest whatsoever (by stock ownership or otherwise, either directly, indirectly, through any holding company, or by stockholders or directors in common, or in any other manner) in any common carrier by water operated through the Panama Canal or elsewhere with which said railroad or other carrier aforesaid does or may compete for traffic or any vessel carrying freight or passengers upon said water route or elsewhere with which said railroad or other carrier aforesaid does or may compete for traffic; and in case of the violation of this provision each day in which such violation continues shall be deemed a separate offense."

Jurisdiction is hereby conferred on the Interstate Commerce Commission to determine questions of fact as to the competition or possibility of competition, after full hearing, on the application of any railroad company or other carrier. Such application may be filed for the purpose of determining whether any existing service is in violation of this section and pray for an order permitting the continuance of any vessel or vessels already in operation, or for the purpose of asking an order to install new service not in conflict with the provisions of this paragraph. The commission may on its own motion or the application of any shipper institute proceedings to inquire into the operation of any vessel in use by any railroad or other carrier which has not applied to the commission and had the question of competition or the possibility of competition determined as herein provided. In all such cases the order of said commission shall be final.

If the Interstate Commerce Commission shall be of the opinion that any such existing specified service by water other than through the Panama Canal is being operated in the interest of the public and
is of advantage to the convenience and commerce of the people, and that such extension will neither exclude, prevent, nor reduce competition on the route by water under consideration, the Interstate Commerce Commission may, by order, extend the time during which such service by water may continue to be operated beyond July first, nineteen hundred and fourteen. In every case of such extension the rates, schedules, and practices of such water carrier shall be filed with the Interstate Commerce Commission and shall be subject to the act to regulate commerce and all amendments thereto in the same manner and to the same extent as is the railroad or other common carrier controlling such water carrier or interested in any manner in its operation: Provided, Any application for extension under the terms of this provision filed with the Interstate Commerce Commission prior to July first, nineteen hundred and fourteen, but for any reason not heard and disposed of before said date, may be considered and granted thereafter.

No vessel permitted to engage in the coastwise or foreign trade of the United States shall be permitted to enter or pass through said canal if such ship is owned, chartered, operated, or controlled by any person or company which is doing business in violation of the provisions of the Act of Congress approved July second, eighteen hundred and ninety, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," or the provisions of sections seventy-three to seventy-seven, both inclusive, of an Act approved August twenty-seventh, eighteen hundred and ninety-four, entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes," or the provisions of any other Act of Congress amending or supplementing the said Act of July second, eighteen hundred and ninety, commonly known as the Sherman Antitrust Act, and amendments thereto, or said sections of the Act of August twenty-seventh, eighteen hundred and ninety-four. The question of fact may be determined by the judgment of any court of the United States of competent jurisdiction in any cause pending before it to which the owners or operators of such ship are parties. Suit may be brought by any shipper or by the Attorney General of the United States.

That section six of said Act to regulate commerce, as heretofore amended, is hereby amended by adding a new paragraph at the end thereof, as follows:

"When property may be or is transported from point to point in the United States by rail and water through the Panama Canal or otherwise, the transportation being by a common carrier or carriers, and not entirely within the limits of a single State, the Interstate Commerce Commission shall have jurisdiction of such transportation and of the carriers, both by rail and by water, which may or may engage in the same, in the following particulars, in addition to the jurisdiction given by the Act to regulate commerce, as amended June eighteenth, nineteen hundred and ten:

"(a) To establish physical connection between the lines of the rail carrier and the dock of the water carrier by directing the rail carrier to make suitable connection between its line and a track or tracks which has been constructed from the dock to the limits of its right of way, or by directing either or both the rail and water carrier, individually or in connection with one another, to construct and connect with the lines of the rail carrier a spur track or tracks to the dock."
This provision shall only apply where such connection is reasonably practicable, can be made with safety to the public, and where the amount of business to be handled is sufficient to justify the outlay.

"The commission shall have full authority to determine the terms and conditions upon which these connecting tracks, when constructed, shall be operated, and it may, either in the construction or the operation of such tracks, determine what sum shall be paid to or by either carrier. The provisions of this paragraph shall extend to cases where the dock is owned by other parties than the carrier involved.

"(b) To establish through routes and maximum joint rates between and over such rail and water lines, and to determine all the terms and conditions under which such lines shall be operated in the handling of the traffic embraced.

"(c) To establish maximum proportional rates by rail to and from the ports to which the traffic is brought, or from which it is taken by the water carrier, and to determine to what traffic and in connection with what vessels and upon what terms and conditions such rates shall apply. By proportional rates are meant those which differ from the corresponding local rates to and from the port and which apply only to traffic which has been brought to the port or is carried from the port by a common carrier by water.

"(d) If any rail carrier subject to the Act to regulate commerce enters into arrangements with any water carrier operating from a port in the United States to a foreign country, through the Panama Canal or otherwise, for the handling of through business between interior points of the United States and such foreign country, the Interstate Commerce Commission may require such railway to enter into similar arrangements with any or all other lines of steamships operating from said port to the same foreign country."

The orders of the Interstate Commerce Commission relating to this section shall only be made upon formal complain or in proceedings instituted by the commission of its own motion and after full hearing. The orders provided for in the two amendments to the Act to regulate commerce enacted in this section shall be served in the same manner and enforced by the same penalties and proceedings as are the orders of the commission made under the provisions of section fifteen of the Act to regulate commerce, as amended June eighteenth, nineteen hundred and ten, and they may be conditioned for the payment of any sum or the giving of security for the payment of any sum or the discharge of any obligation which may be required by the terms of said order.

Sec. 12. That all laws and treaties relating to the extradition of persons accused of crime in force in the United States, to the extent that they may not be in conflict with or superseded by any special treaty entered into between the United States and the Republic of Panama with respect to the Canal Zone, and all laws relating to the rendition of fugitives from justice as between the several States and Territories of the United States, shall extend to and be considered in force in the Canal Zone, and of such purposes and such purposes only the Canal Zone shall be considered and treated as an organized Territory of the United States.

Sec. 13. That in time of war in which the United States shall be engaged, or when, in the opinion of the President, war is imminent,
such officer of the Army as the President may designate shall, upon
the order of the President, assume and have exclusive authority and
jurisdiction over the operation of the Panama Canal and all of its
adjuncts, appendants, and appurtenances, including the entire control
and government of the Canal Zone, and during a continuance of such
condition the governor of the Panama Canal shall, in all respects and
particulars as to the operation of such Panama Canal, and all duties,
matters, and transactions affecting the Canal Zone, be subject to the
order and direction of such officer of the Army.

Sec. 14. That this Act shall be known as, and referred to as, the
Panama Canal Act, and the right to alter, amend, or repeal any or all
of its provisions or to extend, modify, or annul any rule or regulation
made under its authority is expressly reserved.

Approved, August 24, 1912.
MEMORANDUM TO ACCOMPANY THE PANAMA CANAL ACT.

In signing the Panama Canal bill, I wish to leave this memorandum. The bill is admirably drawn for the purpose of securing the proper maintenance, operation and control of the canal, and the government of the Canal Zone, and for the furnishing, to all the patrons of the canal, through the Government, of the requisite docking facilities and the supply of coal and other shipping necessities. It is absolutely necessary to have the bill passed at this session, in order that the capital of the world engaged in the preparation of ships to use the canal may know in advance the conditions under which the traffic is to be carried on through this waterway.

I wish to consider the objections to the bill in the order of their importance.

First, the bill is objected to because it is said to violate the Hay-Pauncefote Treaty in discriminating in favor of the coastwise trade of the United States, by providing that no tolls shall be charged to vessels engaged in that trade passing through the canal. This is the subject of a protest by the British Government.

The British protest involves the right of the Congress of the United States to regulate its domestic and foreign commerce in such manner as to the Congress may seem wise, and specifically the protest challenges the right of the Congress to exempt American shipping from the payment of tolls for the use of the Panama Canal, or to refund to such American ships the tolls which they may have paid, and this without regard to the trade in which such ships are employed, whether coastwise or foreign. The protest states "the proposal to exempt all American shipping from the payment of the tolls would in the opinion of His Majesty's Government, involve an infusion of the opinion (Hay-Pauncefote), nor is there, in their opinion, any difference in principle between charging tolls only to refund them and remitting tolls altogether. The result is the same in either case and the adoption of the alternative method of refunding tolls in preference of remitting them, while perhaps complying with the letter of the treaty, would still controvert its spirit." The provision of the Hay-Pauncefote Treaty involved is contained in Article Third, which provides:

The United States adopts, as the basis of the neutralization of such ship canal, the following rules, substantially as embodied in the convention of Constantinople, signed the 28th October, 1888, for the free navigation of the Suez Canal, that is to say:

1. The canal shall be free and open to the vessels of commerce and of war of all nations observing these rules, on terms of entire equality, so that there shall be no discrimination against any such nation, or its citizens or subjects, in respect of the conditions or charges of traffic, or otherwise. Such conditions and charges of traffic shall be just and equitable.

Then follow five other rules to be observed by other nations to make neutralization effective, the observance of which is the condition for the privilege of using the canal.
In view of the fact that the Panama Canal is being constructed by the United States wholly at its own cost, upon territory ceded to it by the Republic of Panama for that purpose, and that unless it has restricted itself the United States enjoys absolute rights of ownership and control, including the right to allow its own commerce the use of the canal upon such terms as it sees fit, the sole question is, has the United States in the language above quoted from the Hay-Pauncefote Treaty deprived itself of the exercise of the right to pass its own commerce free or to remit tolls collected for the use of the canal.

It will be observed that the rules specified in Article 3 of the treaty were adopted by the United States for a specific purpose, namely, as the basis of the neutralization of the canal and for no other purpose. The Article is a declaration of policy by the United States that the canal shall be neutral, that the attitude of this Government towards the commerce of the world is that all nations will be treated alike and no discrimination made by the United States against any one of them observing the rules adopted by the United States. The right to the use of the canal and to equality of treatment in the use depends upon the observance of the conditions of the use by the nations to whom we extended that privilege. The privileges of all nations to whom we extended the use upon the observance of these conditions were to be equal to that extended to any one of them which observed the conditions. In other words, it was a conditional favored nation treatment, the measure of which in the absence of express stipulation to that effect, is not what the country gives to its own nationals, but the treatment it extends to other nations.

Thus it is seen that the rules are but a basis of neutralization, intended to effect the neutrality which the United States was willing should be the character of the canal and not intended to limit or hamper the United States in the exercise of its sovereign power to deal with its own commerce using its own canal in whatsoever manner it saw fit.

If there is no "difference in principle between the United States charging tolls to its own shipping only to refund them and remitting tolls altogether," as the British protest declares, then the irresistible conclusion is that the United States, although it owns, controls and has paid for the canal is restricted by treaty from aiding its own commerce in the way that all the other nations of the world may freely do. It would scarcely be claimed that the setting out in a treaty between the United States and Great Britain of certain rules adopted by the United States as the basis of the neutralization of the canal would bind any government to do or refrain from doing anything other than the things required by the rules to insure the privilege of use and freedom from discrimination. Since the rules do not provide as a condition for the privilege of use upon equal terms with other nations that other nations desiring to build up a particular trade involving the use of the canal shall not either directly agree to pay the tolls or to refund to its ships the tolls collected for the use of the canal, it is evident that the treaty does not affect that inherent, sovereign right, unless, which is not likely, it be claimed that the promulgation by the United States of these rules insuring all nations against its discrimination, would authorize the
United States to pass upon the action of other nations and require that no one of them should grant to its shipping larger subsidies or more liberal inducement for the use of the canal than were granted by others. In other words, that the United States has the power to equalize the practice of other nations in this regard.

If it is correct then to assume that there is nothing in the Hay-Pauncefote Treaty preventing Great Britain and the other nations from extending such favors as they may see fit to their shipping using the canal, and doing it in the way they see fit, and if it is also right to assume that there is nothing in the treaty that gives the United States any supervision over, or right to complain of such action, then the British protest leads to the absurd conclusion that this Government in constructing the canal, maintaining the canal, and defending the canal, finds itself shorn of its right to deal with its own commerce in its own way, while all other nations using the canal in competition with American commerce enjoys that right and power unimpaired.

The British protest, therefore, is a proposal to read into the treaty a surrender by the United States of its right to regulate its own commerce in its own way and by its own methods, a right which neither Great Britain herself, nor any other nation that may use the canal, has surrendered or proposes to surrender. The surrender of this right is not claimed to be in terms. It is only to be inferred from the fact that the United States has conditionally granted to all the nations the use of the canal without discrimination by the United States between the grantees, but as the treaty leaves all nations desiring to use the canal with full right to deal with their own vessels as they see fit, the United States would only be discriminating against itself if it were to recognize the soundness of the British contention.

The bill here in question does not positively do more than to discriminate in favor of the coastwise trade, and the British protest seems to recognize a distinction between such exemption and the exemption of American vessels engaged in foreign trade. In effect, of course, there is a substantial and practical difference. The American vessels in foreign trade come into competition with vessels of other nations in that same trade, while foreign vessels are forbidden to engage in the American coastwise trade. While the bill here in question seems to vest the President with discretion to discriminate in fixing tolls in favor of American ships and against foreign ships engaged in foreign trade, within the limitation of the range from fifty cents a ton to $1.25 a net ton, there is nothing in the act to compel the President to make such a discrimination. It is not, therefore, necessary to discuss the policy of such discrimination until the question may arise in the exercise of the President's discretion.

The policy of exempting the coastwise trade from all tolls really involves the question of granting a Government subsidy for the purpose of encouraging that trade in competition with the trade of the trans-continental railroads. I approve this policy. It is in accord with the historical course of the Government in giving government aid to the construction of the trans-continental roads. It is now merely giving Government aid to a means of transportation that competes with those trans-continental roads.
Second, the bill permits the registry of foreign-built vessels as vessels of the United States for foreign trade, and it also permits the admission, without duty, of materials for the construction and repair of vessels in the United States. This is objected to on the ground that it will interfere with the ship-building interests of the United States. I can not concur in this view. The number of vessels of the United States engaged in foreign trade is so small that the work done by the present shipyards is almost wholly that of constructing vessels for the coastwise trade or government vessels. In other words, there is substantially no business for building ships in the foreign trade in the shipyards of the United States which will be injured by this new provision. It is hoped that this registry of foreign-built ships in American foreign trades will prove to be a method of increasing our foreign shipping. The experiment will hurt no interest of ours, and we can observe its operation. If it proves to extend our commercial flag to the high seas, it will supply a long-felt want.

Third. Section 5 of the interstate commerce act is amended by forbidding railroad companies to own, lease, operate, control or have any interest in any common carrier by water operated through the Panama Canal, with which such railroad or other carrier does or may compete for traffic. I have twice recommended such restriction as to the Panama Canal. It was urged upon me that the Interstate Commerce Commission might control the trade so as to prevent an abuse from the joint ownership of railroads and of Panama steamships competing with each other, and, therefore, that this radical provision was not necessary. Conference with the Interstate Commerce Commission, however, satisfied me that such control would not be as effective as this restriction. The difficulty is that the interest of the railroad company is so much larger in its railroad and in the maintenance of its railroad rates than in making a profit out of the steamship line that it can afford temporarily to run its vessels for nearly nothing, in order to drive out of the business, independent steamship lines and thus obtain complete control of the shipping in the trade through the canal and regulate the rates according to the interest of the railroad company. Jurisdiction is conferred on the Interstate Commerce Commission finally to determine the question of fact as to the competition or possibility of competition of the water carrier with the railroad, and this may be done in advance of any investment of capital.

Fourth. The effect of the amendment of Section 5 of the Interstate Commerce Act also is extended so as to make it unlawful for railroad companies owning or controlling lines of steamships in any other part of the jurisdiction of the United States to continue to do so, and as to such railroad companies and such water carriers, the Interstate Commerce Commission is given the duty and power not only finally to determine the question of competition or possibility of competition, but also to determine "that the specified service by water is being operated in the interest of the public and is of advantage to the convenience and commerce of the people, and that such extension will neither exclude, prevent, nor reduce competition on the route by water under consideration"; and if it finds this to be the case, to extend the time during which such service by water may
continue beyond the date fixed in the act for its first operation, to wit, July 1, 1914. Whenever the time is extended, then the water carrier, its rates and schedules and practices are brought within the control of the Interstate Commerce Commission. How far it is within the power of Congress to delegate to the Interstate Commerce Commission such wide discretion, it is unnecessary now to discuss. There is ample time between now and the time of this provision of the act's going into effect to have the matter examined by the Supreme Court, or to change the form of the legislation, should it be deemed necessary. Certainly the suggested invalidity of this section, if true, would not invalidate the entire act, the remainder of which may well stand without regard to this provision.

Fifth. The final objection is to a provision which prevents the owner of any steamship who is guilty of violating the anti-trust law from using the canal. It is quite evident that this section applies only to those vessels engaged in the trade in which there is a monopoly contrary to our Federal statute, and it is a mere injunctive process against the continuance of such monopolistic trade. It adds the penalty of denying the use of the canal to a person or corporation violating the anti-trust law. It may have some practical operation where the business monopolized is transportation by ships, but it does not become operative to prevent the use of the canal until the decree of the court shall have established the fact of the guilt of the owner of the vessel. While the penalties of the anti-trust law seem to me to be quite sufficient already, I do not know that this new remedy against a particular kind of a trust may not sometimes prove useful.

In a message sent to Congress, after this bill had passed both Houses, I ventured to suggest a possible amendment by which all persons, and especially all British subjects, who felt aggrieved by the provisions of the bill, on the ground that they are in violation of the Hay-Pauncefote Treaty, might try that question in the Supreme Court of the United States. I think this would have satisfied those who oppose the view which Congress evidently entertains of the treaty, and might avoid the necessity for either diplomatic negotiation or further decision by an arbitral tribunal. Congress, however, has not thought it wise to accept the suggestion, and, therefore, I must proceed in the view, which I have expressed and am convinced is the correct one, as to the proper construction of the treaty and the limitations which it imposes upon the United States. I do not find that the bill here in question violates those limitations.

On the whole, I believe the bill to be one of the most beneficial that has passed this or any other Congress, and I find no reason in the objections made to the bill which should lead me to delay until another session of Congress, provisions that are imperatively needed now in order that due preparation by the world may be made for the opening of the canal.

Wm H Taft

The White House, August 24, 1912.
No. 10.

PRESIDENT’S PROCLAMATION RELATING TO CANAL TOLL RATES.

[No. 1225.]

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

I, WILLIAM HOWARD TAFT, President of the United States of America, by virtue of the power and authority vested in me by the Act of Congress, approved August twenty-fourth, nineteen hundred and twelve, to provide for the opening, maintenance, protection and operation of the Panama Canal and the sanitation and government of the Canal Zone, do hereby prescribe and proclaim the following rates of toll to be paid by vessels using the Panama Canal:

1. On merchant vessels carrying passengers or cargo one dollar and twenty cents ($1.20) per net vessel ton—each one hundred (100) cubic feet—of actual earning capacity.

2. On vessels in ballast without passengers or cargo forty (40) percent less than the rate of tolls for vessels with passengers or cargo.

3. Upon naval vessels, other than transports, colliers, hospital ships and supply ships, fifty (50) cents per displacement ton.

4. Upon army and navy transports, colliers, hospital ships and supply ships one dollar and twenty cents ($1.20) per net ton, the vessels to be measured by the same rules as are employed in determining the net tonnage of merchant vessels.

The Secretary of War will prepare and prescribe such rules for the measurement of vessels and such regulations as may be necessary and proper to carry this proclamation into full force and effect.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington this thirteenth day of November in the year of our Lord one thousand nine hundred and twelve and of the independence of the United States the one hundred and thirty-seventh.

[Seal.]

By the President:

WM H TAFT

P.C. KNOX

Secretary of State.

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No. 11.

PRESIDENT'S MESSAGE GIVING CORRESPONDENCE ON REVOLUTION ON THE Isthmus of Panama.

[House Document No. 8, Fifty-eighth Congress, first session.]

CORRESPONDENCE, ETC., RELATING TO THE RECENT REVOLUTION ON THE Isthmus of Panama.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING, IN RESPONSE TO RESOLUTION OF THE HOUSE OF REPRESENTATIVES OF NOVEMBER 3, 1903, ALL CORRESPONDENCE AND OTHER OFFICIAL DOCUMENTS RELATING TO THE RECENT REVOLUTION ON THE Isthmus OF PANAMA.

[November 16, 1903: Message and accompanying papers referred to the Committee on Foreign Affairs and ordered to be printed.]

To the House of Representatives:

In response to a resolution of the House of Representatives of November 9, 1903, requesting the President "to communicate to the House if not, in his judgment, incompatible with the interests of the public service, all correspondence and other official documents relating to the recent revolution on the Isthmus of Panama," I transmit herewith copies of the papers called for.

THEODORE ROOSEVELT.

White House, Washington, November 16, 1903.

The President:

The Secretary of State, to whom was referred a copy of the resolution of the House of Representatives of November 9, 1903, requesting copies of all correspondence and other official documents relating to the recent revolution on the Isthmus of Panama, has the honor to lay before the President copies of the correspondence from and to the Department of State on the subject.

Respectfully submitted.

JOHN HAY.

Department of State,
Washington, November 13, 1903.

CORRESPONDENCE BETWEEN THE DEPARTMENT OF STATE AND THE UNITED STATES CONSULATE GENERAL AT PANAMA.

A press bulletin having announced an outbreak on the Isthmus, the following cablegram was sent both to the consulate general at Panama and the consulate at Colon:

DEPARTMENT OF STATE,
Washington, November 3, 1903.
(Sent 3.40 p. m.)

Uprising on Isthmus reported. Keep department promptly and fully informed.

LOOMIS, Acting.
Mr. Ehrman to Mr. Hay.

PANAMA, November 3, 1903.
(Received 8.15 p. m.)
No uprising yet. Reported will be in the night. Situation is critical.
EHRMAN.

Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 3, 1903.
(Received 9.50 p. m.)
Uprising occurred to-night, 6; no bloodshed. Army and navy officials taken prisoners. Government will be organized to-night, consisting three consuls, also cabinet. Soldiers changed. Supposed same movement will be effected in Colon. Order prevails so far. Situation serious. Four hundred soldiers landed Colon to-day Barranquilla.
EHRMAN.

Mr. Loomis to Mr. Ehrman.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 3, 1903.
(Sent 11.18 p. m.)
Message sent to Nashville to Colon may not have been delivered. Accordingly see that following message is sent to Nashville immediately:

NASHVILLE, Colon:
In the interests of peace make every effort to prevent Government troops at Colon from proceeding to Panama. The transit of the Isthmus must be kept open and order maintained. Acknowledge.
(Signed) DARLING, Acting.

Secure special train, if necessary. Act promptly.
LOOMIS, Acting.

Mr. Loomis to Mr. Ehrman.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 4, 1903.
(Sent 12.02 p. m.)
Communicate with commander of gunboat Bogota and state plainly that this Government being responsible for maintaining peace and keeping transit open across Isthmus desires him to refrain from wantonly shelling the city. We shall have a naval force at Panama in two days, and are now ordering men from the Nashville to Panama in the interests of peace.
LOOMIS, Acting.
Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 4, 1903.
(Received 7.10 p. m.)


EHRMAN.

Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 4, 1903.
(Received 9.50 a. m.)

Cables Nashville received. Nashville notified. Troops will not be moved. Last night gunboat Bogota fired several shells on city; one Chinaman killed. Bogota threatens bombard city to-day.

EHRMAN.

Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 5, 1903.
(Received 12.50 p. m.)

Received an official circular letter from the committee of the provisional government saying that on 4th political move occurred, and the Department of Panama withdraws from the Republic of the United States of Colombia and formed the Republic of Panama.

Requested to acknowledge the receipt of circular letter.

EHRMAN.

Mr. Loomis to Mr. Ehrman.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 5, 1903.
(Sent 3.15 p. m.)

Acknowledge the receipt of circular letter and await instructions before taking any further action in this line.

LOOMIS, Acting.

Mr. Loomis to Mr. Ehrman.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 5, 1903.
(Sent 5.09 p. m.)

Keep department informed as to situation.

LOOMIS, Acting.
Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 5, 1903.
(Received 9.42 p. m.)

Colombian troops reembarked per Royal Mail for Carthagena. Bogota supposed at Buenaventura. Quiet prevails.

EHRMAN.

Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 6, 1903.
(Received 11.55 a. m.)

The situation is peaceful. Isthmian movement has obtained so far success. Colon and interior provinces have enthusiastically joined independence. Not any Colombian soldiers known on isthmian soil at present. Padilla equipped to pursue Bogota. Buneau Varilla has been appointed officially confidential agent of the Republic of Panama at Washington.

EHRMAN.

Mr. Hay to Mr. Ehrman.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 6, 1903.
(Sent 12.51 p. m.)

The people of Panama have, by an apparently unanimous movement, dissolved their political connection with the Republic of Colombia and resumed their independence. When you are satisfied that a de facto government, republican in form, and without substantial opposition from its own people, has been established in the State of Panama, you will enter into relations with it as the responsible government of the territory and look to it for all due action to protect the persons and property of citizens of the United States and to keep open the isthmian transit in accordance with the obligations of existing treaties governing the relation of the United States to that territory.

Communicate above to Malmros, who will be governed by these instructions in entering into relations with the local authorities.

HAY.

Mr. Hay to Mr. Ehrman.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 6, 1903.
(Sent 2.45 p. m.)

I send, for your information and guidance in the execution of the instructions cabled to you to-day, the text of a telegram dispatched this day to the United States minister at Bogota:

The people of Panama having by an apparently unanimous movement dissolved their political connection with the Republic of Colombia and resumed
their independence, and having adopted a government of their own, republican in form, with which the Government of the United States of America has entered into relations, the President of the United States, in accordance with the ties of friendship which have so long and so happily existed between the respective nations, most earnestly commends to the Governments of Colombia and of Panama the peaceful and equitable settlement of all questions at issue between them. He holds that he is bound, not merely by treaty obligations, but by the interests of civilization, to see that the peaceful traffic of the world across the Isthmus of Panama shall not longer be disturbed by a constant succession of unnecessary and wasteful civil wars.

Hay.

Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 6, 1903.
(Received 7.23 p. m.)

Filippe Bunau Varilla has been appointed envoy extraordinary and minister plenipotentiary to the United States of America. Perfect quiet.

Ehrman.

Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 8, 1903.
(Received 11.23 p. m.)

It is reported that Colombian authorities have detained English steamers Manavi and Quito at Buenaventura. Supposed to be to bring troops to the Isthmus.

Ehrman.

Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 7, 1903.
(Received 12.20 p. m.)

I have communicated to Panama Government that they will be held responsible for the protection of the persons and property of citizens of the United States, as well as to keep the isthmian transit free in accordance with obligations of existing treaties relative to the isthmian territory.

Ehrman.

Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 10, 1903.
(Received 1.35 p. m.)

Federico Boyd, a member of the Committee of the Government, Amador Guerrero, both delegates, on the way to Washington to arrange in satisfactory manner to the United States the canal treaty
and other matters. Pablo Arosemena, attorney, proceeds next steamer. English steamers were not held at Buenaventura. Gunboat Bogota has left Buenaventura.

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Mr. Loomis to Mr. Ehrman.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 10, 1903.
(Sent 3.42 p. m.)

Keep in touch with commander of United States naval forces at Panama, advising him concerning news bearing on military situation.

LOOMIS, Acting.

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Mr. Ehrman to Mr. Hay.

[Telegram.]

PANAMA, November 11, 1903.
(Received 5.32 p. m.)

I am officially informed that Bunau Varilla is the authorized party to make treaties. Boyd and Amador have other missions and to assist their minister.

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CORRESPONDENCE BETWEEN THE DEPARTMENT OF STATE AND THE UNITED STATES CONSULATE AT COLON.

Mr. Malmros to Mr. Hay.

[Telegram.]

Colon, November 3, 1903.
(Received 2.35 p. m.)

Revolution imminent. Government force on the Isthmus about 500 men. Their official promised support revolution. Fire department Panama, 441, are well organized and favor revolution. Government vessel, Cartagena, with about 400 men, arrived early to-day with new commander in chief, Tobar. Was not expected until November 10. Tobar’s arrival is not probable to stop revolution.

MALMROS.

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Mr. Loomis to Mr. Malmros.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 3, 1903.
(Sent 4 p. m.)

Are troops from the vessel Cartagena disembarking or preparing to land?

LOOMIS.
Mr. Loomis to Mr. Malmros.

[Telegram.]
DEPARTMENT OF STATE,
Washington, November 3, 1903.
(Sent 4.28 p. m.)

Did you receive and deliver to Nashville last night or early this morning a message?

LOOMIS, Acting.

Mr. Malmros to Mr. Hay.

[Telegram.]
COLON, November 3, 1903.
(Received 8.20 p. m.)

Troops from vessel Cartagena have disembarked; are encamping on Pacific dock awaiting orders to proceed to Panama from commander in chief, who went there this morning. No message for Nashville received.

MALMROS.

Mr. Loomis to Mr. Malmros.

[Telegram.]
DEPARTMENT OF STATE,
Washington, November 3, 1903.
(Sent 8.45 p. m.)

The troops which landed from the Cartagena should not proceed to Panama.

LOOMIS, Acting.

Mr. Loomis to Mr. Malmros.

[Telegram.]
DEPARTMENT OF STATE,
Washington, November 3, 1903.
(Sent 10.10 p. m.)

An important message was sent at 6 Monday night in your care for the Nashville. Make all possible effort to get it.

LOOMIS.

Mr. Hay to Mr. Malmros.

[Telegram.]
DEPARTMENT OF STATE,
Washington, November 3, 1903.
(Sent 10.30 p. m.)

If dispatch to Nashville has not been delivered inform her captain immediately that she must prevent Government troops departing for
Panama or taking any action which would lead to bloodshed, and must use every endeavor to preserve order on Isthmus.  

HAY.

Mr. Malmros to Mr. Hay.

[Telegram.]

COLON, November 4, 1903.  
(Received 3.35 p. m.)

Met captain of Nashville at 6 p. m. yesterday. Heard that message had been delivered to captain boat alongside of wharf instead of to me. No rebels or invading force near Panama or Colon or line of transit. Panama intended revolutionary movement known here to few persons only, up to 8 a. m. to-day. Revolutionary committee of six in Panama at 6 p. m. took charge of revolutionary movement. General Tobar and five officers taken prisoners. Panama in possession of committee with consent of entire population. This fact appears not known as yet to conservatives in Colon. Panama committee expect to have 1,500 men armed by this time. State of affairs at Panama not known by Colombian force at Colon as yet. Official in command of disembarked force applied for transportation this morning. Captain meanwhile communicated to committee about 10 p. m. last night his refusal to allow train with force to be sent to Panama and the committee assented. This leaves Colon in the possession of the Government.

Malmros.

Mr. Malmros to Mr. Hay.

[Telegram.]

COLON, November 5, 1903.  
(Received 11.50 a. m.)

On arrival yesterday morning's train Panama revolution and Tobar's imprisonment became generally known; 12.30 commander Colombian troops threatens to kill every American unless Tobar released by 2 p. m. Provisional Government informed these facts. Nashville landed 50 men; stationed in and near railroad office where Americans, armed, met. Negotiations Colombian commander and Panama Government commenced and progressing. Hostilities suspended. Colombians occupy Colon and Monkey Hill.

Malmros.

Mr. Loomis to Mr. Malmros.

[Telegram.]

DEPARTMENT OF STATE,  
Washington, November 5, 1903.  
(Sent 5.10 p. m.)

What is the situation this evening?  

LOOMIS, Acting.
Mr. Malmros to Mr. Hay.

[Telegram.]

Colon, November 5, 1903.
(Received 9.34 p. m.)

All Colombian soldiers at Colon now, 7 p. m., going on board Royal Mail steamer returning to Cartagena. Vessel, supposed to be Dixie, in sight.

Malmros.

Mr. Malmros to Mr. Hay.

[Telegram.]

Colon, November 6, 1903.
(Received 4.50 p. m.)

Tranquillity absolute in Colon. Porfirio Melendez appointed governor of this province. Proclaimed Republic of Panama at Colon prefectura at 10 o'clock a. m. English and French consuls present. I arrived after proclamation, and upon my suggestion I told governor that presence of consuls must not be looked upon as recognition of revolutionary state by their respective Governments. Melendez sent steam launch to Bocas del Toro to proclaim independence.

Malmros.

Communications from the Panama Government.

[Telegram—Translation.]

Panama, November 4, 1903.
(Received 8.45 p. m.)

Secretary of State, Washington:

We take the liberty of bringing to the knowledge of your Government that on yesterday afternoon, in consequence of a popular and spontaneous movement of the people of this city, the independence of the Isthmus was proclaimed and, the Republic of Panama being instituted, its provisional government organizes an (executive) board consisting of ourselves, who are assured of the military strength necessary to carry out our determination.

José A. Arango,
Federico Boyd,
Tomas Arias.

[Telegram.—Translation.]

Panama, November 4, 1903.
(Received 10.30 p. m.)

A. Su Excelencia Presidente de los Estados Unidos,
Washington:

The municipality of Panama is now (10 p. m.) holding a solemn session, and joins in the movement of separation of the Isthmus of 42112—S. Doc. 474, 63-2—23
Panama from the rest of Colombia. It hopes for the recognition of our cause by your Government.                                             

Demetrio S. Brida.

[Telegram.—Translation.]

Panama, November 5, 1903.  
(Received 8.48 p.m.)

Secretary of State, Washington:  
We notify you that we have appointed Sr. Philippe Bunau-Varilla confidential agent of the Republic of Panama near your Government and Dr. Francisco V. de la Espriella minister of foreign affairs.

Arango.  
Boyd.  
Arias.

[Telegram.—Translation.]

Panama, November 6, 1903.  
(Received 10.40 a.m.)

Secretary of State, Washington:  
Colon and all the towns of the Isthmus have adhered to the declaration of independence proclaimed in this city. The authority of the Republic of Panama is obeyed throughout its territory.

Arango.  
Arias.  
Boyd.

[Telegram.—Translation.]

Panama, November 6, 1903.

Secretary of State, Washington:  
The board of provisional government of the Republic of Panama has appointed Sr. Philippe Bunau-Varilla envoy extraordinary and minister plenipotentiary near your Government with full powers to conduct diplomatic and financial negotiations. Deign to receive and heed him.

J. M. Arango,  
Tomas Arias,  
Federico Boyd,  
Foreign Relations.

[Telegram.—Translation.]

New York, November 7, 1903.  
(Received 1.40 p.m.)

His Excellency John Hay, Secretary of State:  
I have the privilege and the honor of notifying you that the Government of the Republic of Panama have been pleased to designate me as its envoy extraordinary and minister plenipotentiary near the Government of the United States. In selecting for its first represen-
tative at Washington a veteran servant and champion of the Panama Canal, my Government has evidently sought to show that it considers a loyal and earnest devotion to the success of that most heroic conception of human genius as both a solemn duty and the essential purpose of its existence. I congratulate myself, sir, that my first official duty should be to respectfully request you to convey to His Excellency the President of the United States on behalf of the people of Panama an expression of the grateful sense of their obligation to his Government. In extending her generous hand so spontaneously to her latest born, the Mother of the American Nations is prosecuting her noble mission as the liberator and the educator of the peoples. In spreading her protecting wings over the territory of our Republic the American Eagle has sanctified it. It has rescued it from the barbarism of unnecessary and wasteful civil wars to consecrate it to the destiny assigned to it by Providence, the service of humanity, and the progress of civilization.

PHILIPPE BUNAU VARILLA.

CORRESPONDENCE BETWEEN THE DEPARTMENT OF STATE AND THE UNITED STATES LEGATION AT BOGOTA.

Mr. Beaupré to Mr. Hay.

[Telegram.]

BOGOTA, November 4, 1903.
(Received November 6, 1903, 5 p. m.)

Fourth, 5 p. m. Confidential. I have been shown telegram from reliable source in Panama to the effect that Isthmus is preparing for secession and that proclamation of independence may be expected soon. The particulars carefully guarded. Reliable information hard to obtain. This Government is evidently alarmed and troops are being sent to Isthmus. Repeat telegrams of importance from United States consul general. His telegrams to me may be interfered with.

Beaupré.

Mr. Hay to Mr. Beaupré.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 6, 1903.

The people of Panama having by an apparently unanimous movement dissolved their political connection with the Republic of Colombia and resumed their independence, and having adopted a government of their own—republican in form—with which the Government of the United States of America has entered into relations, the President of the United States, in accordance with the ties of friendship which have so long and so happily existed between the respective nations, most earnestly commends to the Governments of Colombia and of Panama the peaceful and equitable settlement of all
questions at issue between them. He holds that he is bound not merely by treaty obligations but by the interests of civilization, to see that the peaceful traffic of the world across the Isthmus of Panama shall not longer be disturbed by a constant succession of unnecessary and wasteful civil wars.

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Mr. Beaupré to Mr. Hay.

[Telegram.]

BOGOTA, November 6, 1903.
(Received November 8—11.05 p. m.)

November 6, 6 p. m. Knowing that the revolution has already commenced in Panama, says that if the Government of the United States will land troops to preserve Colombian sovereignty, and the transit, if requested by the Colombian chargé d'affaires, this Government will declare martial law, and by virtue of vested constitutional authority, when public order is disturbed, will approve by decree the ratification of the canal treaty as signed; or, if the Government of the United States prefers, will call extra session of Congress with new and friendly members next May to approve the treaty. General Reyes has the perfect confidence of Vice President, he says, and if it becomes necessary will go to the Isthmus or send representatives there to adjust matters along above lines to the satisfaction of the people there. If he goes he would like to act in harmony with the commander of the United States forces. This is the personal opinion of Reyes, and he will advise this Government to act accordingly. There is a great reaction of public opinion in favor of the treaty, and it is considered certain that the treaty was not legally rejected by Congress. To-morrow martial law will be declared; 1,000 troops will be sent from the Pacific side; about the same number from the Atlantic side. Please answer by telegraph.

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Mr. Beaupré to Mr. Hay.

[Telegram.]

BOGOTA, November 7, 1903.
(Received November 10—7.30 p. m.)

November 7, 2 p. m. General Reyes leaves next Monday for Panama, invested with full powers. He has telegraphed chiefs of the insurrection that his mission is to the interests of Isthmus. He wishes answer from you, before leaving, to the inquiry in my telegram of yesterday, and wishes to know if the American commander will be ordered to cooperate with him and with new Panama Government to arrange peace and the approval of canal treaty, which will be accepted on condition that the integrity of Colombia be preserved. He has telegraphed President of Mexico to ask the Government of the United States and all the countries represented at
the Pan-American conference to aid Colombia to preserve her integrity. The question of the approval of the treaty mentioned in my telegram of yesterday will be arranged in Panama. He asks that before taking definite action you will await his arrival there, and that the Government of the United States in the meantime preserve the neutrality and transit of the Isthmus and do not recognize the new Government. Great excitement here. Martial law has been declared in the Cauca and Panama. Answer.

Beaupré.

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Mr. Beaupré to Mr. Hay.

[Telegram.]

BOGOTA, November 7, 1903.

(Received November 10, 7.55 p. m.)

November 7, 6 p. m. As the Government of the United States has war vessels at Panama and Colon, minister for foreign affairs has requested me to ask, Will you allow Colombian Government to land troops at those ports to fight there and on the line of railway? Also if the Government of the United States will take action to maintain Colombian right and sovereignty on the Isthmus in accordance with article 35, the treaty of 1846, in case the Colombian Government is entirely unable to suppress the secession movement there?

I am entirely unable to elicit from minister for foreign affairs confirmation of the promises made by ——— ———.

Beaupré.

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Mr. Beaupré to Mr. Hay.

[Telegram.]

BOGOTA, November 9, 1903.

(Received November 11, 12.30 a. m.)

November 9, 9 a.m. I am desired to inform you by General Reyes that Gen. Bedronel Ospina and Lucas Cabellero, prominent party leaders, accompany him on his mission.

Very great excitement here. Large crowds paraded streets yesterday, crying “Down with Marroquin.” Mass meeting denounced him; called for a change of government. Hundreds gathered at the palace, and their orator, a prominent national general, addressed the President, calling for his resignation. Troops dispersed gathering, wounding several. Martial law is declared here, and the city is being guarded by soldiers. Legation of the United States under strong guard, but apparently no indications of hostile demonstration.

The residence of Lorenzo Marroquin attacked with stones.

Referring to the questions presented by minister for foreign affairs in my telegram of 7th, I have preserved silence, but bear in mind page 578, Foreign Relations, part 3, 1866. and instructions 134 to minister to the United States of Colombia, 1865.

Beaupré.
Mr. Hay to Mr. Beaupré.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 11, 1903.
(Sent 12.12 p. m.)

Earnestly desiring an amicable solution of matters at issue between Colombia and Panama, we have instructed our consul general at Panama to use good offices to secure for General Reyes a courteous reception and considerate hearing. It is not thought desirable to permit landing of Colombian troops on Isthmus, as such a course would precipitate civil war and disturb for an indefinite period the free transit which we are pledged to protect. I telegraphed you on November 6 that we had entered into relations with the provisional government.

Hay.

CORRESPONDENCE BETWEEN THE SECRETARY OF STATE AND THE CHARGÉ D'AFFAIRES OF COLOMBIA.

Mr. Hay to Doctor Herran.

DEPARTMENT OF STATE,
Washington, November 6, 1903.

DEAR DOCTOR HERRAN: I inclose copy of a dispatch which has today been sent to our minister at Bogota.

Very sincerely, yours.

John Hay.

[Inclosure.]

Mr. Hay to Mr. Beaupré.

[Telegram.]

November 6, 1903.

Beaupré, Bogota:

The people of Panama having by an apparently unanimous movement dissolved their political connection with the Republic of Colombia and resumed their independence, and having adopted a government of their own, republican in form, with which the Government of the United States of America has entered into relations, the President of the United States, in accordance with the ties of friendship which have so long and so happily existed between the respective nations, most earnestly commends to the Governments of Colombia and Panama the peaceful and equitable settlement of all questions at issue between them. He holds that he is bound not merely by treaty obligations, but by the interests of civilization, to see that the peaceable traffic of the world across the Isthmus of Panama shall not longer be disturbed by a constant succession of unnecessary and wasteful civil wars.

Hay.
Dr. Herran to Mr. Hay.

[Translation.]

Legation of Colombia,
Washington, D. C., November 7, 1903.

EXCELLENCE: I acknowledge the reception of your excellency's note of the 6th instant, inclosing a copy of the telegram sent on the same day to the legation of the United States at Bogota by the Department of State.

In that telegram your excellency refers to the relations already entered into by the Government of the United States of America with the Colombian rebels who on the evening of the 3d usurped the power in the capital of the Colombian Department of Panama and imprisoned the lawful civil and military authorities.

Your excellency will undoubtedly receive the reply of the Colombian Government through the same channel that was used to forward the notice of which your excellency was pleased to send me a copy, but, in the meanwhile, I am discharging a duty by lodging in advance with your excellency, in the name of my Government, a solemn protest against the attitude assumed in the Department of Panama by the Government of the United States to the injury of Colombia's rights and in accord with the stipulations of article 35 of the still existing treaty of 1846-1848 between Colombia and the United States of America.

I reiterate, etc.,

Tomas Herran.

Mr. Hay to Dr. Herran.

No. 22.]

Department of State,
Washington, November 11, 1903.

Sir: I have the honor to acknowledge the receipt of your note of the 7th instant, in which, acknowledging my communication of the 6th instant, you are pleased, of your own motion and in the absence of instructions from your Government, to lodge a protest against the attitude assumed by the Government of the United States in respect to the situation on the Isthmus of Panama.

Accept, sir, etc.,

John Hay.

Mr. Tower to Mr. Hay.

[Telegram.]

Embassy of the United States,
Berlin, November 10, 1903.
(Received 5.40 p. m.)

In regard to the report telegraphed from New York that the Colombian consul general there had declared that Colombian citizens had petitioned the Colombian Government to send a deputation to thank the German Government for its offered protection and to make concessions of land to Germany therefor, I have just received the assur-
ance of the German minister for foreign affairs that there is no truth whatever in this report. He added that Germany has no interest in the Panama matter, and that the question of an interference on the part of Germany does not exist.

Tower.

Mr. Porter to Mr. Hay.

[Telegram.]

Embassy of the United States,

Paris, November 11, 1903.

(Received 3.50 p.m.)

The French generally are much pleased with events in Panama and our attitude there. In conversation with minister for foreign affairs he expressed himself in very sympathetic manner. Has authorized French consul at Panama to enter into relations with de facto government. Recognition will no doubt follow in time, and it seems to be disposition of European powers to await formal recognition by the United States before acting.

Porter.

RECEPTION OF MINISTER OF PANAMA.

Mr. Varilla to Mr. Hay.

[Translation.]

Legation of the Republic of Panama,

Washington, November 11, 1903.

Mr. Secretary of State:

I have the very great honor to bring to your knowledge the fact that the Republic of Panama has designated me to fill, near the Government of the United States of America, the post of envoy extraordinary and minister plenipotentiary, with full powers to negotiate.

While begging you, Mr. Secretary of State, to transmit to His Excellency the President of the Republic of the United States the substance of the present communication, I venture to ask you to solicit from his kindness the appointment of a date on which he will authorize me to present to him my letters of credence.

I have, etc.,

P. BUNAU VARILLA.

Mr. Loomis to Mr. Varilla.

No. 1.]

Department of State,

Washington, November 12, 1903.

Sir: I have the honor to acknowledge the receipt of your note of the 11th instant, in which you advise me that the Republic of Panama has appointed you to fill, near this Government, the post of envoy extraordinary and minister plenipotentiary, with full powers to negotiate.
You further ask that this information may be communicated to the President and that he will kindly fix a date at which you may present your letters of credence.

In reply I have the honor to say that the President will be pleased to receive you for the purpose mentioned to-morrow, Friday, at 9.30 a.m.

If you will be good enough to call at this department shortly before the hour mentioned, the Secretary of State will be pleased to accompany you to the White House.

Accept, etc.,

FRANCIS B. LOOMIS,
Acting Secretary.

REMARKS MADE BY THE MINISTER OF PANAMA.

Mr. President: In according to the minister plenipotentiary of the Republic of Panama the honor of presenting to you his letters of credence you admit into the family of nations the weakest and the last born of the republics of the New World.

It owes its existence to the outburst of the indignant grief which stirred the hearts of the citizens of the Isthmus on beholding the despotic action which sought to forbid their country from fulfilling the destinies vouchsafed to it by Providence.

In consecrating its right to exist, Mr. President, you put an end to what appeared to be the interminable controversy as to the rival waterways, and you definitely inaugurate the era of the achievement of the Panama Canal.

From this time forth the determination of the fate of the canal depends upon two elements alone, now brought face to face, singularly unlike as regards their authority and power, but wholly equal in their common and ardent desire to see at last the accomplishment of the heroic enterprise for piercing the mountain barrier of the Andes.

The highway from Europe to Asia, following the pathway of the sun, is now to be realized.

The early attempts to find such a way unexpectedly resulted in the greatest of all historic achievements, the discovery of America. Centuries have since rolled by, but the pathway sought has hitherto remained in the realm of dreams. To-day, Mr. President, in response to your summons, it becomes a reality.

THE PRESIDENT'S REPLY THE REMARKS MADE BY SEÑOR BUNAU VARILLA ON THE OCCASION OF THE PRESENTATION OF HIS LETTERS OF CREDENCE.

Mr. Minister: I am much gratified to receive the letters whereby you are accredited to the Government of the United States in the capacity of envoy extraordinary and minister plenipotentiary of the Republic of Panama.

In accordance with its long-established rule, this Government has taken cognizance of the act of the ancient territory of Panama in reasserting the right of self-control and, seeing in the recent events on the Isthmus an unopposed expression of the will of the people of Panama and the confirmation of their declared independence by the institution
of a de facto government, republican in form and spirit, and alike able and resolved to discharge the obligations pertaining to sovereignty, we have entered into relations with the new Republic. It is fitting that we should do so now, as we did nearly a century ago when the Latin peoples of America proclaimed the right of popular government, and it is equally fitting that the United States should, now as then, be the first to stretch out the hand of fellowship and to observe toward the new-born State the rules of equal intercourse that regulate the relations of sovereignties toward one another.

I feel that I express the wish of my countrymen in assuring you, and through you the people of the Republic of Panama, of our earnest hope and desire that stability and prosperity shall attend the new State, and that, in harmony with the United States, it may be the providential instrument of untold benefit to the civilized world through the opening of a highway of universal commerce across its exceptionally favored territory.

For yourself, Mr. Minister, I wish success in the discharge of the important mission to which you have been called.

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**NAVY DEPARTMENT.**

**Washington, November 12, 1903.**

**Sir:** In accordance with the resolution of the House of Representatives of the 9th instant, calling for all correspondence and other official documents relating to the recent revolution on the Isthmus of Panama, I have the honor to transmit herewith all such matter on file in the Navy Department.

Very respectfully,

**WILLIAM H. MOODY,**

*Secretary.*

The President.

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**NAVY DEPARTMENT.**

**Washington, D. C., November 2, 1903.**

[Translation.]

**NASHVILLE, care American Consul, Colon.**

Maintain free and uninterrupted transit. If interruption threatened by armed force, occupy the line of railroad. Prevent landing of any armed force with hostile intent, either Government or insurgent, either at Colon, Porto Bello, or other point. Send copy of instructions to the senior officer present at Panama upon arrival of Boston. Have sent copy of instructions and have telegraphed *Dixie* to proceed with all possible dispatch from Kingston to Colon. Government force reported approaching the Isthmus in vessels. Prevent their landing if in your judgment this would precipitate a conflict. Acknowledgment is required.

**DARLING, Acting.**

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1 Same order to commander of *Dixie*, at Kingston, Jamaica.
Glass, Marblehead, Acapulco:  

Proceed with all possible dispatch to Panama. Telegraph in cipher your departure. Maintain free and uninterrupted transit. If interruption is threatened by armed force occupy the line of railroad. Prevent landing of any armed force, either Government or insurgent, with hostile intent at any point within 50 miles of Panama. If doubtful as to the intention of any armed force, occupy Ancon Hill strongly with artillery. If the Wyoming would delay Concord and Marblehead her disposition must be left to your discretion. Government force reported approaching the Isthmus in vessels. Prevent their landing if in your judgment landing would precipitate a conflict.

Darling, Acting.

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Crusier Atlanta, Kingston, Jamaica:  

Proceed with all possible dispatch to Colon. Acknowledge immediately. When will you sail?  

Darling, Acting.

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Nashville, Colon:  

In the interest of peace make every effort to prevent Government troops at Colon from proceeding to Panama. The transit of the Isthmus must be kept open and order maintained. Acknowledge.

Darling, Acting.

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American Consul, Panama:  

Message sent Nashville to Colon may not have been delivered. Accordingly see that the following message is sent to Nashville immediately:

Nashville, Colon:  

In the interest of peace make every effort to prevent Government troops at Colon from proceeding to Panama. The transit of the Isthmus must be kept open and order maintained. Acknowledge.  

Darling, Acting.

Secure special train if necessary. Act promptly.  

Loomis, Acting.

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1 Same to commander of Boston at San Juan del Sur, Nicaragua.