PERU.

BOUNDARY DISPUTE BETWEEN PERU AND COLOMBIA.

Minister Dudley to the Secretary of State.

No. 1273.]  

American Legation,
Lima, July 29, 1906.

Sir: I have the honor to inclose herewith a copy and translation of a modus vivendi between Peru and Colombia, signed at Lima on the 6th instant by the plenipotentiaries of those Governments. It is in substance the same as that celebrated in May, 1904 (see the legation’s No. 979, of Aug. 31, 1904), intended as a temporary solution of the territorial disputes of the two countries in the Putumayo region while awaiting the final settlement of the question by arbitration.

In this connection I quote the following pertinent passage from the message of President Pardo, read before the Peruvian Congress on the 28th instant:

On September 12, 1905, our minister at Bogota concluded with the Government of Colombia three conventions, which my Government submitted to the former Congress in its ordinary session.

The first is a treaty of general arbitration, similar to the one we have concluded with the Kingdom of Italy.

The second is a special treaty of arbitration relating to our boundary question wherein, as in former treaties of the same character which have been heretofore concluded with that Republic, the controversy is submitted to the decision, to be based upon considerations of equity, of His Holiness Pope Pius X. But as our question with Colombia is connected with the one with Ecuador, it has been agreed that the arbitration with Colombia shall only take place after the termination of the one in which we are now proceeding with Ecuador, upon the adjudication by the royal Spanish arbitrator to Peru of territories which are likewise claimed by Colombia.

Finally, the third pact arranged at Bogota is a provisional modus vivendi, the object of which was to avoid conflicts imminent in the region of the Putumayo, which might have disturbed the friendly relations of the two countries and have interfered with the arbitration which is to decide the boundary controversy.

The two first-mentioned treaties, of general and of special arbitration, are still before the Peruvian Congress awaiting ratification. Copies of them will be found in the Bulletin of the Peruvian Ministry for Foreign Relations, No. IX, two copies of which I expect to forward the department by the same mail with this.

The third of these compacts was never carried into effect in consequence of difficulties which were encountered, due to the difference in the customs tariffs of the two countries. This made further legislative action necessary to the execution of the pact within the disputed territory. The modus vivendi of July 6, 1906, was therefore negotiated in lieu of the former one. It is held not to require legislative ratification and has gone into effect at once.

I have, etc.,

IRVING B. DUDLEY.
The Governments of Peru and Colombia, carrying into effect the objects of a fraternal settlement which determined the celebration of the treaty of arbitration of boundary questions signed at Bogota on September 12, 1905, and in order to assure harmony between the two countries, united by close bonds of friendship, have resolved to celebrate a pact conducive to that end, with which object in view they have named their plenipotentiaries, viz:

His Excellency the President of the Peruvian Republic, Dr. Javier Prado y Ugarteche, minister of state, in charge of the foreign office; and Dr. Hernán Velarde, envoy extraordinary and minister plenipotentiary of Peru in Colombia, at present in Lima; and His Excellency the President of Colombia, Mr. Luis Tanco Argáez, envoy extraordinary and minister plenipotentiary of Colombia in Peru; who, after showing their full powers, which were found to be in correct and due form, have agreed on the following:

1. The Governments of Peru and Colombia agree to maintain the status quo in the disputed territory between the two countries until the definite solution of the controversy through the arbitration agreement entered into at Bogota on September 12, 1905.

2. In order to prevent every difficulty and dangerous conflict in the region of the Putumayo, the Governments of Peru and Colombia agree to withdraw from that river and its tributaries during this provisional situation all garrisons, civil and military authorities, and custom-houses they have established there.

3. In consequence of the friendly character of this agreement, the conditions of commercial traffic shall be identical for Peruvians and Colombians on the Putumayo and its tributaries, and the merchant vessels of both one and the other shall be entitled to its free navigation.

4. The Governments of Peru and Colombia bind themselves to make no alterations in the régime which this pact lays down until such time as the boundary question between the two countries is definitely settled.

5. The foregoing stipulations do not in any way signify the renunciation or acknowledgment of territorial rights in favor of either one or the other, their sole object being the avoidance of conflicts in that region, thus facilitating the amicable solution sought by both Republics.

6. This agreement, which replaces in all its clauses that of a like character celebrated at Bogota on September 12, 1905, will be immediately put into effect by both parties, to which end the necessary orders will be at once issued.

In witness whereof they sign the present document in duplicate and seal it with their private seals, at Lima, on July 6, 1906.

J. PRADO Y UGARTECHE.
Hernán Velarde.
Luis Tanco Argáez.

COMMERCIAL TREATY BETWEEN PERU AND BOLIVIA.

Minister Dudley to the Secretary of State.

No. 1241.] American Legation, Lima, Peru, January 24, 1906.

Sir: Referring to Mr. Neill’s No. 1213, of December 14, 1905, I have the honor to advise the department that the treaty of commerce recently concluded at Lima between Peru and Bolivia, and which is intended to replace their treaty of June 7, 1881, was ratified by the Peruvian Congress yesterday. The latter treaty was denounced by Bolivia and will continue in force only until the 30th of June next.

I have, etc.,

Irving B. Dudley.

*Printed in Foreign Relations, 1905, p. 738.*
EN鼓舞 Encouragement of Immigration. Minister Dudley to the Acting Secretary of State.

No. 1278.

Sir: I have the honor to inclose herewith two copies and a translation of a decree of this Government, dated the 10th instant, providing for the encouragement of immigration to this country by the payment of the passages of immigrants under specified conditions.

As stated by President Pardo in his last message to Congress, the two main obstacles to agricultural development in Peru are the insufficiency of laborers and the scarcity on the coast of water. The problem of the increasing of the water supply has been receiving the attention of the government corps of engineers during the past few years, several Americans having aided therein, especially with a view to developing subterranean water.

I have, etc.,

IRVING B. DUDLEY.

[Inclosure.—Translation.]

From El Comercio, Lima, Peru, August 11, 1906.

The President of the Republic:

Whereas, it is convenient to lay down rules for the expending of the item set apart for the promotion of immigration in the general budget now in force, in a way best suited to obtaining the object in view:

Decrees—

First. The State will provide third-class passages for the natives of Europe and America who may wish to introduce industrial or private enterprises, provided that they fulfill the following conditions: (a) That they are from 18 to 50 years of age, if they are males, and from 18 to 40 if they are females, fulfilling the conditions of morality and health laid down in the rules now in force. (b) That they come to engage in agriculture, in mining, or in other industries, or to devote themselves to these occupations for account of colonization, immigration, or irrigation enterprises.

Second. The payment of the passages will be made through the consuls of the Republic in the ports of shipment in view of the orders cabled by the ministry of fomento, to which office must be presented in writing the request of the interested parties for such payment, indicating at the same time the number of immigrants, the agricultural estate or industrial establishment to which they are destined, and declaring themselves obliged to provide lodging, board, and medical attendance for the immigrants from the port of landing to the place of destination.

Third. The consuls of the Republic, on receipt of the order from the minister of fomento, shall make the payment of the passages to the steamer companies direct, with previous personal and individual evidence that the immigrants fulfill the conditions set forth in Article I of this decree, and for this purpose they shall give a certificate to each immigrant, which shall be collected by the maritime authorities of the port of landing and afterwards forwarded to the ministry of fomento.

Fourth. A general register of immigrants shall be opened in the agricultural section of the ministry of fomento, in accordance with the models and instructions obtained from that department.

Fifth. The outlay incurred by the compliance with this decree shall be charged to item No. 13 of the extraordinary expenses of the department of fomento, in the general budget now in force.

Given in the Government House at Lima, on the 10th day of the month of August, 1906.

(Signed)  JOSE PARDO.
(Signed)  DELFIN VIDALON.
SIR: I have the honor to inclose herewith two copies of the annual message read by the President of Peru at the opening of Congress on the 28th instant, accompanying them with a translation of marked paragraphs.

The President's reference therein to the treaty of Ancon, as clearly establishing the mode of deciding the Tacna-Arica question, coupled with the assertion of the principle that in case of dispute between civilized nations arbitration affords the only approximate recourse, is construed here to be a notice to Chile that no compensation she may offer as a compromise of that dispute will be acceptable—that the plebiscite agreed upon or arbitration will alone receive the sanction and assent of this party to the controversy. Little expectation is in truth entertained here of the success of the mission of the Peruvian representative at Santiago, Dr. Manuel Alvarez Calderón, and under the circumstances it is probable he will take final leave of Chile in December next.

The award of the King of Spain, which is to end the conflicting frontier claims of this country and Ecuador, should soon be given. The questions of the same character between Peru and Colombia will then, pursuant to a treaty of September 12, 1905, be submitted to the Pope for his decision. A few months hence should also see the end of this country's boundary question with Bolivia, through the action of the President of Argentina in the pending arbitration.

Apropos of this, a ripple of indignation was caused in Peru recently by the Bolivian occupation of a part of the disputed territory on the river Heath, while the controversy was thus under submission to arbitration. It is now considered probable that Bolivia will consent to the reestablishment of the status quo, withdrawing her troops, or, if not, that the incident will at least be so adjusted as not to interfere with the rendition of the arbitrator's award.

It is hoped that Peru's remaining boundary question, which is with Brazil, may be settled by the end of next October through direct negotiation, the mixed commission, appointed under the protocol of July 12, 1904, to survey the upper Yurua and Purus, having finished their work and submitted their reports.

The foregoing shows that the territorial questions Peru has with all her neighbors are apparently in satisfactory course of settlement, with the exception of the one with Chile and perhaps of the one with Brazil.

Respecting domestic affairs, it appears from the statements contained in the message that the finances of the Government and the economic condition of the country continue to show marked improvement. We learn therefrom, for example, that the general revenues of the Republic during the past year (1905) have exceeded the estimates of the corresponding budget by £150,000; that the revenue of the coming year (1907), as estimated, will exceed that of the last by £300,000, reaching the total sum of £2,677,572; that the foreign
commerce during the past year (calendar year) amounted to £10,080,771, against £8,364,642 during the previous year and £4,300,000 during 1896; that the capital and reserve funds of the banks at Lima have risen from £971,491 to £1,093,805 and their assets from £4,572,046 to £6,418,319; that the monetary circulation at present amounts to £602,185; and that, as a further evidence of prosperity, the new industrial enterprises started during the past year represent a capital of £769,000, or nearly four times the capital invested in such enterprises during the previous year.

It is of especial interest to note the administration's determination to persevere in securing congressional authorization of a loan with which to construct, among others, the railway to the Ucayali—a line of great political importance and potential commercial value. The contract for a loan of £3,000,000 made with the Deutsche Bank, as the legislation duly reported, failed to receive the sanction of Congress, though it was not formally rejected by that body. The ability of the Government to meet the financial obligations involved admits, according to the message and the arguments therein adduced (but which I have not translated, in view of their length), of no reasonable doubt and of less question to-day than heretofore, when the revenues of the Government and the commerce and business of the country were at a far lower ebb. The contract now proposed to be executed, which will probably be a renewal of the old one, will not be submitted to Congress for sanction, but authorization in advance will be obtained by the Executive. The advantage of this course lies in thus avoiding the opposition's tactics of obstruction successfully pursued at the last session when the contract submitted was considered section by section. The Government still has a majority in both legislative chambers.

I have, etc.,

IRVING B. DUDLEY.

P. S.—It having been found impossible to procure copies of the message in time for the next mail, they will be forwarded to the department about a week later than this dispatch.

[Inclusion.—Translation.]

Message of His Excellency Señor Jose Pardo, President of Peru, submitted to Congress on July 28, 1906.

Honorable Representatives:

* * * During the course of the past year our chancellory has put forth new and persevering effort to bring to a definite conclusion the pending international negotiations consistently with the aspirations of cordiality and of right which inspire the traditional policy of Peru.

Considering that arbitration is the only honorable and permissible means between civilized countries for deciding their disagreements, we have endeavored to solve in this manner our different questions with the neighboring countries, thus affording palpable evidence of the upright and loyal purpose of conciliation and friendship which animates my Government.

In the boundary arbitration with Ecuador, now pending before His Majesty the King of Spain, Peru having already submitted its defense, the latter country's is awaited in order that they may be submitted to the decision of the august sovereign to whose justice and high judgment both States have intrusted the decision of this important controversy.
On September 12, 1905, our minister at Bogota concluded with the Government of Colombia three conventions, which my Government submitted to the former Congress in its ordinary session.

The first is a treaty of general arbitration, similar to the one we have concluded with the Kingdom of Italy.

The second is a special treaty of arbitration relating to our boundary question, wherein, as in former treaties of the same character which have been heretofore concluded with that Republic, the controversy is submitted to the decision, to be based upon considerations of equity, of His Holiness Pope Pius X. But as our question with Colombia is connected with the one with Ecuador, it has been agreed that the arbitration with Colombia shall only take place after the termination of the one in which we are now proceeding with Ecuador, upon the adjudication by the royal Spanish arbitrator to Peru of territories which are likewise claimed by Colombia.

Finally, the third pact arranged at Bogota is a provisional modus vivendi, the object of which was to avoid conflicts imminent in the region of the Putumayo which might have disturbed the friendly relations of the two countries and have interfered with the arbitration which is to decide the boundary controversy. But both Governments have considered it necessary to remove every obstacle, without affecting the rights which both parties allege in the disputed region, in order to assure cordiality in their mutual relations and the tranquillity necessary to those engaged in industry for the development of their productive labor and energy, and, inspired by these ideas, have reached the adjustment of a new modus vivendi, whereby they agree to maintain the former status quo in the territory disputed between the two countries until the definite solution of the controversy through the aforesaid arbitral agreement of September 12, 1905.

The mixed Peru-Brazilian commissions appointed by virtue of the Velarde-Rio Branco protocol of July 12, 1904, to make a reconnaissance of the upper part of the Yurua and Purus rivers, have already terminated their arduous labors and presented their reports, so that the way now is open for the final negotiations respecting the boundaries between Peru and Brazil in the region east of the source of the Yavari.

In consequence of inevitable delays in the work of these commissions, it was necessary to agree upon new extensions of the provisional modus vivendi above mentioned, executed solely in order to facilitate the agreements respecting the definite boundaries and pending their ascertainment. I trust, therefore, that within the extension which ends the 31st of October next it may be possible to establish our just demand and terminate our boundary controversy with Brazil.

The sessions have already begun of the arbitral tribunal charged to decide upon the claims of Peruvians and Brazilians growing out of the occurrences on the upper Purus in 1903. The claims of our fellow-citizens, duly supported, have been submitted, and we must confide in the tribunal's according them a just appreciation.

After the agreement with Bolivia upon the arbitration which is to decide our boundary question with that Republic, the Bolivian Government solicited an extension of ten months beyond the term fixed for the presentation of its defense before the arbitrator.

My Government, in deference to the wish of Bolivia, assented to the extension, so that the submission of the respective defenses was made to the Argentine Government on July 15.

The briefs of the parties having been delivered to each other, their reply must be made within the term of six months.

While this subject was thus in course of being soon decided and definitely resolved, my Government was painfully surprised by the occupation of the mouth of the River Heath by General Pando with Bolivian troops, in this way changing the situation of the zone in controversy as it existed when the arbitration was agreed upon, and obliging my Government to take measures for the protection of those frontiers.

In the present state of the controversy, and in view of the duty of both parties toward the arbitrator, who has taken cognizance of the unexpected occurrence on the Heath, it must be expected that this grave affair will be adjusted in a friendly spirit, the Government of Bolivia recognizing that both countries must respect the status quo existing in the region of the Madre de Dios, whose definitive condition is to be resolved by the arbitral award.
On the 1st of the present month the new treaty of commerce between Peru and Bolivia and the money-order convention went into effect, and the parcel-post convention becomes operative to-day.

The Tacna-Arica question continues to receive the earnest attention of my Government and of our minister at Santiago, who has repeatedly stated to the chancellery there the conviction of the people and Government of Peru that in the treaty of Ancon is to be found the mode agreed upon for determining the definitive condition of those provinces and that its fulfillment is demanded by the faith of treaties, the responsibility of the signatory nations, their economic interests, and the cordiality of their mutual relations.

On the 19th instant a new consular convention was signed between Peru and Belgium. The stipulations of this pact assure the ample exercise of the national jurisdiction in cases wherein heretofore consular jurisdiction was permitted.

By the proper ministry there will be submitted to the chambers a bill for the periodic reduction of the tax upon the importation of foreign lard.

The time during which the protective law has been enforced, passed for the purpose of developing this industry in our country, shows that the legislative purpose has not been accomplished, because the national production is stationary while foreign importation is increasing considerably.

The income of the post-office department for stamps, correspondence, parcels, and money orders was estimated for 1905 at £54,100, and yielded £58,276; an excess of £4,176.

The receipts of the telegram department, estimated at £6,000, amounted to £3,785, being a surplus of £2,215.

The interchange of postal parcels continues to increase. A convention for this service has been signed with the United States of America, and a like one is being negotiated with England.

The supreme court has published the volume of judicial opinions and decisions for the year 1905, and the jurisconsult charged with the publication of those of former years has published a volume containing those of the years 1871 and 1872.

The historical institute, of recent creation, has been installed in one of the upper salons of the Palacio de la Exposición. It has the advantages of the professional services of the well-known archaeologist, Doctor Uhle, who is charged with the organization of the museum, and who will complete, under the auspices of the institute, the important studies already made by foreigners in the service of scientific centers relative to the remains which exist in our territory of other civilizations.

The institute has commenced its labor with the publication of a review, which is the contribution of this national center to the cultivation of historical studies.

The work of the ministry of war during the last year, in addition to its ordinary administration, is the following:

First. The cruiser Almirante Grau has been launched.

Second. A contract was made for the construction of a second cruiser, Coronel Bolognesi, which will be launched in September next.

Third. There has been created in the general staff the branches of topography, of engineers, and the inspection of arms.

Fourth. Corps of campaign artillery and coast artillery have been created.

Fifth. In connection with the war school, the fencing school has been created; Sixth. An establishment has been created for the breeding of horses for the army.

The expenditures under the budget of last year are without precedent in the history of the public treasury.

The receipts estimated for 1905 amounted to £2,223,488, but revenue was collected to the amount of £2,371,354, thus yielding an increase over the amount estimated of £147,866.

The disbursements effected with supplementary credits during that year to meet unavoidable necessities of the administration amount to £91,514, thus leaving a surplus of £56,322 over the amount of disbursements made and chargeable to the said budget.

This result is proof of the economic prosperity of the Republic, and of the regularity with which the several branches of administration are conducted.
The budget for 1907 has been made after careful revision and estimate of probable returns, and amounts to £2,677,572; that is to say, as compared with the preceding budget, which amounted to £2,506,386, an increase of £171,186.

In this increase of expenditure (extraordinary expenditure amounting to £238,042) are found such interesting items as those of:
The subsidy of a new steamship company;
The maintenance of the new cruisers;
An increase of 10 per cent in the salaries of civil and military functionaries;
Increased expenditure on account of army rations, the supplying of horses, forage, quartering of supernumeraries, military hospital, campaign artillery material, the advancement of the School of Arts and Trades, the expenses of public health, new roads, the faculty of medicine, the University of San Marcos, and other objects.

The national prosperity manifests itself likewise in a flattering form in our banking movement.
The cash in the banks on June 30 last was £959,164, and on the same date in 1905, £973,441.
The deposits and credit accounts on the same date of June 30, 1906, were £4,511,537, which on the same date in 1905 were £4,498,407.
The capital and reserve funds on June 30, 1906, were £1,093,895, and on June 30, 1905, £971,491.
The total assets of the banks on June 30, 1906, were £6,418,319, and on June 30, 1905, £5,572,046.
The total amount of capital invested in the formation of new stock companies in 1905 was £708,000, and in 1904, £207,000.

Our monetary circulation has grown to £602,185.

Our foreign commerce has in 1905 reached £10,060,771, which in 1904 amounted to £8,364,442; making an increase of £1,716,329.
Imports in 1905 reached the sum of £4,529,151, and in 1904 £4,289,002; balance in favor of 1905, £240,148.
Exports in 1905 reached the sum of £5,751,620, and in 1904, £4,066,639; balance in favor of 1905, £1,684,980.

During the course of the present year, 1906, this favorable condition of our foreign commerce is maintained, reaching during the first six months the sum of £5,151,369, which during the same period in 1905 was £4,218,294; being an increase in 1906 of £933,075.

In 1905, in contrast to 1904, the increase in imports is greater than in exports.

The value of imports made free of duty, representing raw material, machinery, and railway stock, reached, in 1905, £1,611,038, and in 1904, £1,651,476.

The commercial development as shown by the customs-house at Iquitos continues in the ascendancy. It amounted in 1905 to £1,478,995, and in 1904 to £1,250,068; a difference, in favor of 1905, of £228,927.
The coastwise trade has been as follows: In 1905, 374,494 tons; in 1904, 361,692 tons.
The maritime traffic at the port of Callao was as follows: In 1905, 927,249 tons; in 1904, 924,524 tons.

The term has expired which was fixed by the legislative resolution of November 25, 1904, without the conclusion of an adjustment of differences with the Peruvian corporation, notwithstanding the decided effort put forth by my Government, which has been rendered of no avail by the varying and unjustifiable demands of that company.

The register of mines has been published punctually and its statistics reveal the development of the mining industry and the great interest aroused by the exploitation of this branch of the country's wealth.

It is proper to recall, in order to appreciate the mining development, that the number of claims recorded in the register of the first half of 1903 was 5,310, subject to a charge of £9,752, whilst the register of the first half of the present year contains 10,421 mining claims, which pay in taxes, fines, etc., £32,357.
The following is a résumé of the mineral production during the past year:

<table>
<thead>
<tr>
<th>Materiales</th>
<th>Cantidades, (Amounts.)</th>
<th>Valores, (Values.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oro en barras, en productos metalúrgicos y en minerales. (Gold in bars, in metallurgical products and minerals)</td>
<td>738 kilogramos</td>
<td>1,636,179</td>
</tr>
<tr>
<td>Plata (silver)</td>
<td>176,000 do</td>
<td>648,000</td>
</tr>
<tr>
<td>Cobre (copper)</td>
<td>11,000 do</td>
<td>622,668</td>
</tr>
<tr>
<td>Plomo (lead)</td>
<td>2,000 do</td>
<td>3,820</td>
</tr>
<tr>
<td>Petróleo bruto (raw petroleum)</td>
<td>49,700 do</td>
<td>264,350</td>
</tr>
<tr>
<td>Carbón (coal)</td>
<td>72,000 do</td>
<td>288,000</td>
</tr>
<tr>
<td>Sal (salt)</td>
<td>21,083 do</td>
<td>21,088</td>
</tr>
<tr>
<td>Boratos (borates)</td>
<td>1,500 do</td>
<td>14,346</td>
</tr>
<tr>
<td>Níquel (nickel)</td>
<td>1,778 do</td>
<td>145</td>
</tr>
<tr>
<td>Azogue (quicksilver)</td>
<td>1,64 do</td>
<td>340</td>
</tr>
<tr>
<td>Bismuto (bismuth)</td>
<td>12 do</td>
<td>5,000</td>
</tr>
<tr>
<td>Molibdenuo y vanadio en pequeña cantidad. (Vanadium in small amounts.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1,636,179</td>
</tr>
</tbody>
</table>

The production and value of some of our principal agricultural products during 1905 were as follows:

<table>
<thead>
<tr>
<th>Artículos</th>
<th>Producción</th>
<th>Valor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Azúcar (sugar)</td>
<td>101,500 do</td>
<td>1,088,098</td>
</tr>
<tr>
<td>Algodón (cotton)</td>
<td>10,880 do</td>
<td>522,943</td>
</tr>
<tr>
<td>Lanas (wool)</td>
<td>4,500 do</td>
<td>440,274</td>
</tr>
<tr>
<td>Gomas (rubber)</td>
<td>2,588,074 do</td>
<td>955,157</td>
</tr>
<tr>
<td>Cocaína (cocaine)</td>
<td>6,088 do</td>
<td>77,331</td>
</tr>
<tr>
<td>Cereales (cereal)</td>
<td>1,313,828 do</td>
<td>95,000</td>
</tr>
<tr>
<td>Café (coffee)</td>
<td>534,898</td>
<td>28,390</td>
</tr>
</tbody>
</table>

VISIT OF SECRETARY ROOT.

The Peruvian Minister to the Secretary of State:

THE PERUVIAN LEGATION,

Sr: I am in receipt of special instructions from the minister for foreign affairs of Peru to invite your excellency to stop over at Lima on your excellency's forthcoming trip to South America.

It is the endeavor of my Government to receive the visit of the Secretary of State of the United States that he may be the recipient of personal expressions of the old, sincere, and cordial friendship that have so happily united Peru to this Republic.

My countrymen will feel greatly honored with your excellency's visit, and will be very pleased should the opportunity present itself when your excellency may personally get acquainted with the true and unanimous enthusiasm with which they appreciate and support the American policy of justice and close friendship pursued by your excellency in the foreign relations of this great nation with the republics of the south.

Accept, etc.,

FELIPE PARDO.
The Secretary of State to the Peruvian Minister.

DEPARTMENT OF STATE,
Washington, March 31, 1906.

My Dear Mr. Pardo: I have now been able to ascertain the length of time which will be necessary for me to pass from place to place during my projected visit to South America with sufficient accuracy to determine that I shall be able to visit Peru, and I beg you to convey to the minister for foreign affairs my grateful acceptance of his very courteous invitation to visit Lima. I shall probably be able to reach Lima about the second or third week of September.

It will be a very great pleasure to me to meet the distinguished men who control the policy of Peru, and I shall hope that a more complete understanding and sympathy between the two countries may have the result of making still more effective, for the benefit of both, the friendship and good will which have long existed between them.

Faithfully, yours,

ELIHU ROOT.

Minister Dudley to the Secretary of State.

No. 1287.] AMERICAN LEGATION,
Lima, Peru, September 20, 1906.

Sir: I have the honor to mention that this Government has now in preparation a pamphlet which is to contain an illustrated account of your memorable visit to Peru, and the speeches you made at Lima and Callao, and on the excursion given in your honor to Chicla over the transandine railway. It will also include the speeches (with English version) to which yours responded. Copies are promised me for transmission to the department within two or three weeks.

The notable impulse in advancement of improved international relations, produced by your sojourn and public utterances here, continues since your departure to be evidenced by the cordiality with which the satisfaction over your visit is expressed by the Government, the people, and the press of the country.

I called yesterday, accompanied by Secretary Neill, upon President Pardo and each member of his cabinet to manifest this legation’s appreciation of the generous hospitality and the many marks of respect and honor shown my chief.

I have the honor, etc.,

IRVING B. DUDLEY.

[Inclusion 1.]

Speech of His Excellency Doctor José Pardo y Barreda, President of the Republic of Peru, at a banquet given by him to Mr. Root at the Government Palace in Lima, on September 10, 1906.

[Translation from the Spanish.]

YOUR EXCELLENCY MR. ROOT:

With the most sincere good will, I cordially welcome you in the name of my country and of its Government, and I believe I faithfully interpret the sentiments that rule in Peru in telling you of its sincere good will toward the United States, their illustrious President, and toward your own distinguished person. These feelings which unite the two countries began in the
dawn of independence, because the founders of the great Republic showed our forefathers the way to become free; and they strengthened us from the first days of our independence, life by the safeguard which the admirable foresight of another great statesman of your country placed around American soil.

Since then the closest friendship unites the two nations. Peru has received from the United States proofs of a very special deference, and has appreciated the efforts made by your Government to establish political relations between the American peoples upon the basis of right. In this most noble aspiration, worthy of the greatness of your country, Peru, on her part, unreservedly acquiesces.

The lofty ideas which you have expressed since your arrival in South America, the frank expressions of cordiality, the concepts of stimulus and aid to induce us, the Americans of the South, to work in the same way as those of the North, with earnestness and unflinching hope in the future, have in every breast the most pleasing echo, and they direct toward your person the most lively sympathy.

Closely associated fellow-worker with the illustrious statesman who rules the destinies of your country, to you belongs, in a great measure, the acclamation with which America and the entire world would greet the great nation which has constituted the most perfect democratic society, which made the most surprising progress in industrial and economic order, and which placed the prestige of its greatness in the service of peace all over the world.

Gentlemen, I invite you to drink to the United States; to its President, Mr. Roosevelt; and to its Secretary of State, Mr. Root.

[Inclosure 2.]

Reply of Mr. Root.

Mr. President:

I thank you sincerely, both in my own behalf and in behalf of my country, for your kind welcome and for the words, full of friendship and of kindly judgment, you have uttered regarding my country and regarding her servants, the President and myself. The distinguished gentleman who represents Peru in the capital of the United States of America, and who shares with you, sir, the inheritance of a name great and honored, not only in Peru but wherever the friends of constitutional freedom are found—in his note of invitation to me, upon which I am now a visitor to your city, used a form of expression that has dwelt in my memory, because it was so true. He spoke of the old, sincere, and cordial friendship of our two countries—that is indeed true of the friendship of the United States of America and the Republic of Peru. It is an old friendship, a sincere friendship, and a cordial friendship. I have come here not to make new friends, but to greet old ones; not to make a new departure in policy, but to follow old and honored lines; and I should have thought that in coming to South America in answer to the invitations of the different countries, all down the east and up the west coast, to have passed by Peru would indeed be to have played Hamlet with Hamlet left out. It is still a more natural and still a stronger impulse to visit Peru now as a part of a mission of friendship and good will, when the relations between the two countries are about to become drawn closer together materially.

The completing of the canal across the Isthmus of Panama will make us near neighbors as we have never been before, so that we may take our state-rooms at the wharf at Callao or at New York and visit each other without change of quarters during the journey. And no one can tell what the effect of the canal will be. We do know that nothing of the kind was ever done before in human history without producing a most powerful effect upon mankind. The course of civilization, the rise and fall of nations, the development of mankind, have followed the establishment of new trade routes. No one can now tell what the specific effect of the cutting of the canal across the Isthmus may be, but the effect will be great and momentous in the affairs of the world. Of this we may be certain, that for the nations situated immediately to the south and immediately to the north of the canal there will be great change in their relations with the rest of the world; and it is most gratifying to know that this great work which the United States of America is now undertaking—the cost of which she does not ever expect to get back—a work which she is doing not
merely for her own benefit, but because she is moved by the belief that great things are worth doing, is going to bring great benefits to the entire world, and to her old friend and her good friend, the Republic of Peru.

I thank you, Mr. President, for your kind reception, and I beg you to permit me to ask the gentlemen here to join me in proposing in behalf of President Roosevelt the health and long life and prosperity of the President of Peru.

[Inclosure 3.]

Speech of His Excellency Javier Prado y Ugarteche, minister for foreign affairs, at a banquet given by him at the Union Club, to Mr. Root and his family, in Lima, September 11, 1906.

[Translation from the Spanish.]

HONORABLE MR. ROOT, LADIES, AND GENTLEMEN:

It is with the liveliest feelings of consideration and sympathy that I have the honor to offer this manifestation to His Excellency Mr. Elihu Root, Secretary of State of the United States of America.

Yielding to the generous impulses of your heart of an American, and of your brain of a thinker and of a statesman, you have felt a desire, Mr. Root, to visit these countries, to address them words of friendship and of interest in their welfare in the name of the honorable Government which you represent, and to shed over this continent the rays of the noble ideal of American confraternity.

Your visit will undoubtedly produce fruitful results on behalf of liberty and of justice, of peace and of progress, of order and of improvement, which you have proclaimed as being the highest principles inspiring the policy of the United States in the special mission for which their peculiar virtues and energy have marked them out in the destiny of humanity.

When those austere individuals of the American independence laid the foundations of the great Republic of the North, and gave it its constitution, they were not inspired by narrow-minded ideas or by selfish and transitory interest, but by a profound conviction of the rights of man and a deep feeling of liberty and of Justice, which, in its irresistible consequences, would bring about the social and political transformation which came to pass in the world at the end of the eighteenth century, and was destined to constitute the gospel of liberty and of democracy in our modern régime.

This same people, although still in its youth, did not hesitate, shortly after, all alone, to guarantee the independence of all the American countries, placing before the great powers of the world the pillars of Hercules of the Monroe Doctrine, forming an impassable gateway to a free and unconquerable America.

To-day this same people excites the admiration of the whole world by its grandeur. Its Government brings to its level the harmony of humanity; reestablishes, on the one hand, peace between the empires of Europe and of Asia, and, on the other, between the republics of Central America; patronizes the Congress of The Hague, and in it obtains the recognition of the personality of the American nations, and further delays its approaching reunion in order that the Pan-American Congress in Rio de Janeiro may previously hold its sessions; thus giving proof of the interest it takes, with equal concern, in the future of the peoples civilized for a century, and also in that of the countries just commencing their existence. The American Constitution, the Monroe Doctrine, together with the policy of President Roosevelt, and of his Secretary of State, Mr. Root, give utterance in this manner, through the pages of history, to the same language of liberty, of Justice, humanity, and Americanism.

How deep is the lesson to be learned from these facts!

The ancient ideas founded right upon force, the régime of the social bodies was that of privilege, and the individual efforts were tied down by bonds imposed in name of the authorities. The modern ideas, such as the United States proclaim, found all right upon justice, and the social régime upon liberty and equality. The human being is not an instrument for the display of arbitrary power, but is the whole object of social life, the mission of which is the development of its energies, its moral conscience, the improvement and welfare of individuals and of nations.

According to the ancient ideas, the greatness of the nations was measured by their military power and by the limits of their conquests of force. According
to modern ideas, as represented by the United States, the greatness of nations is measured by the conquests obtained by individual and collective efforts, thereby creating the fruitful and happy reign of truth, of justice, of labor, and of peace.

War was formerly a glory; nowadays it is a calamity. Later on it will be condemned as the sad ancestral remains of barbarism and savagery.

The evolution of ideas is that which now rules the world, and if people do not always comprehend this fact it is because the selfish and personal prejudices, passions, and interests disturb and impair their judgment.

In modern progress, the régime of privilege and of force can no longer create rights or lend security for the future or the aggrandizement of nations; and nowadays those individuals do not render a service to their native land who, while they sacrifice permanent interests, think they can calculate the meridian of their country by the artificial reflections of a moment, transitory and perishable.

The régime of force or of armed peace consumes the vital forces and the resources of nations; and then from the abyss of inequality, of affliction, and danger produced, bursts forth once more the social and political problem demanding, with threats, the reform of the evil, and laying down the maxim that only an ideal and a régime of justice, of liberty, and of human solidarity can possibly stand forth, firm and unshaken, amidst the ruins in which the wild ideas of greatness held by the military powers of the world must remain buried forever.

It is not by means of a régime of imposition and of force, but by that of liberty, peace, and labor, that the United States of America has been enabled to form a marvelous abode of vitality and human progress; and its Government, with a perfect insight into the greatness of that country and of its destiny, to-day addresses the present and the future of our world, and with special interest explains to America what are the only paths that will lead the nations following them to the attainment of tranquility and well-being.

Once that existence is obtained, you have said, Mr. Root, that it is necessary to live and advance worthily and honorably, and that this object can not be attained by a régime of domestic oppression and of privilege, nor by the external one of isolation or of war, but by that of liberty, order, justice, economical progress, moral improvement, intellectual advance, respect for the rights of others, and a feeling of human solidarity. You have clearly stated:

"No nation can live unto itself alone and continue to live. Each nation's growth is a part of the development of the race. * * * A people whose minds are not open to the lessons of the world's progress, whose spirits are not stirred by the aspirations and achievements of humanity struggling the world over for liberty and justice, must be left behind by civilization in its steady and beneficent advance."

In the life of nations there must always prevail an ideal and a harmony of right, of liberty, of peace, and fraternity, although this can only be obtained by persevering efforts and by sacrifices, and a long and distressing march. It is necessary to "labor more for the future than for the present," and unite together all the nations engaged in the same great task, inspired by a like ideal and professing similar principles.

In accordance with these highly elevated ideas you have given utterance to a profession of faith, setting forth the policy of the United States in the following memorable declarations:

"We wish for no victories but those of peace; for no territory except our own; for no sovereignty except the sovereignty over ourselves. We deem the independence and equal right of the smallest and weakest member of the family of nations entitled to as much respect as those of the greatest empire, and we deem the observance of that respect the chief guaranty of the weak against the oppression of the strong. We neither claim nor desire any rights, or privileges, or powers that we do not freely concede to every American republic. We wish to increase our prosperity, to expand our trade, to grow in wealth, in wisdom, and in spirit, but our conception of the true way to accomplish this is not to pull down others and profit by their ruin, but to help all friends to a common prosperity and a common growth, that we may all become greater and stronger together.

"Within a few months for the first time the recognized possessors of every foot of soil upon the American continents can be, and I hope will be, represented with the acknowledged rights of equal sovereign states in the great world congress at The Hague. This will be the world's formal and final ac-
acceptance of the declaration that no part of the American continents is to be deemed subject to colonization. Let us pledge ourselves to aid each other in the full performance of the duty to humanity which that accepted declaration implies, so that in time the weakest and most unfortunate of our Republics may come to march with equal step by the side of the stronger and more fortunate. Let us help each other to show that for all races of men the liberty for which we have fought and labored is the twin sister of justice and peace. Let us unite in creating and maintaining and making effective an all-American public opinion whose power shall influence international conduct and prevent international wrong, and narrow the causes of war, and forever preserve our free lands from the burden of such armaments as are massed behind the frontiers of Europe, and bring us ever nearer to the perfection of ordered liberty. So shall come security and prosperity, production and trade, wealth, learning, the arts, and happiness for us all."

Peru has read your words, Mr. Root, with profound attention. She is proud to say that in the modest sphere she occupies in the concert of nations she accepts your phrases and ideas as her own, and declares that they also constitute her profession of faith as regards her international policy.

With your superior judgment you have exactly comprehended the difficulties, critical moments, and convulsions which the countries of this continent have had to undergo in order to establish a republican government, together with a régime of liberty and democracy. They are still in the first period of their development and have yet many problems to solve.

To develop the immense resources and wealth with which nature has so wonderfully endowed these countries; to render their territory accessible to labor and civilization by opening up means of communication, granting all kinds of facilities and giving security for the life, health, and welfare of their inhabitants; to obtain the population which their immense territories require; to educate and instruct the people, making them understand their personality, their liberty, their duties, and their rights; to develop their faculties and energies, their labor forces, their industrial and commercial capacity and power; to elevate their moral dignity; to consolidate and strengthen the national unity; to insure definitely the government of the people, in justice, in order, and in peace; to attract capital and foreign immigration; to develop and give impulse to the commercial relations with other countries; to maintain a frank and true international harmony and solidarity; to respect all mutual and reciprocal rights and settle all disagreements by friendly, just, and honorable means—to perform, in short, a work of human civilization; these are undoubtedly the points which ought to occupy, first of all, the thoughts of the administration of these countries, in order to secure their tranquility, their welfare, and their aggrandizement, just as the United States have done, owing to the genius of their race and the power of their ideals.

If the nations of America, instead of living apart from each other and separated by mistrust, threats, and quarrels—which unsettle them, rendering their energy and development fruitless, just as they have kept up a state of anarchy, for a long time, in their internal existence—would unite themselves together by the natural ties which the community of their origin, of their civilization, of their necessities, and their destinies clearly indicate, we should then witness the realization of the idea which you have conceived of a great, prosperous, and happy America; the union of sister Republics, free, orderly, laborious, lovers of justice, knowledge, sciences, and arts, cooperating, each one and all of them, worthily and effectively, to the realization of the great work of human civilization and culture.

The standard and observance of justice should bring about the definite disappearance of the disagreements which may have caused separation among the South American countries, just in the same way as family quarrels are effaced on the exhibition of a just and generous sentiment of sincere brotherhood and harmony which vibrates throughout this continent as an intense aspiration of the American soul and as a noble ideal of concord and of justice.

It is never too late to recognize what is right and to proceed with rectitude. My memory suggests an important event which occurred some few years back in the history of the relations between Peru and the United States, described most correctly by the representative of your Government as one of those most worthy of note in the annals of diplomacy. I refer to the serious question which arose in 1852 between our respective countries relative to the Lobo's guano islands, when the United States held that they did not belong to the territory and sovereignty of Peru, and that as they had been occupied by
American citizens your country would uphold these parties in the work of exploitation; but as soon as the Government of the United States, after a lengthened and lively controversy, became convinced of the right which Peru had on her side it at once spontaneously put an end to the question by a memorable note of its Secretary of State, recognizing the absolute sovereignty of Peru over those islands and declaring that "he makes this avowal with the greater readiness, in consequence of the unintentional injustice done to Peru, under a transient want of information as to the facts of the case."

When powerful nations, laying to one side the instruments of oppression and violence which they have in their hands, rise to such a height of moral elevation, universal respect and sympathy then form the unfading halo of their grandeur.

And thus it happened with the United States of America; and Peru has now the honor once more to express its consideration and thanks for the generous friendship and constant interest with which the United States have always paid attention to everything affecting the welfare and progress of our country.

Peru, which is the repository of the secrets of wondrous and unknown civilizations; which possesses great historical traditions; which was long ago the metropolis of this continent, and then a Spanish colony; which has an enormous extent of territory, with the most varied and wonderful climates and wealth; after grievous domestic and foreign vicissitudes, has firmly taken in hand the great work of its reorganization; has acquired the knowledge of its public and private duties; has given vigor to its character and to its spirit of enterprise; has founded industries and labor centers; foments its agriculture, mining, and commerce; is using every effort to foster public instruction, increasing the number of schools throughout the country and giving civic education to its children; constructing railroads and public works of national and future interest; opening the minds and intelligence of its people to the currents of culture and modern progress, and endeavoring to establish a solid and well-directed public administration; her fiscal revenues, her trade, and the general capitalization of fortunes have reached in a few years an extraordinary development which demonstrates the potentiality of the country; enjoying public peace, she is using every effort to maintain a policy of frank understanding and friendship with all nations, and sustains the principle of arbitration for the solution of all her international controversies, thus giving evident proof of the rectitude of her sentiments, and that the only settlements which she defends and to which she aspires are the honorable settlements dictated by right.

These ideas are likewise yours, Mr. Root. And I invite you, gentlemen, to unite with us in expressing the hope that the principles proclaimed by our enlightened guest, to whom we to-day offer the deep homage of our respect and sympathy, may everlastingly rule in America.

[Inclosure 4.]

Reply of Mr. Root.

Mr. Minister, Ladies and Gentlemen:

I should be insensible, indeed, were I not to feel deeply grateful for your courtesy, your hospitality, and your kindness; nor can I fail to be gratified by the words of praise which you, Mr. Minister, have spoken of my beloved country, and by that hearty and unreserved approval with which you have met my inadequate expression of the sentiments that the people of my country feel toward their sister republics of South America. The words which you have quoted, sir, do represent the feelings of the people of the United States. We are very far from living up to the standards which we set for ourselves, and we know our own omissions, our failings, and our errors; we know them, we deplore them, and we are constantly and laboriously seeking to remedy them; but we do have underneath as the firm foundation of constitutional freedom the sentiment which were expressed in the quotations which you have made.

*Mr. Everett to Señor Osma, Nov. 16, 1852.*

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No government in the United States could maintain itself for a moment if it violated those principles; no act of unjust aggression by the United States against any smaller and weaker power would be forgiven by the people to whom the Government is responsible.

Mr. Minister, my journey in South America is drawing to a close. After many weeks of association with the distinguished men who control the affairs of the South American republics, after much observation of the widely different countries which I have visited, it is with the greatest satisfaction that I find, in reviewing the new records of my mind, that the impressions with which I came to South America have been confirmed—the impression that there is a new day dawning, a new day of industry, of enterprise, of prosperity, of wider liberty, and more perfect justice among the people of the southern continent.

I find that the difference between the South America of to-day and the South America as the records show it to have been a generation ago is as wide as the difference marked by centuries in the history of Europe. Why is it? You are the same people—not so much better than your fathers. The same fields offered to the hand of the husbandman their bounteous harvests then as now; the same inestimable wealth slept in your mountains then as now; the same streams carried down from your mountain sides the immeasurable power ready to the hand of man for the production of wealth then as now; the same ocean washed your shores ready to bear the commerce of the world then as now. Whence comes the change? The change is not in material things, but in spiritual things. The change has come because in the slow but majestic progress of national development the peoples of South America have been passing through a period of progress necessary to their development, necessary to the building of their characters, up from a stage of strife and discord, of individual selfishness, of unrestrained ambition, of irresponsible power, and out upon the broad platform of love for country, of national spirit, of devotion to the ideal of justice, of ordered liberty, of respect for the rights of others; because the individual characters of the peoples of the South American republics have been developed to that self-control, to that respect for justice toward their fellowmen, to that regard for the rights and feelings of others which inheres in true justice. The development of individual character has made the collective character competent for self-government and the maintenance of that justice, that ordered liberty, which gives security to property, security to the fruits of enterprise, security to personal liberty, to the pursuit of happiness, to the home, to all that makes life worth living; and under the fostering care of that character, individual and national, the hidden wealth of the mountains is being poured out to enrich mankind; under the fostering care of that character, individual and national, new life is coming to the fields, to the mines, to the factories, to commerce, to all material interests of South America.

Mr. Minister, this is but a part of the great world movement on a wider field. It is no idle dream that the world grows better day by day. We can not mark its progress by days or by years or by generations, but marking the changes by the centuries mankind advances steadily from brute force, from the rule of selfishness and greed toward respect for human rights, toward desire for human happiness, toward the rule of law and the rule of love among men. My own country has become great materially because it has felt the influence of that majestic progress of civilization. South America is becoming great materially because it, too, is feeling the influence that is making humanity more human.

We can do but little in our day. We live our short lives and pass away and are forgotten. All the wealth, prosperity, and luxury with which we can surround ourselves is of but little benefit and little satisfaction; but if we—if you and I—in our offices and each one of us in his influence upon the public affairs of his day can contribute ever so little, but something, toward the tendency of our countries, the tendency of our race, away from greed and force and selfishness and wrong, toward the rule of order and love—if we can do something to contribute to that tendency which countless millions are working out, we shall not have lived in vain.

You were kind enough to refer to an incident in the diplomatic history of the United States and Peru when my own country recognized its error in regard to the Lobos Islands and returned them freely and cheerfully to their rightful owner. I would rather have the record of such acts of justice for my country's fair name than the story of any battle fought and won by her military heroes.

We can not fail to ask ourselves sometimes the question, What will be the end of our civilization? Will some future generation say of us, as did the
Persian poet, "The lion and the lizard keep the courts where Jamshyd glori- ed and drank deep?" Will the palaces that we build be the problem of the anti- quarians in some future century? Will all that we do come to naught? If not—if our civilization is not to meet the fate of all that have gone before—it will be because we have builded upon a firm foundation, a foundation of the great body of the plain, the common people, and of a character formed upon the principles of justice, of liberty, and of brotherly love. Our one hope for the perpetuity of our civilization is that quality in which it differs from all civilizations that have gone before—its substantial basis. I find that here in Peru you are building upon that firm rock.

I find that here individual character is being developed so that the people of Peru are collectively developing the necessary and essential national character.

I find that the riches of your wonderful land are in the hands of a people who are worthy to enjoy them.

I shall take away with me from Peru not only the kindest feelings of friendship and of gratitude but the highest and most confident hope of a great and glorious future for the people to whom I wish so well.

Mr. Minister, will you permit me the honor of asking all to join me in drink- ing to the health of His Excellency the President of Peru?

The President of Peru to President Roosevelt.

[Translation.—Telegram.]

LIMA, September 16, 1906.

His Excellency Mr. Root leaves to-day, leaving with the Peruvian Government and people a never-to-be-forgotten memory and a feeling of sympathy that quickens the sentiments of close friendship which unites Peru with the United States of America.  

PARDÓ.

President Roosevelt to the President of Peru.

[Telegram.]

WASHINGTON, September 20, 1906.

I am glad to receive your telegram in regard to the good effect of Secretary Root's visit, and trust that not only this pleasing occasion, but all that concerns the intercourse of the two countries may tend to their mutual friendship and esteem.

THEODORE ROOSEVELT.

The President of the Peruvian Senate to the President of the Senate of the United States.

[Telegram.—Translation.]

LIMA, September 14, 1906.

To the most excellent the President of the Senate, Washington.

At the session held this day by the Senate of Peru in honor of the most excellent Secretary of State, Mr. Elihu Root, the following resolution has been adopted:

The Senate of Peru has the honor to send its greetings to the Senate of the United States of America and to express to it the
peculiar gratification with which it has received in its midst the emin-  
ent statesman, the most excellent Elihu Root. His plans of Ameri-  
can solidarity respecting sovereignty, liberty, and justice quicken  
and strengthen the friendship and sympathy that the Peruvian nation  
professes for the great Republic. I consider it an honor to transmit  
this expression to your excellency for the information of the honor-  
able Senate of the United States and to offer to your excellency the  
sentiment of my distinguished consideration.

BARROS,
President of the Senate.

CONSULAR ADMINISTRATION OF ESTATES IN PERU.

The Secretary of State to Minister Dudley.

No. 375.]  
DEPARTMENT OF STATE,
Washington, December 27, 1905.

Sir: I inclose herewith a copy of a dispatch from the consul-  
general at Callao in which he requests instructions as to the circum-
stances under which he should take charge of the estates of Americans  
who may die within his jurisdiction and a copy of the department's  
reply thereto.

Mr. Gottschalk's inquiry whether he can properly avail himself  
of the Peruvian Government's offer to accord to American consular  
officers the privileges afforded to the most favored nation in connection  
with the settlement of the estates of deceased Americans having been  
answered in the affirmative the necessary action will be taken through  
your legation.

You will therefore request the foreign office to cause each of the  
Peruvian local officials concerned to be instructed to notify the appro-
priate consul of any death of an American that may occur within his  
jurisdiction.

I am, etc.,

ELIHU ROOT.

[Inclusion 1.]

Consul-General Gottschalk to the Assistant Secretary of State.

No. 61-bis.]  
CONSULATE OF THE UNITED STATES,
Callao, Peru, November 13, 1905.

Sir: Referring to my dispatch unnumbered, of October 30, 1905, I have the  
honor to invite your attention to the following facts: It has been the custom  
with Americans in Peru for a great many years past not to register at consu-
lates and to refrain from notifying this office in case of deaths, estates of de-
ceased American citizens, etc. I find upon careful investigation that this is  
done in complete innocence, and that here more so than in many places in  
Spanish-America which I have visited our countrymen usually resort to the  
consulates only in case of eminent peril (real or fancied) to life and property.  
So general is this condition that upon gathering information for my dispatch  
above mentioned in regard to the death of Edwin S. Dougherty, an American  
citizen and an employee of the Inca Mining Company, I was quite warmly  
thanked by Mr. Chester Brown, the manager of this company, as follows:

"Don't think, Mr. Gottschalk, that we consider you intrusive in any way.  
We are only surprised at seeing you take an interest in this matter, and I am  
astonished, since you say it is part of a consul's duty, that none of our repre-
sentatives have ever bothered about such matters before. It is an excellent
thing, of course, and our company will gladly agree to make your nearest consular agent (Mollendo) or yourself a participant in anything that is connected with the deaths of American citizens in our employ."

Before taking any further steps in regard to this important part of our consular work here, I have the honor to ask for your instructions, as follows:

Paragraph No. 1. I understand that the treaty between the United States and Peru, referred to in paragraph No. 414, Consular Regulations of 1896, has been abrogated, but am informed that our consular representatives will gladly be given by the Government the "most favored nation" privilege in regard to the estates of deceased American citizens. Am I correct in availing myself of this?

Paragraph No. 2. The United States statutes provide that consuls shall take possession of the personal estate of Americans not seamen dying within their jurisdiction, leaving there no legal representative, partner in trade, or trustee appointed before decease. I have the honor to inquire whether, in the proper interpretation of the statute, the employer or employers of the decedent are regarded ipso facto as legal representatives, partners in trade, or trustees—in other words, whether they may or may not rightfully settle the estate without the participation of this office.

It has been my intention to address a circular letter to the authorities in each department in Peru, asking them to notify this office in the case of Americans dying within their jurisdiction. (This, I am told, is done by some of my colleagues of other nations, but I have refrained from so doing until I heard from you on the two points above mentioned.) I should also be grateful if you would sanction the sending of a circular, as above indicated, if the plan meet with your approval.

I have, etc.,

A. L. M. GOTTSCALK.

[Inclosure 2.]

The Third Assistant Secretary of State to Consul-General Gottschalk.

No. 89.]

DEPARTMENT OF STATE,
Washington, December 22, 1905.

Sr: I have to acknowledge the receipt of your No. 61-bis, of November 13, relative to the settlement of the estates of American citizens dying in Peru.

In reply, I have to say that it is entirely proper for you to avail yourself of the most favored nation privilege with respect to the disposition of estates of American citizens which, it is understood, will be extended to you by the Government of Peru. The department is fully in accord with your views as to the advisability of requesting the local Peruvian authorities to notify you in cases of Americans dying within their jurisdictions, but it is thought that perhaps a more effective way of making the request would be through our minister at Lima, who will be suitably instructed in regard to the matter at an early day.

In reply to your second inquiry, I have to say that in the opinion of the department the employer of an American citizen can not, upon the death of the employee, be regarded as a legal representative, as a partner in trade, or as a trustee within the meaning of section 1700 of the Revised Statutes. In such case it would seem that you should take charge of the estate in the usual way, not permitting it to be settled by the employer.

I am, etc.

HERBERT H. D. PEIRCE.

Minister Dudley to the Secretary of State.

No. 1244.]

AMERICAN LEGATION,
Lima, Peru, January 26, 1906.

Sr: I have the honor to acknowledge the receipt of the department's instruction No. 375, of the 27th ultimo, directing me, in view of the offer of this Government to accord to American consular officers the privileges afforded the most favored nation in the settlement of the estates of deceased Americans, to request the Peruvian
foreign office to cause each of the local officials of this country concerned to be instructed to notify the appropriate consul of any death of an American that may occur within his jurisdiction. I inclose herewith a copy of my note making the request.

I have, etc.,

IRVING B. DUDLEY.

[Inclosure.]

Minister Dudley to the Minister for Foreign Relations of Peru.

AMERICAN LEGATION,
Lima, Peru, January 26, 1906.

Mr. Minister: It being understood that your excellency's Government is ready to accord to American consular officers the privileges afforded to the most favored nation, in connection with the settlement of the estates of deceased Americans, I am instructed by my Government, for the purpose of enabling the American consul-general at Callao to avail himself of the privilege, to request your excellency to cause each of the Peruvian local officials concerned to be instructed to notify the appropriate consular officer of any death of an American that may occur within his jurisdiction.

Commending the matter to your excellency's favorable consideration, I embrace the opportunity of renewing, etc.,

(Signed) IRVING B. DUDLEY.

Minister Dudley to the Secretary of State.

No. 1253.]

AMERICAN LEGATION,
Lima, Peru, March 6, 1906.

Sir: Referring to my No. 1244, of January 26 last, I have the honor to inclose herewith a copy and translation of a note from the Peruvian foreign office, dated the 15th ultimo, from which it appears that in the absence of a convention between the United States and Peru this Government is without authority to grant our consular officers the privilege of administering upon the estates of deceased Americans. The right of consular administration, exercised by Italy under its treaty of 1893 with this country, was lost in consequence of the abrogation of the treaty by Peru. Peru's action was due to its dissatisfaction over questions that arose in the course of consular administration under the treaty, and was taken for the purpose of putting an end to the right. Of course the exercise of the same power will not now be allowed Italian consuls as a privilege and so, even if this Government were vested with discretionary power in the premises, could not with consistency be gratuitously allowed the consuls of any other nation.

The minister's note, though dated the 15th ultimo, was not received at this legation until to-day. The explanation is that his note, as originally prepared and sent, was based upon a misconception of the scope of the request made by the legation (see my No. 1244) and that the note forwarded herewith, written later, was substituted for the original note, being given the same date and number.

My request, following closely the language of the instruction, was that the local Peruvian officials should notify the appropriate consular officer of any death of an American citizen that might occur.
within his jurisdiction, for the purpose, as I in substance stated, of enabling our consul-general at Callao to avail himself of the privileges afforded in the case of the most favored nation in connection with the settlement of the estates of deceased Americans. This was understood by the foreign minister to mean for the purpose of enabling our consular officers in this country to watch such administrations and guard the interests of the heirs and successors by appearing therein when found advisable. Instructions to give our consuls the desired notifications were immediately sent, so the minister has verbally informed me, to all the departments, and those instructions are of course still in force.

It is true that since the abrogation, about eight years ago, of the treaty that gave us the right of consular administration in Peru the effects of our deceased countrymen have occasionally been taken into possession and been disposed of by the present consul-general and his predecessors. This must have been through the sufferance or inattention of the Peruvian officials. It has occurred in the case of intestates not domiciled in the country, of those without debtors or creditors in Peru, and in cases wherein no question of the devolution of title to real estate was involved. That it will not be objected to in like cases hereafter seems to me probable.

A copy of the above-mentioned note from the Peruvian foreign minister has been furnished the consul-general at Callao.

I have, etc.,

IRVING B. DUDLEY.

[Inclosure.—Translation.]

The Minister of Foreign Affairs to Minister Dudley.

PERUVIAN FOREIGN OFFICE,
Lima, February 15, 1906.

Mr. Minister: Referring to your excellency's courteous communication of January 26 last, I have the honor to state that the facilities which my Government is empowered to afford in case of the death of American citizens in Peru are limited, for the present, to the notification which, in pursuance of instructions already issued, the Peruvian authorities will give the proper consular officer of the United States, and in default of one to this department, for the information of your legation. The legal possession and administration of effects left by American citizens could only be conceded to the consular officers of the United States by virtue of special agreements, as in the case of Italy, under the consular convention of February 25, 1898, the stipulations of which, however, can no longer be taken as a standard because said convention has been abrogated.

I take, etc.,

(Signed) J. PRADO Y UGARTECHE.