

1718

17

ADDRESSES

OF

IGNACIO CALDERON

Minister of Bolivia
to the United States

BEFORE THE

Twenty-second Trans-Mississippi
Commercial Congress

AT

San Antonio, Texas

AND THE

First Pan-American Conference

AT

Washington, D. C.

1910/17

1910



ADDRESS OF THE BOLIVIAN MINISTER
BEFORE THE TRANS-MISSISSIPPI COMMERCIAL
CONGRESS AT SAN ANTONIO, TEXAS,
NOVEMBER, 1910

I have been especially honored by being invited to take part in this Congress, where I see the social, political and industrial activity of this vast and rich section of the United States represented by its most distinguished citizens.

I could have no better duty to perform than to be at this moment the representative of the sympathies of the South American Republics, and especially of my country, Bolivia; and to express before this congress my sincere hopes that the friendship and good will existing among all the American republics may be stronger and more intimate with the lapse of time.

The natural development of communication facilities, which now mark the relations of all civilized nations, will have a notable culmination within a few years by the opening of the Panama Canal.

I have no doubt that there are still alive some of those unfortunate travelers who crossed the Isthmus of Panama when that journey was made partly on the backs of mules and partly in frail canoes, necessitating many days of travel and exposure through malaria-infected swamps, the infections of yellow fever mosquitos and the dagger of the highwaymen who prayed on the passengers.

Thousands of adventurers, anxious to reach the new El Dorado in California without delay, found a premature grave in the unhealthy swamps of the Isthmus. It was then that the genius and persistent activity of an American, Aspinwall, conceived and brought about the construction of the Panama Railroad—one of the boldest and most important undertakings. It is said that each railroad tie cost the life of a man; but in exchange millions of travelers have since been spared.

From that time onward the progress of the world has been rapid. The east and the west of the United States form only an entity, completely linked and with better facilities of communication than the original States possessed at the beginning of the last century.

The great steamships that cross the Atlantic have changed this former long voyage into pleasant excursions of only a few days' length.

The development of the railroads of Europe, of America, of Asia and of Africa has shortened the distances and brought the peoples of the entire globe in quick touch with each other.

It is not strange, therefore, that the dream of centuries, the removal of the obstacle that separates in the north of the continent the two great oceans has become a paramount necessity.

The energy and the financial power of this great republic have again been called into action to carry out the most

gigantic geographical-surgical work, as the cutting of the Isthmus of Panama was once very aptly termed by the distinguished British Ambassador.

Great effort and enormous capital was first expended by France and at present by the United States to accomplish this stupendous work; but who can properly appreciate the immense benefits which will result to the commercial relations of the world? America and Asia will be thousands of miles nearer each other; the free communication between North and South America will give a tremendous impetus to their intercourse. The bringing of widely separated countries into closer and more rapid communication will culminate in a universal transformation of the commerce of the world.

The slow development of commercial relations between this country and the republics of South America is largely due to the difficulties of crossing the Isthmus. In order to understand how prejudicial has been the system of monopoly established in the past by the Panama Railroad, in union with the Pacific Mail Steamship Company, let me read some data which was presented some five years ago to the then Secretary of War and now the distinguished President of the United States:

“The nitrate of Chile cannot be brought via Panama: The combined tariff rates between the railroad company and the *trust* of the steamers of the Southern Pacific Coast fix a freight of 47 shillings sterling a ton. That same nitrate reaches New York by steamers via Magellan, paying 23 shillings sterling a ton.

“The Peruvian sugar pays by the Isthmus 30 shillings sterling a ton, and 23 shillings sterling a ton via Magellan.

“The cocoa of Guayaquil, via Panama, pays to Europe from 52 to 58 shillings sterling a ton, and for New York, 65 to 68 shillings sterling a ton.

"Coffee is exported from Central America to Europe, via Magellan, cheaper than by way of Panama.

"The metals of Bolivia, especially tin, cannot be brought to the United States via Panama.

"Frequently the case arises that products from our coasts are imported into the United States, after being transshipped either in Liverpool, Havre, or Hamburg, because of the lower freight rates for Europe as against the United States.

"It may be calculated that the most distant ports of our respective republics, are from New York, 4,500 miles, via Panama. From those same ports to New York there is a distance of over 11,000 miles, via Magellan, and, nevertheless, the transportation by this last route, and the transportation by steamer from our ports to Europe is on an average from 25 to 30 per cent cheaper than our commerce with New York, via Panama.

"From this considerable difference of freight rates it is apparent that the European consumer has the advantage of buying our products cheaper than the American consumer.

"By taking articles of little value we find that:

"Rice, for example: From Hamburg, shipments of rice from India, are constantly being made to Ecuador, via Panama, at the rate of from 30 to 33 shillings sterling per ton of 2,240 pounds, or say, from \$7.50 to \$8.00 per ton, while the same article from New York pays at the rate of 60 cents per 100 pounds, or say, \$13.20 per ton, an overcharge of almost 75 per cent. And what is said of rice may be applied to all articles, given as second class, in the Panama Railroad Company's tariff, of which we herewith transmit a copy. This difference in the freight rates tips the scales in favor of the European markets, almost excluding, or at least limiting to a narrow circle, the exportations of the

same class of articles from New York, to the detriment of the commerce of the United States.

"It is to be observed, at the same time, that on certain articles, on which the Panama Railroad Company collects, by cubic measurements, the freight from New York to the Pacific ports of South and Central America is so high that it represents from 40 to 50 per cent of the cost of the merchandise."

Since that time it is true steps have been taken to cheapen the freight rates and to give more freedom of transit of the Isthmus; but there still remain serious obstacles. For instance, correspondence from South America arrives here very irregularly; at times letters are received in eighteen days, but more frequently they are on the way thirty and thirty-five days.

Passengers who come by Panama, for want of proper connections with ships at Colon to New York are often detained for days on the Isthmus; the necessity to tranship merchandise at Colon to cross the Isthmus to the Pacific steamers causes losses, breakage and delay, making it preferable to ship goods by the longer route of Magellan.

The opening of the Panama Canal will remove these and other obstacles; and by the adoption of a liberal policy and a free access of all nations to the canal, without prejudicial restrictions or exclusions, the commerce between our republics will increase extraordinarily.

Equally important will be the better understanding of the markets of South America by the exporters and manufacturers of this country, who will have more opportunity to study and consult the tastes and necessities of the South American people; and also will have greater facilities to visit the various countries in order to get acquainted with the business men. Personal and direct contact is a powerful

element of union and the promotion of advantageous relations.

The continent of South America is capable of unlimited development by reason of its size, the variety and richness of its products.

The total population of the ten republics does not exceed sixty million people; but their international commerce reaches to about \$2,000,000,000 annually.

Venezuela, Columbia and Ecuador on the north are especially adapted to cattle raising, they grow coffee, cocoa, rubber, and other tropical products; have many gold mines; deposits of asphalt and other important elements for the development of international commerce.

Peru already produces quantities of sugar, cotton, alpaca wool, copper, gold and silver, and in the vast plains and forests watered by the navigable rivers, as the Ucayali and the Marañon is equally a country of inexhaustible resources. Chile possesses the great nitrate deposits, is rich in copper and other metals; Argentina, by its agricultural and stock-raising industries have an important and growing position in the world's commerce; Brazil, with its vast territory and great rivers today supplies this country most of the coffee as well as rubber that it consumes. Uruguay and Paraguay, are also countries equally rich in pastures and agricultural products.

My country, Bolivia, situated in the center of the continent and crossed by double chains of the Andes, watered by great rivers flowing to the Amazon and the Plata, rich in virgin forests, abundance of rubber and all tropical products, offers in its eastern plains wonderful opportunities for stock-raising. The mines of silver, copper, bismuth, zinc and tin have been the principal source of wealth during the domination of Spain. The silver mines of Potosi produced billions during the three hundred years of

the colonial period, and if it had not been for the great depreciation in the value of this metal and the lack of cheap transportation the numerous abandoned mines would today be in active operation.

On the other hand the exploitation of tin has considerably increased. Bolivia, being the only American country where this metal is found in paying quantities, has, I will say, the natural monopoly in its production. Last year more than 21,000 tons of pure tin were exported; and with better transportation facilities and greater working population, Bolivia, that now produces about one-fourth part of the tin used, could easily supply enough for the world's consumption.

In order to avoid the obstacles offered by the great heights of the Andes and the distance from the coast, there was begun several years ago the construction of a system of railroads that will facilitate communication with the markets of the world.

In general, there is only a faint knowledge of the progress made by the construction of railroads in South America. A short time ago a line in Ecuador from Guayaquil to Quito, the capital of that republic, was opened to traffic, thus uniting the interior cities of the country with its principal port on the Pacific.

In the south Chile and Argentina are already connected by the recently completed tunnel under the Andes, and in consequence Buenos Aires and Valparaiso are only about a day and a half distant instead of the former long and dangerous voyage through the Straits of Magellan. The railroads which Bolivia is constructing will tap the Argentine frontier, passing through a vast section of South America and will open a direct outlet to the Atlantic from the inland sections of Bolivia, and will eventually, when Peru completes the building of its railroads to the Lake

Titicaca, establish a continuous railroad route from Lima to Buenos Aires.

Bolivia and Chile are constructing a railroad from Arica to La Paz, which will put that city within eight or twelve hours of the coast, thus reducing to one-third the time now required for making the trip by rail from Antofagasta in Chile or from Mollendo in Peru. The important railroads which Brazil is now building in accordance with an international agreement with Bolivia, passing around the falls of the Madeira, will very shortly open to traffic all the section watered by the Beni and the Mamoré in Bolivia, rich in rubber and other tropical products.

The construction of a railroad from La Paz to Puerto Pando will attract toward the Pacific a large portion of the commerce which at present passes out by the Amazon.

Peru and Ecuador are also proposing to build rail lines which, starting from points near the Pacific Coast, will run to the principal tributaries of the Amazon; and the opening of the Panama Canal will afford a rapid and advantageous route to the Pacific for a great part of the commerce that now passes to the Amazon, thus saving 3,000 miles of travel across this river in order to reach the coasts of the Atlantic.

It is very important that in meetings such as this Commercial Congress the leading men and all who may have an interest in advancing the commercial and political relations of this country with the other republics of America, meet to discuss the economic questions relating to their progress and to devise means whereby the commercial relations may be strengthened and advanced by the common effort of all the republics.

It is well to bear in mind that with the Latin race sentiment is more important than mere gain, and that the intercourse with those countries must be based on mutual con-

sideration, which so greatly contributes to render attractive relations between countries and individuals. We appreciate more the kindness received than the dollars gained.

European exporters hold the supremacy in commerce in South America by reason of the deference paid to the desires and needs of the various markets, for the care exercised in packing, the promptness of shipments and the granting of credits more or less extended.

If American exporters are interested in developing their relations with the countries of the South it is highly important that they study their demands, send representatives who thoroughly understand the Spanish language, exercise greater care in filling orders and avoid delays, which unfortunately occur frequently, rendering the goods sent of little value or even useless.

The American republics have already a strong basis of union in the community of their political ideals. The democratic principle of equality that recognizes individual merit and character as the only title of superiority and no other power than the will of the people as expressed by free suffrage, forms not only their great bond of union, but it is the most advanced step on the road to peace and general prosperity.

It cannot be denied that if the United States has obtained a pre-eminent post among the nations of the world it is chiefly due to the liberty that is enjoyed within its territory and the spirit of justice and respect for the rights of other nations.

The \$11,000,000 indemnity returned to China has raised its prestige, not only in that vast Empire but among all nations, more than millions of exported American products could possibly accomplish. The assistance and support given Cuba in order for that country to achieve its independence is a most admirable example of international altruism, and

the consecration of its respect for the right of the people to govern themselves.

Recently one of the oldest and most complicated questions and which more than once put in danger the good relations of the United States with England has been settled by the arbitration tribunal of the Hague; and the entire world has been given an example of respect for law in place of force and the useless cruelty of war.

How great is the influence of American democracy and the exercise of liberty on the most despotic nations of the old world may be appreciated by noting the general movement toward parliamentary system. This influence has penetrated to the former immovable China, whose awakening is one of the most notable phenomenon of the century. The life-given breath of free democracy is galvanizing the momified empire of the East.

As long as this great republic continues to be the standard bearer of liberty and democracy, its influence in the world in favor of justice and right will be as a polar star guiding to peace and universal fraternity.

Before concluding these brief observations I must mention the debt of gratitude that the cause of Pan-Americanism owes to the Hon. John Barrett, Director-General of the Pan-American Union.

After the memorable voyage of the distinguished Ex-Secretary of State, Mr. Root, to South America and the brilliant demonstration he made in this same Congress at Kansas City, calling attention to those republics, then so little known, the work of Mr. Barrett in his indefatigable propaganda in speech and in writing, illustrating the great progress of the Latin republics, has contributed more than anything else to awaken interest and develop the good relations of all our countries.

ADDRESS OF HON. IGNACIO CALDERON
MINISTER OF BOLIVIA

AT THE INAUGURATION OF THE PAN-AMERICAN CON-
FERENCE IN WASHINGTON, D. C., THE
13TH OF FEBRUARY

MR. PRESIDENT, GENTLEMEN:

"Your presence here is no ordinary event. It signifies much to the people of all America. It may signify much more in days to come."

Such were the prophetic words that the far seeing statesman, James G. Blaine, uttered, welcoming in this city the first Pan-American Conference.

Today, on the eve of the fulfillment of that prophecy, it is my privilege and special pleasure to welcome you here in this palace of peace, dedicated to the brotherhood of the American republics through the concourse of all of them, and principally by the magnificent liberality of that noble philanthropist, Andrew Carnegie, who so well knows how to use wealth in a democracy.

I am compelled to acknowledge that the first years of the existence of this Institution passed in a kind of what somebody might have called *inocuous desuetude*—the time was not ripe for it. The public opinion in this country was indifferent and South America was in bad odor, as the papers never printed any other news than that of revolutions and disorder, and made free use of some of the stock jokes about the armies with a hundred generals and one soldier, and so forth.

On the other hand many malicious reports were spread in the Southern republics about the great northern eagle, that was only a big bird of prey, ready to pounce and gobble up all the republics in America.

Under such circumstances it was natural that the cause of Pan-Americanism should not progress, but in the summer of 1906, another great statesman went forth to the South with a message of peace and of friendship from the people and the Government of the United States to their Southern sister republics.

How well Mr. Root fulfilled his noble mission is a matter of history. His eloquent and sincere words were received in all good faith, and when, at the meeting of the Third Pan-American Conference in Rio, he explained the position of this country in clear and forcible terms, no doubt was entertained about its meaning. He frankly declared: "*We wish for no victories but that of peace; for no territory except our own; for no sovereignty except the sovereignty of ourselves;*" and after said: "*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 our friends to a common growth and prosperity that we may become stronger and greater together.*" The policy of this great nation was thus tersely defined. And when he came back to this country he awakened public opinion as to the progress and development of the Southern republics.

Since then the interest of this country in South America has been growing steadily under the wise impulse given to our good relations by the present Administration and its able Secretary of State, and the work of propoganda by that apostle of Pan-Americanism, the Director-General of this Union.

Speaking to an assemblage as intelligent as this I need not dwell on the great possibilities offered by South America, but I will say it is one of the greatest continents on the face of the earth. Stretching its length from the shore of the Gulf of Mexico down to the frigid regions of Cape Horn, South America, with its area of over seven million seven hundred thousand square miles of territory, offers to human industry and necessity every gift that bountiful Nature could bestow.

Its grand and majestic mountains, its secular and imposing forests, its great rivers, such as the Amazon, that for over three thousand miles can float the largest ships, are full of the most admirable panorama that is given man to contemplate.

Venezuela, Columbia and Ecuador in the northern section are rich in every kind of tropical product, such as coffee, cocoa, ivory, nuts, rubber, etc., and its sabanas are capable of maintaining millions of cattle. They are rich in various mineral products, asphalt lakes, emerald mines and pearl fisheries.

Further south, Peru produces quantities of sugar, cotton, alpaca wool and has vast petroleum fields. Chili owns the great nitrate fields which furnish the world the best agricultural fertilizer; its central valleys are rich in agricultural products, and its wine industry is being well developed, as it is also the sheep raising.

Further south, the Argentine Republic occupies already a commanding position in the world's trade as great exporter of agricultural and animal products; Uruguay and Paraguay are also countries rich in the same kind of products.

Brazil, with its vast territory and great rivers, furnishes today the greater part of the coffee and rubber consumed in this and other countries.

Bolivia, situated in the center of the continent, is the richest country in mineral wealth and has contributed for centuries millions of dollars' worth of silver, besides there are copper, zinc, bismuth and gold mines. Tin is now one of the leading exports, and furnishes at least one-fourth of the production, and should it cease in the few other places where it is now produced, Bolivia could well supply the world with all the tin needed.

The great development of the southern countries is represented by over two thousand million dollars of their international trade.

This enormous sum is constantly growing as the construction of the railways is being pushed everywhere.

Brazil is extending its lines from North to South and from West to East, stretching them towards Uruguay and Paraguay.

The Argentine is gridironed with over sixteen thousand miles of railways and new lines are being built in response to the needs of its growing trade.

Chili is about to construct a line along its coast from North to South, and has also, in connection with the Argentine, completed the great tunnel under the Andes that puts in close contact Buenos Aires and Santiago.

On the summit of the Andes stands that worldwide famous monument to Christ the Redeemer; the noblest expression of the sentiments for peace and fraternity in democratic America.

Bolivia is developing a carefully mapped railway system that is being carried out rapidly. One of its lines going from North to South all through its high plateau will afford a continuous railway communication between La Paz and Buenos Aires. Other lines will be extended through the Eastern section of the country to facilitate the exportation

of the abundant rubber forests, rich pastures, and all kinds of tropical products.

Peru is extending its railway lines to the head waters of the Amazon in the North and bringing them down in the South to connect with the Bolivian system. And soon it may be possible to go by through trains from Lima on the Pacific Coast to Buenos Aires on the Atlantic.

Ecuador has built a railway from Guayquil, its main port on the Pacific, to Quito, the capital of the republic, and other lines are in contemplation. The same work is going on in Colombia and Venezuela.

In the great commercial progress of South America, represented, as stated, by two thousand million dollars' worth of exports and imports, the share of the United States is very reduced comparatively.

It is a painful fact that all through those republics there are no American banking institutions, whereas you can find English, French, Italian and German, and Spanish banks in all the great capitals.

It is true that you have been too busy developing the resources of this magnificent country to bring it to the front rank as one of the greatest powers industrially, financially, and politically. You have been too busy creating multi-millionaires by hundreds, but the time has come when the expansion of your financial and manufacturing resources demand new and enlarged markets.

The opening of the Panama Canal will make yet more important the development of the free commercial relations between both Americas. The completion of that stupendous work, called to revolutionize the political and trade relations of the world, will show how near neighbors we are and how close together are the countries of this hemisphere.

It would be presumptuous for me to say anything about the means and methods by which the commercial relations

of our countries can be developed when I see here represented all the great commercial and industrial interests by men high in the management of business affairs.

This Congress will no doubt discuss and determine the best means to that end. I must say though that the mere buying and selling of products is not the whole aim of the nation's life—there are the great ideals, the sentiments that inspire and guide their conduct, that are more lasting and have much greater importance. In developing, consolidating and strengthening the power of our republics we must not forget that we are consolidating and insuring for mankind those noble and elevating principles of democracy that stand for the uplifting of our race, for leaving open the road to success to every man with brains enough, right heart, and perseverance to forge his way; that we stand for the equality of man and do not recognize any other superiority or distinction but that which comes with a duty nobly performed; with the spirit of charity and justice in all actions.

Democracy in this American continent must mean the absolute empire of right, of justice, and the development of every impulse that makes man nobler and purer.

Would that the flag of this great country, the beautiful Stars and Stripes surrounded by the free flags of all the nations you see displayed in the corridor of this building, always wave over millions and millions of free and happy men, united in the common work of consolidating right and justice in the world, and bring one day the reign of that peace on earth, proclaimed nineteen hundred years ago by angelic voices from heaven and so earnestly sought by every right-thinking man and woman in the world.