The thoughts and opinions expressed are those of the authors and not necessarily of the U.S. Government, the U.S. Department of the Navy or the Naval War College.
Americans interned in Italy are reliably reported not to be confined in camps but to be under orders to remain in certain towns and districts.

This Government is endeavoring to fulfill its undertakings with regard to the Geneva Conference and at the same time is insisting that the full benefits of the Convention be reciprocally granted by the enemy countries to American citizens in their hands.

**XLV. AGREEMENT WITH PANAMA FOR LEASE OF DEFENSE SITES**

(Dept. of State Bulletin, Vol. VI, No. 152, May 23, 1942)

The Governments of the Republic of Panama and the United States of America have reached an important agreement covering the use by the armed forces of the United States of numerous defense areas in the Republic of Panama. The agreement, to enter into effect when approved by the National Assembly of Panamá, was signed at Panamá on May 18 by the Ambassador of the United States, Edwin C. Wilson, and the Panamanian Minister of Foreign Affairs, Octavio Fábrega.

At the same time announcement was made of the satisfactory settlement of certain outstanding problems in the relations between the two countries, as embodied in notes exchanged May 18, 1942 between the Secretary of State and the Panamanian Ambassador in Washington, Señor Don Ernesto Jaén Guardia. Among the various points on which agreement has been reached, those of particular significance follow: The withdrawal of the Panama Railroad Company from real-estate opera-
tions in the cities of Panamá and Colón by turning over to Panama certain lots owned by the company in those cities; the delivery to the Government of Panama of the waterworks and sewerage systems lying wholly within territory under the jurisdiction of the Republic of Panama; and the liquidation of Panama’s indebtedness arising out of the construction of the strategic Rio Hato-Chorrera Highway. The agreements reached on these three points will be submitted to the Congress of the United States for approval.

Pending the conclusion of the agreement for the use of the defense areas, the Panamanian Government has permitted the military forces of the United States to occupy and develop these areas as gun emplacements, airplane-detector stations, bombing ranges, and auxiliary air fields. The largest of these is the Rio Hato air base, situated some 80 miles to the southwest of the Canal.

Immediately following the attack by the Japanese on Pearl Harbor, Panama declared war on Japan, Germany, and Italy and since that time has taken numerous and effective steps which have demonstrated that republic’s willingness to assume promptly and whole-heartedly its responsibility as a partner in the defense of the Panama Canal, in accordance with the provisions of the Treaty of Friendship and Cooperation signed at Washington on March 2, 1936.

This agreement is another significant landmark in the history of the relations between the United States and Panama and constitutes an important contribution to the security of the Canal and the defense of the Hemisphere.
The text of the agreement for the lease of defense sites in the Republic of Panama follows:

“The undersigned, Octavio Fábrega, Minister for Foreign Affairs of the Republic of Panamá, and Edwin C. Wilson, Ambassador of the United States of America, acting on behalf of our respective Governments, for which we are duly and legally authorized, have concluded the following Agreement:

“The Governments of the Republic of Panamá and of the United States of America, conscious of their joint obligation, as expressed in the provisions of the General Treaty of Friendship and Cooperation, concluded March 2, 1936, to take all measures required for the effective protection of the Panama Canal in which they are jointly and vitally interested, have consulted together and have agreed as follows:

“Article I

“The Republic of Panamá grants to the United States the temporary use for defense purposes of the lands referred to in the Memorandum attached to this Agreement and forming an integral part thereof. These lands shall be evacuated and the use thereof by the United States of America shall terminate one year after the date on which the definitive treaty of peace which brings about the end of the present war shall have entered into effect. If within that period the two Governments believe that, in spite of the cessation of hostilities, a state of international insecurity continues to exist which makes vitally necessary the continuation of the use of any of the said defense bases or areas, the two Governments shall again enter into mutual consultation and shall conclude the new agreement which the circumstances require.

“The national authorities of the Republic of Panamá shall have adequate facilities for access to the defense sites mentioned herein.

“Article II

“The grant mentioned in the foregoing article shall include the right to use the waters adjacent to the said areas of land and to improve and deepen the entrances thereto
and the anchorage in such places as well as to perform in/on
the said areas of land all the works that may be necessary
in connection with the effective protection of the Canal.
This gives no right to commercial exploitation or utilization
of the soil or subsoil, or of adjacent beaches and streams.

"ARTICLE III

"Military and naval aircraft of Panamá shall be author-
ized to land at and take off from the airports established
within the areas referred to in Article I. Similarly, mili-
tary and naval aircraft of the United States shall be au-
thorized to use military and naval airports established by the
Republic of Panamá. The regulations covering such re-
ciprocal use shall be embodied in an agreement to be nego-
tiated by the appropriate authorities of the two countries.

"ARTICLE IV

"The Republic of Panamá retains its sovereignty over the
areas of land and water mentioned in the Memorandum
referred to in Article I and the air space thereover, as well
as complete jurisdiction in civil matters, provided, however,
that during the period of temporary occupation contemplated
by this Agreement, the Government of the United States
shall have complete use of such areas and exclusive jurisdic-
tion in all respects over the civil and military personnel of
the United States situated therein, and their families, and
shall be empowered, moreover, to exclude such persons as it
sees fit without regard to nationality, from these areas, with-
out prejudice to the provisions of the second paragraph of
Article I of this Agreement, and to arrest, try and punish
all persons who, in such areas, maliciously commit any crime
against the safety of the military installations therein; pro-
vided, however, that any Panamanian citizen arrested or
detained on any charges shall be delivered to the authorities
of the Republic of Panamá for trial and punishment.

"ARTICLE V

"The Republic of Panamá and the United States reiterate
their understanding of the temporary character of the occu-
pation of the defense sites covered by this Agreement. Consequently, the United States, recognizing the importance of the cooperation given by Panamá in making these temporary defense sites available and also recognizing the burden which the occupation of these sites imposes upon the Republic of Panamá, expressly undertakes the obligation to evacuate the lands to which this contract refers and to terminate completely the use thereof, at the latest within one year after the date on which the definitive treaty of peace which brings about the cessation of the present war, shall have entered into effect. It is understood, as has been expressed in Article I, that if within this period the two Governments believe that in spite of the cessation of hostilities, a state of international insecurity continues to exist which makes vitally necessary the continuation of the use of any of the said defense bases or sites, the two Governments shall again enter into mutual consultation and shall conclude the new Agreement which the circumstances require.

"Article VI"

"All buildings and structures which are erected by the United States in the said areas shall be the property of the United States, and may be removed by it before the expiration of this Agreement. Any other buildings or structures already existing in the areas at the time of occupation shall be available for the use of the United States. There shall be no obligation on the part of the United States herein or the Republic of Panamá to rebuild or repair any destruction or damage inflicted from any cause whatsoever on any of the said buildings or structures owned or used by the United States in the said areas. The United States is not obliged to turn over to Panamá the areas at the expiration of this lease in the condition in which they were at the time of their occupation, nor is the Republic of Panamá obliged to allow any compensation to the United States for the improvements made in the said areas or for the buildings or structures left thereon, all of which shall become the property of the Republic of Panamá upon the termination of the use by the United States of the areas where the structures have been built."
"Article VII

"The areas of land referred to in Article I, the property of the United States situated therein, and the military and civilian personnel of the United States and families thereof who live in the said areas, shall be exempt from any tax, imposts or other charges of any kind by the Republic of Panamá or its political subdivisions during the term of this Agreement.

"Article VIII

"The United States shall complete the construction at its own expense of the highways described below, under the conditions and with the materials specified:

"Highway A-3. (Shall extend from Piña on the Atlantic side of the Isthmus to the Canal Zone boundary at the Rio Providencia. It shall be at least ten feet in width and constructed of macadam.)

"Extension of the Trans-Isthmian Highway following the line of the P-8 road. (Specifications shall be the same as for the Trans-Isthmian Highway. The extension shall start at Madrinal, by-passing Madden Dam by a bridge over the Chagres River below the Dam to connect with the P-8 road at Roque and shall extend the P-8 road from Pueblo Nuevo into Panamá City. It is understood that the pavement of the bridge over the Chagres River will be located above the elevation established as the Canal Zone boundary.)

"Upon the completion of these highways the Government of the United States will assume the responsibility for any necessary post construction operations, that is, the performance of work necessary to protect the original construction until such time as the roads become stabilized.

"The Government of Panamá guarantees that the roads under its jurisdiction used periodically or frequently by the armed forces of the United States will be well and properly maintained at all times. The Government of Panamá will ask for the cooperation of the Government of the United States in the performance of repair and maintenance work on the said roads whenever it deems necessary such cooperation in order to fulfill the aforesaid guarantee, such
as for example in the case of emergencies or situations which require prompt action.

"The Government of the United States will bear one third of the total annual maintenance cost of all Panamanian roads used periodically or frequently by the armed forces of the United States, such cost to cover the expense of any wear or damage to roads caused by movements related to defense activities. The amount payable by the United States will be based upon accounts presented annually by the Republic of Panamá giving in detail the total annual expenditures made by it on each highway used periodically or frequently by the armed forces of the United States, and upon accounts similarly presented by the Government of the United States giving in similar detail the expenditures made by that Government in response to requests from the Government of Panamá as set forth above. In the event that the Government of the United States has rendered cooperation in the maintenance of the said roads, the expenses incurred by that Government in so doing will be credited toward the share of the United States in the total maintenance of the roads under the jurisdiction of Panamá.

"In consideration of the above obligations and responsibilities of the United States, the Government of the Republic of Panamá grants the right of transit for the routine movement of the members of the armed forces of the United States, the civilian members of such forces and their families, as well as animals, animal-drawn and motor vehicles employed by the armed forces or by contractors employed by them for construction work or others whose activities are in any way related to the defense program, on roads constructed by the United States in territory under the jurisdiction of the Republic of Panamá and on the other national highways which place the Canal Zone in communication with the defense areas and of the latter with each other. It should be understood that the United States will take at all times the precautions necessary to avoid, if possible, interruptions of transit in the Republic of Panamá."
"**Article IX**

"All roads constructed by the United States in the territory under the jurisdiction of the Republic of Panamá shall be under the jurisdiction of Panamá. As to those secondary roads constructed by the United States for the purpose of giving access to any defense site, Panamá grants to the military authorities of the United States the right to restrict or prohibit public travel on such roads within a reasonable distance from such sites if such restriction or prohibition is necessary to the military protection of such sites. It is understood that such restriction or prohibition is without prejudice to the free access of the inhabitants established within the restricted areas to their respective properties. It is also understood that such restriction or prohibition is not to be exercised on any part of any main highway.

"**Article X**

"The Government of the United States of America, when constructing the air bases and airports on any of the sites referred to in Article I, shall take into consideration, in addition to the requirements of a technical order for the safety thereof, the regulations on the matter as have been or may be promulgated by the joint Aviation Board.

"The Republic of Panamá shall not permit, without reaching an agreement with the United States, the erection or maintenance of any aerial lines or other obstructions which may constitute a danger for persons flying in the vicinity of the areas intended for air bases or airports. If, in constructing the said air bases and airports, it should be necessary to remove lines of wire already strung because of their constituting an obstacle thereto, the Government of the United States shall pay the costs of the removal and new installation elsewhere which may be occasioned.

"**Article XI**

"The Government of the United States agrees to take all appropriate measures to prevent articles imported for con-
sumption within the areas referred to in Article I from passing to any other territory of the rest of the Republic except upon compliance with Panamanian fiscal laws. Whenever it is possible, the provisioning and equipping of the bases and their personnel will be done with products, articles and foodstuffs coming from the Republic of Panamá, provided they are available at reasonable prices.

"Article XII

"The sites referred to in Article I consist both of lands belonging to the Government of the Republic of Panamá and of privately owned lands.

"In the case of the private lands, which the Government of Panamá shall acquire from the owners and the temporary use of which shall be granted by it to the Government of the United States, it is agreed that the Government of the United States will pay to the Government of Panamá an annual rental of fifty balboas or dollars per hectare for all such lands covered by this Agreement, the Government of Panamá assuming all costs of expropriation as well as indemnities and reimbursements for buildings, cultulations, installations or improvements which may exist within the sites chosen.

"In the case of the public lands the Government of the United States will pay to the Government of Panamá an annual rental of one balboa or dollar for all such lands covered by this Agreement.

"There are expressly excepted the lands situated in the Corregimiento of Rio Hato, designated by No. 12 in the attached Memorandum, it being understood that for this entire tract the United States Government will pay to the Government of Panamá an annual rental of ten thousand balboas or dollars.

"The rentals set out in this Article shall be paid in balboas as defined by the Agreement embodied in the exchange of notes dated March 2, 1936, referred to in Article VII of the Treaty of that date between the United States of America and Panamá, or the equivalent thereof in dollars, and shall be payable from the date on which the use of the lands by
the United States actually began, with the exception of the lands situated in the Corregimien
to of Rio Hato designated by No. 12 in the attached Memorandum, rental for which shall commence January 1, 1943.

"Article XIII"

"The provisions of this Agreement may be terminated upon the mutual consent of the signatory parties even prior to the expiration thereof in conformity with Articles I and V above, it being understood also that any of the areas to which this Agreement refers may be evacuated by the United States and the use thereof by the United States terminated prior to that date.

"Article XIV"

"This Agreement will enter into effect when approved by the National Executive Power of Panamá and by the National Assembly of Panamá."

XLVI. DECLARATIONS OF A STATE OF WAR WITH BULGARIA, HUNGARY, AND RUMANIA

(Dept. of State Bulletin, Vol. VI, No. 154, June 6, 1942)

"Joint Resolution Declaring that a state of war exists between the Government of Bulgaria and the Government and the people of the United States and making provisions to prosecute the same.

"Whereas the Government of Bulgaria has formally declared war against the Government and the people of the United States of America: Therefore be it

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the state of war between the United States and the Government of Bulgaria which has thus been thrust upon the United States is hereby formally declared; and the President is hereby authorized and directed to employ the entire naval and military forces of the United States and the resources of the Government to carry on war against the Government of Bulgaria; and, to bring the conflict to a success-