

Background of the Argentine Economic Policy
by
H. R. Danielian

R. DANIELIAN RECEIVED: 27 AUGUST, 1943

Rio de Janeiro, of the American Republics.

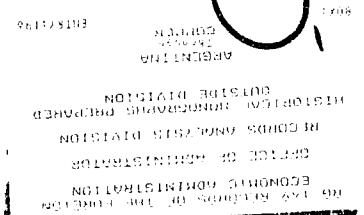
economic mobilization of the western hemisphere, economic mobilization of the western hemisphere, control of prices, control of strategic materials, control of exports, means of financing, etc., and rupture of political and economic relations between western hemisphere countries which were declared to be victims of aggression from the outside, and the Tripartite Nations.

All western hemisphere countries, with the exception of Argentina, have abided by these principles in greater or less degree; they have severed diplomatic relations with the European Axis, some have declared war. Argentina, in defiance of its commitment at the Rio conference, has continued to maintain diplomatic, commercial, economic, and financial contacts with Axis countries and their nationals.

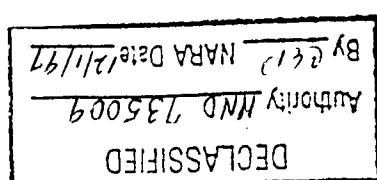
In July, 1942, the Inter-American Financial and Economic Advisory Committee met in Washington, D. C., to propose measures of implementation of the Rio conference resolutions. Generally, the measures agreed on by this Committee called for cessation of commercial relations with Axis countries, the economic isolation of enterprises within the borders of the American Republics still subservient to Axis interests by freezing their financial assets and by blacklisting; it was also recommended that an effort be made to nationalize the business enterprises belonging to Axis firms. Argentina was also party to these recommendations.

The economic policy of the United States government toward Argentina since the beginning of 1942 is the result of the fact that that country has failed to take any steps to carry out the policies agreed on at the Rio conference of ministers and the recommendations of the Inter-American Financial and Economic Advisory Committee.

Generally, the policy of this country has been to carry out its part of the commitments at the Rio conference that the domestic economy of all American Republics would be treated alike in the distribution of scarce materials. Argentina, having failed to carry out these recommendations, obviously was not entitled to such equal treatment. In February, 1942, a meeting was held in the office of Under Secretary Sumner Welles of the Department of State to define this country's economic policy toward Argentina, and pursuant to this meeting, an inter-departmental committee was organized to examine and screen United States exports to this country. The controlling principles of this committee were stated as follows:



REPRODUCED AT THE NATIONAL ARCHIVES



Background of the Argentine Economic Policy

by
N. R. Danielian

The economic policy of the United States toward Argentina stems from the third meeting of Ministers of Foreign Affairs of the American Republics at Rio de Janeiro, held in January, 1942. At this meeting the foreign ministers of the American Republics agreed on a set of resolutions which called for the economic mobilization of the western hemisphere, including increased production of strategic materials, control of prices, equitable and simplified control of exports, means of financing, etc., and rupture of political and economic relations between western hemisphere countries which were declared to be victims of aggression from the outside, and the Tripartite Nations.

All western hemisphere countries, with the exception of Argentina, have abided by these principles in greater or less degree; they have severed diplomatic relations with the European Axis, some have declared war. Argentina, in defiance of its commitment at the Rio conference, has continued to maintain diplomatic, commercial, economic, and financial contacts with Axis countries and their nationals.

In July, 1942, the Inter-American Financial and Economic Advisory Committee met in Washington, D. C., to propose measures of implementation of the Rio conference resolutions. Generally, the measures agreed on by this Committee called for cessation of commercial relations with Axis countries, the economic isolation of enterprises within the borders of the American Republics still subservient to Axis interests by freezing their financial assets and by blacklisting; it was also recommended that an effort be made to nationalize the business enterprises belonging to Axis firms. Argentina was also party to these recommendations.

The economic policy of the United States government toward Argentina since the beginning of 1942 is the result of the fact that that country has failed to take any steps to carry out the policies agreed on at the Rio conference of ministers and the recommendations of the Inter-American Financial and Economic Advisory Committee.

Generally, the policy of this country has been to carry out its part of the commitments at the Rio conference that the domestic economy of all American Republics would be treated alike in the distribution of scarce materials. Argentina, having failed to carry out these recommendations, obviously was not entitled to such equal treatment. In February, 1942, a meeting was held in the office of Under Secretary Sumner Welles of the Department of State to define this country's economic policy toward Argentina, and pursuant to this meeting, an inter-departmental committee was organized to examine and screen United States exports to this country. The controlling principles of this committee were stated as follows:

-2-

"1. Materials in short supply in the United States and vital to our war effort should be shared with those American Republics which are supporting the United States by political action.

"2. The demands upon the limited supply of key materials available make it imperative in the interests of our own war effort that deliveries be curtailed to those nations which have neither joined us in alliance nor entered into relations with the Axis. In the application of this policy the committee reviewed individual export licenses of over \$500 in value, and with respect to those licenses applied generally a policy of leniency with respect to commodities of which there was no shortage in this country, a denial of the larger percentage of commodities in short supply, a reasonable liberality in the treatment of applications for the export of medicinal and pharmaceutical products and the necessities of health and hygiene, and moderate liberality in the treatment of applications for the maintenance of public utilities. Under this policy a committee reviewed all applications already granted, and of those rejected approximately 60% in dollar volume."

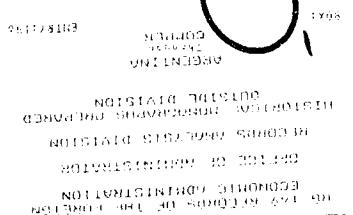
This policy was designed to carry out the views of Under Secretary Sumner Welles as stated in a letter to Mr. Norman Armacur, American Ambassador to Argentina, dated March 27, 1942:

"I am sure you will agree that our policy of sharing our supplies of scarce commodities with the countries which have sided with us should not be so implemented that nothing is left for Argentina. We do not want to endanger Argentine public health, public safety, public opinion and industries essential to our war effort.

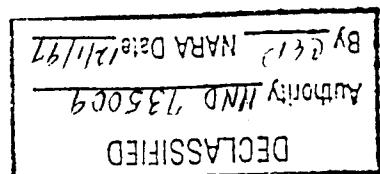
"The question however arises, how are we to distribute whatever we find advisable to supply that country. We have determined to strengthen our friends on a continental basis. It should equally be our policy to strengthen our friends within a given country. Consistent with this, we should so control the distribution of our exports to Argentina that the friendly majority of the Argentine people would be strengthened at the expense of the unfriendly but influential minority. In other words, the necessary cut in supplies of scarce materials should be felt primarily by the Ministries of War and Navy and the non-essential civilian activities of the Argentine Government, and to the least possible extent by the private interest whose sympathies are with us."

Early in the execution of this policy it became clear to the officers engaged in this work that it would be difficult to carry out this program without the cooperation of Great Britain and its colonies. Under date of March 5, 1942, Mr. Milo Perkins wrote to Under Secretary Welles:

"A fundamental question of policy has now been raised with respect to which the counsel and assistance of the Department of State are solicited. It



REPRODUCED AT THE NATIONAL ARCHIVES



- 3 -

It has become clear that it is imperative that the cooperation of the United Kingdom and of the British dominions be secured if the policy toward Argentina is to be fully implemented and if misunderstandings between our exporters and possible British competitors are to be avoided. We must, for example, immediately obtain detailed statements of proposed British Empire shipments to Argentina for the next six months.

"Without full cooperation from the British Empire we have serious doubts as to the advisability of the declared policy towards Argentina. Your advice and direction as to procedure and policy in relation to the British Government will be appreciated."

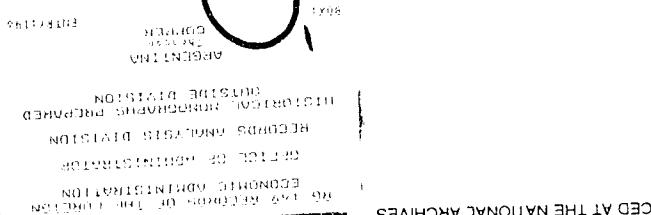
No formal reply to this letter is recorded; however, the Special Argentine Committee then engaged in carrying out the program received word that it would be difficult to get British cooperation in restricting exports to Argentina because of their need of acquiring sufficient exchange to pay for necessary imports, the chief item being meat.

The Special Argentine Committee continued to function with slight modifications of policy, always keeping in the forefront the prime objective of conserving scarce materials. The original policy was modified slightly to give Argentina more lenient treatment, particularly on exports for the use of public utilities, railroads, and packing houses, and on applications for small quantities.

On October 12, 1942, Mr. Penn Acheson, Assistant Secretary of State, requested the Board of Economic Warfare to apply the following restrictions on exports to Argentina:

- "1. Permit no export of military items, railway rolling stocks, or automotive vehicles.
- "2. Permit Argentina to acquire in the United States coal, newsprint, paper, other materials not in scarce supply, and just enough iron, steel and tinplate to meet United Nations needs. Continue allocations of other scarce materials on the minimum basis necessary for the maintenance of public health and safety. Approve no Argentine development projects.
- "3. Pending the conclusion of an understanding with Admiral Stark, restrict the issuance of shipping permits to 23,000 tons per month exclusive of coal.
- "4. Until Argentina participates in the tanker pool, deny her petroleum equipment."

This instruction was accepted by Mr. Milo Perkins on October 16 and appropriate instructions were issued to the Office of Exports.



Authority NND 735009	By (initials) NARA Date 12/11/97
DECLASSIFIED	

- 4 -

Between October and December the State Department and the Board of Economic Warfare worked out a system of export control placing the initial responsibility for the screening of export licence applications on the Country Agency (usually the central bank of the country) and the American Embassy. In the case of Argentina, the export policy objectives under this system were defined as follows:

- "1. Conserve critical materials and ships for the furtherance of the war effort.
- "2. Prevent economic operations beneficial to the enemy.
- "3. Within the limits imposed by 1 and 2, assist in maintaining the domestic economy of Argentina.
- "4. Avoid action not related to the achievement of ends 1, 2, and 3."

It was admitted that "final export licensing authority is vested in, and must remain with the Board of Economic Warfare. Further, it is essential to the most efficient conduct of our foreign relations that the mission not be exposed to the criticisms which might attend the exercise by it of final authority regarding export control."

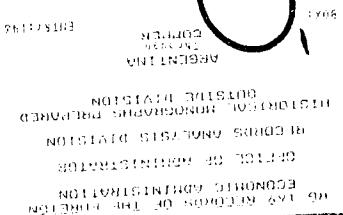
However, it was understood, according to this plan, that the recommendations of the mission for approval or rejection of licenses would be controlling. "It shall be the policy of the Board of Economic Warfare in other than exceptional instances to follow the recommendations of the mission regarding requirements and consignees when the materials concerned are available for export."

It was the duty of the Country Agency to supply information on requirements and to issue Certificates of Necessity within the quantitative limits indicated by the Board of Economic Warfare, and to determine the relative economic urgency of each certificate according to the following standards:

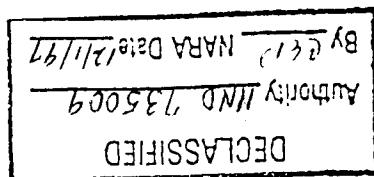
- (a) Materials connected to maintaining essential industries engaged in work directly connected with the war effort.
- (b) Materials needed for essential industry.
- (c) Materials needed for general use and to be used in a manner which will benefit the economy of the country.

The Country Agency was expected to approve or reject applications for Certificates of Necessity in the light of the following considerations:

1. Essentiality of the material or product to Argentine economy.
2. Past activity of the person or firm making request, for the purpose of eliminating speculators and other undesirables.



REPRODUCED AT THE NATIONAL ARCHIVES



- 5 -

3. Available southbound shipping space.

Our mission was expected to screen the certificates issued by the Country Agency, in addition, on the basis of the following factors:

1. Proclaimed and Confidential Lists.
2. Commodity involved and end use, bearing in mind requirements, the essentiality of end use, and the acceptability of consignees and consumers.

The Country Agency was to initiate the issuance of Certificates of Necessity on January 15, and on March 1 the Board of Economic Warfare would require all license applications to be accompanied by such certificates. By March 31 all Certificates of Necessity issued in 1942 for which export licenses had not been granted would expire. Actually, this system went into effect on May 1.

It is to be noted that the purpose of this centralized control and the quantitative limitations placed upon it did not involve a broad economic policy toward Argentina and did not contemplate the achievement of any political or economic aims vis-a-vis the Argentine government by means of economic pressure. This system was established merely as a means of controlling the exportation of materials in scarce supply and restriction of the end use of all export commodities for essential purposes and to satisfactory consignees.

In the meantime, the State Department had evolved an economic policy toward Argentina. Hon. Dean Acheson submitted under date of January 1 to the Executive Director of the Board a memorandum on Economic Policy Toward Argentina, dated December 15, 1942. The objectives of this policy in the memorandum were stated as follows:

- "1. Optimum utilization of critical materials and ships for the war needs of the United Nations, including those needs which are supplied by Argentina, and the requirements of the other American Republics which are meeting their inter-American commitments.
- "2. Prevention, within the limits of United States control, of economic operations beneficial to the Axis.
- "3. Avoidance of pressure not relating to the achievement of items 1 and 2, and within such limits, extending assistance to interests favorable to the United States."

It will be noted that the emphasis in these objectives is placed on the accomplishment of economic warfare measures, to aid the United Nations and the American republics which are meeting inter-American commitments, to prevent economic operations beneficial to the enemy, and to avoid pressures not relating to these purposes. For the first time the reference to the maintenance of the domestic economy of Argentina, which was present in the previous export policy objectives of the State Department, was dropped.

- 6 -

The implementation of this policy conceded that the British would continue their purchases of meat and other critical items in Argentina, and the United States would do so to the extent that such purchases could be shipped in Argentine vessels, but procurement for the U. S. Army by the British would be transferred to Brazil, Uruguay, and other countries as much as possible, to reduce acquisitions in Argentina to the minimum. The ships controlled by the War Shipping Administration would touch only at Montevideo and would not accept there any cargoes originating in Buenos Aires.

Exports of materials to the Argentine armed services and exports of railway locomotives, rolling stock, or locomotive vehicles were to be prohibited. Imports would be permitted to furnish the needs of industries in Argentina whose products are necessary to the United Nations' war effort and for the maintenance of public health and safety. No development projects would be permitted in Argentina. Subject to these limitations, Argentina could acquire in the United States coal, newsprint, paper, and other materials not in scarce supply. Until Argentina participates in the tanker pool she would be denied petroleum equipment. No government credits would be extended to Argentina, and no credit facilities would be made available to the Banco de la Nación and Banco de la Provincia. In the freezing of Argentine accounts which might help, directly or indirectly, enemy activities, was to be continued.

It was assumed that the Argentine merchant fleet would provide southbound cargo space to the amount of 40,000 tons per month, which would be distributed as follows:

<u>Product</u>	<u>Short Term</u>
Iron and Steel	5,000
Tin plate	2,500
Chemicals and medicinals	4,000
Raw materials and industrial equipment	1,925
Industrial equipment and spare parts	1,000
Coal and coke	15,000
Newsprint and other paper	8,000
Wood pulp or fiber	325
Miscellaneous	2,750
Total	40,000

Iron and Steel	5,000
Tin plate	2,500
Chemicals and medicinals	4,000
Raw materials and industrial equipment	1,925
Industrial equipment and spare parts	1,000
Coal and coke	15,000
Newsprint and other paper	8,000
Wood pulp or fiber	325
Miscellaneous	2,750
Total	40,000

This program was accepted by Mr. Milo Perkins on January 9, and appropriate instructions were issued to the Office of Aports to implement the State Department's request.

An examination of the State Department's economic policy toward Argentina indicates again that it aimed generally at the following specific objectives:

1. Maintenance of industries in Argentina aiding United Nations' war effort.
2. Maintenance of health and safety.

REF ID: A651818
TOP SECRET//COMINT//
RECORDED AND INDEXED BY THE COMMINT DIVISION
HISTORICAL RECORDKEEPING REPOSITORY
RECORDS AND STATIONS DIVISION
DECODES DE COMINT//
ECONOMIC INFORMATION
NATIONAL ARCHIVES
REPRODUCED AT THE NATIONAL ARCHIVES

REPRODUCED AT THE NATIONAL ARCHIVES

8617 NARA Date 12/1/97
Authority NND 735009
DECLASSIFIED

- 7 -

II 918

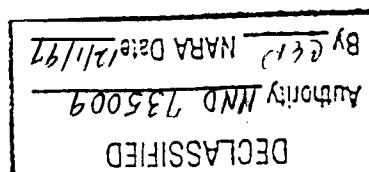
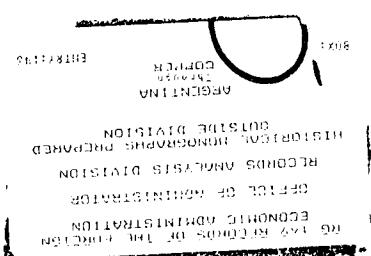
3. Utilization of the Argentine merchant fleet to the fullest possible extent in the U. S.-Argentine trades.
 4. Participation of Argentina in the United Nations' tanker pool.
 5. Limitation of United States procurement in Argentina to most essential items.
 6. Control of all exports to satisfactory consignees and to essential uses.
 7. Within these limits, no special restriction on the export of materials not in scarce supply.

The principal difference between this policy towards Argentina and the policy towards other Latin-American countries was in the fact that we deviated from the "equal treatment" principle accepted at the Rio conference, and restricted the export of materials in scarce supply to the minimum amount necessary to maintain United Nations' war industries, and public health and safety. The policy was more restrictive than that applied to other Latin-American countries but not restrictive enough to be considered an economic blockade.

On March 18, Assistant Secretary of State, Dean Acheson, submitted to the Board of Economic Warfare a further revision of "Economic Policy Towards Argentina", Revised as of March 4, 1943. The objectives of the policy in this memorandum were stated as follows:

- "1. To secure the optimum utilization of those critical materials or supplies which Argentina produces and which are essential for the conduct of the war;
 - "2. To assure the maximum utilization of critical materials and transportation facilities by the United Nations for supplying their needs and those of the countries cooperating with them in the war effort;
 - "3. To make available to Argentina such goods and services as it may require within the scope of paragraphs (1) and (2) above;
 - "4. To supply Argentine requirements above those outlined in the previous paragraph only if the consequent sacrifices of the part of the United Nations are compensated by the effective cooperation of Argentina in preventing the use of its territory as a base for Axis subversive activities and prohibiting the use of its financial, trade, and communication facilities by the Axis."

This March 4 policy was an expansion of the December 15 policy, with greater emphasis upon the optimum utilization of critical materials and supplies produced in Argentina and upon the use of United States experts to Argentina beyond minimum requirements for purposes of bargaining to secure adherence by



REF ID: A65747
SECRET//COMINT
EXCEPT AS TO THE IDENTIFICATION OF THE SOURCE OF INFORMATION
REF ID: A65747

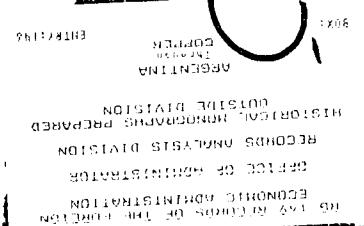
...lating to economic warfare measures directed against the Axis. Instead of purely a negative policy of control of exports, this revised policy implied a positive desire to utilize our supplies of materials--

1. To maximize the utilization of critical materials and transportation for the United Nations' war effort;
2. To secure optimum utilization of Argentine facilities to the same end;
3. To trade American supplies beyond the minimum requirements for the purpose of securing help from Argentina against Axis operations.

In actual implementation, this policy provided no new machinery for the effectuation of these broader aims than the memorandum of December 15; in fact, in at least one respect the March 4 policy was a relaxation of the previous one insofar as it permitted export of restricted items and parts for maintenance and upkeep of existing material of the Argentine armed forces and permitted export of minimum coal requirements, provided they were accepted at Baltimore and Mobile, without any definition of what constituted minimum requirements. The only limitation on the export of materials not in scarce supply was consideration of transportation facilities within the United States and between the United States and Argentina, with due regard to stocks available in Argentina.

The new policy placed a specified restriction, not previously mentioned, on the export of Fourdrinier phosphorus bronze screens and control of exports of critical materials from Mexico and Chile to Argentina, including zinc, brass, mercury, copper, and other strategic materials.

Nowhere in the memorandum there appeared any positive program of maximizing Argentine contribution to the United Nations' war effort, nor a positive program of using export control for the achievement of specific economic warfare objectives. In the absence of such a positive program in Washington, the policy and the export control machinery then in force meant essentially that the American mission in Buenos Aires would have control of exports to Argentina for whatever specific objectives they, under instructions from the State Department, may have under consideration at any given time. No information is available in the Board of Economic Warfare as to what specific uses this control has been put to in Buenos Aires, aside from the desire to select satisfactory consignees. The reason for this may be that, whereas the program was initially established, first, to control consignees and to distribute scarce materials to the most essential uses and, secondly, to maximize United Nations' war effort, involving utilization of Argentine resources, it has, in fact, acquired another meaning for which it was not initially designed; namely, one of pressuring the Argentine government into carrying out its commitments of the Rio conference of January, 1942, and the Acts of the Inter-American Committee on Systems of Economic and Financial Controls of July, 1942. Not having been designed as a program of economic blockade, the policy did not include the most effective measures, such as denial of petroleum and coal shipments, and being short of a system of economic blockade, it has failed to squeeze the Argentine economy sufficiently to bring about effective collaboration by the Argentine government. In this, the failure to achieve joint programming of export control between ourselves



REPRODUCED AT THE NATIONAL ARCHIVES

BY (S)	NARA Date 12/1/97
Authority NND 735009	
DECLASSIFIED	

- 9 -

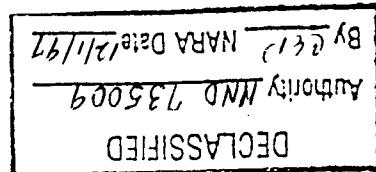
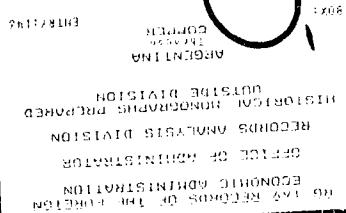
and Great Britain; an objective first mentioned by Mr. Perkins in March, 1942, and reiterated in the State Department memorandum of December 15 and March 6, has had the effect of reducing the force of our policy in Argentina.

Mr. Nile Perkins, in reply to Mr. Johnson's letter of March 28, wrote under date of April 21 that the policy could not be made effective without joint programming with the British; that the Board was studying the proposals to see if they would achieve the desired results, and that in any policy determination the Board's import program of strategic materials from Argentina must be considered. The State Department's attention was called to the fact that Argentina controlled the world supply of quebracho and quantities of tantalum, tungsten, mica, beryllium, and zinc, which our war effort needs; that we were dependent upon the territory economically controlled by Argentina for such needed wool, hides, horsehair, cattle-hair, and bristles, all needed by the armed services; that Argentina has under-developed food resources of which our needs will increase. Mr. Perkins requested that the State Department and the Board collaborate in reviewing the policy continually. No reply has been received to this letter.

The Board then established an inter-office Argentine policy committee, with instructions to develop a program of economic warfare in Argentina. The purpose, essentially, was to evolve objectives and measures which would really implement the purposes of the State Department, to maximize our war potential by the best utilization of Argentine resources for the United Nations' war effort, to secure implementation of much delayed economic warfare measures directed against the Axis, and to use our export controls to achieve the aforementioned objectives. After extensive consideration of the economic relations between the United States and Argentina, the committee reached the conclusion that:

1. The State Department's broad economic objectives in Argentina are excellent and completely acceptable to the Board;
2. The State Department's implementation of its objectives would not achieve those objectives;
3. In view of the productive capacity of Argentina and its ability to procure supplies from Sweden, Great Britain, and Spain, our economic blockade, even if we desired to establish one, would not have immediate effects, and
4. Therefore, in order to achieve the State Department's objectives and ours, it is desirable to trade commodity for commodity and item for item, in the manner contemplated by objective 4, of the State Department's memorandum of March 6.

The committee then worked out a program of implementation of policy. This program, in brief, is outlined in the memorandum dated July 5 and entitled, "The Objectives of the Board of Economic Warfare in Argentina."



- 10 -

II-9/11

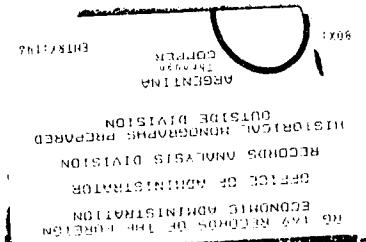
The most important consideration on which the Board's Argentine Policy Committee and heads of offices are united, in common with the State Department, is the quick and expeditious achievement of the State Department's objectives in Argentina, which include the maximum utilization of our scarce materials and the facilities of the Argentine economy to increase the war potential of the United Nations, and to obtain Argentina's cooperation in preventing activities within its borders which benefit the Axis. The only question is what method will achieve these desirable objectives in the shortest possible time. The economically favorable situation of Argentina, particularly with regard to food and stocks of material on hand; its ability to secure goods from England, Sweden, and Spain, and from other areas in its own ships; our desire not to hurt the Argentine people who are known to be friendly to the United Nations' cause; all these have combined to make the implements heretofore utilized by the State Department comparatively ineffective in squeezing the Argentine economy. Hence, the alternative is raised now whether to impose new and more severe sanctions, of which there are not many effective ones at our disposal, in order to bring a quick change in the attitude of the Argentine government; or to engage in a practical "give and take" exchange of exports for imports and exports for governmental cooperation in order to achieve the desired economic warfare objectives.

If stricter sanctions are to be used, we must undertake quick and effective
blows, involving at least the following steps:

1. Request Great Britain to cease exports of coal to Argentina and divert its coal shipments to the Mediterranean.
 2. Request Great Britain to stop shipment of any commodity or material which comes within WHITE PAPER limitation.
 3. Request the Blockade Committee in London to refuse navibert clearance for any iron and steel and machinery exports from Sweden and Spain to Argentina.
 4. Stop immediately all shipments of petroleum and petroleum products from the Caribbean to Argentina.

These are the most effective sanctions available to us and to Great Britain. In all likelihood retaliatory measures by Argentina may be expected on the export of meats, linsseed, oils, quebracho, and the strategic metals that we obtain in Argentina. While this controversy is on, our war effort would not immediately be helped. It will be only after successful termination of disagreements between the governments that any benefits may be expected.

It will require delicate political judgment by the State Department to determine whether we can obtain sufficient collaboration from our allies, and even with this collaboration, whether our restrictive program will be successful in bringing a quick change in the attitude of the Argentine government. If this approach is successful in a short time, then we would immediately be in a position to move forward toward the achievement of all the objectives outlined in our memorandum of July 5.



87-613 NARA Date 12/11/97
Authority NNO 735009
DECLASSIFIED

II-9/12

-11-

On the other hand, however, if there is any question that we may not obtain full collaboration from Great Britain and that such sanctions, when applied, may not be successful, leaving in its trail bitterness and disharmony, then the achievement of our economic warfare objectives might be made immeasurably harder, if not impossible. In the face of such an eventuality, it may be considered more practical to pursue economic warfare objectives individually on a trading basis.

If such an approach is adopted, then there are certain specific issues which may be negotiated to mutual advantage. Among these may be mentioned the following:

1. The food procurement and development programs, which require guarantees of quantities and transportation, freedom from export, embargoes, and agreement on exchange rates.
2. Inspection of outgoing cargo to prevent blockade running. This issue has been raised by the Ministry of Economic Warfare, who have advised the British Embassy in Buenos Aires to initiate conversations with the Argentine government, in conjunction with the American Embassy, and parallel instructions have been sent from Washington to our mission.
3. Consumption of the tanker pool deal, a desire expressed by Ramires.
4. Arrangement for the export of zinc concentrates with guarantees of transportation.
5. Conservation of staple food products in Argentina for export next year, instead of using them for fuel, in exchange for a supply of coal and burlap bags.
6. Control of petroleum shipments in Argentine tankers, a proposal on which there is unanimous agreement within this Office, with the concurrence of the Navy Department.
7. Freezing financial assets of designated enemy firms and individuals.

In this discussion the future political consequences, both within Argentina and in other Latin-American countries, of a policy of sanctions or a policy of practical trading are not weighed. The only fixed point of departure in this analysis is the desirability of achieving, in the shortest possible time, the economic objectives outlined by the State Department and agreed to by the Board.

29 July 43