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GENEVA,
June 1st, 1926.

LEAGUE OF NATIONS

Report to the Seventh Assembly of the League
on the Work of the Council, on the Work of
the Secretariat and on the Measures taken to
execute the Decisions of the Assembly.

Publications of the League of Nations

GENERAL QUESTIONS.

1926. 3.

NOTE.

The present Report summarises the work of the Council, of the Conferences, and Committees of the League of Nations, and of the Secretariat from the date of the meeting of the Sixth Session of the Assembly until about May 15th, 1926.

A supplementary report, which will be distributed on the opening day of the Seventh Session of the Assembly, next September, will summarise the work of the Fortieth Session of the Council (June 1926), of the Conference on Questions concerning Russian and Armenian Refugees as well as the work of such Committees as have met between the date of the present report and September 1926, more especially the Committee on the Composition of the Council, the Preparatory Commission of the Disarmament Conference, the Commission for the Settlement of Armenian Refugees, the Financial and Economic Committees, the Committee of Experts on Double Taxation and Fiscal Evasion, the Advisory Committee on Traffic in Opium and Other Dangerous Drugs, the Permanent Mandates Commission, the Advisory and Technical Committee on Communications and Transit, the Committee on Intellectual Co-operation, and the Committee of Experts on the Education of Young People in the Ideals and Work of the League.

In conformity with the procedure adopted for the last three years, a special annex to the supplementary report will give the situation to date in regard to the progress of international conventions and engagements as indicated by instruments deposited with the Secretariat of the League or by treaties which particularly concern the organisations of the League.

In accordance with the recommendation of the fifth Assembly, a report prepared by the Registrar of the Permanent Court of International Justice on the work of the Court, and a report by the Director of the International Labour Office on that of the International Labour Organisation, will be distributed at the same time as the supplementary report.

Geneva, June 1st, 1926.

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1.

LEGAL QUESTIONS.

I. COMMITTEE OF EXPERTS FOR THE PROGRESSIVE CODIFICATION OF INTERNATIONAL LAW.

The Committee of Experts for the Progressive Codification of International Law, appointed under the resolution of the Assembly of September 22nd, 1924, met for its second session at Geneva from January 12th to January 29th, 1926. The terms of reference of the Committee are as follows :

- (1) To prepare a provisional list of the subjects of international law the regulation of which by international agreement would seem to be most desirable and realisable at the present moment ;
- (2) After communication of the list by the Secretariat to the Governments of States, whether Members of the League or not, for their opinion, to examine the replies received ; and
- (3) To report to the Council on the questions which are sufficiently ripe and on the procedure which might be followed with a view to preparing eventually for conferences for their solution.

The Committee drew up a number of questionnaires which were forwarded to the Secretary-General for transmission to the Governments. It asked the Secretary-General to request the Governments to send to him by October 15th, 1926, for transmission to the Committee, their opinion upon the question whether the regulation by international agreement of the subjects treated, both in their general aspects and as regards the specific points mentioned in the questionnaires, was desirable and realisable in the near future.

The subjects dealt with in the questionnaires were as follows :

- No. 1. Nationality.
- No. 2. Territorial waters.
- No. 3. Diplomatic privileges and immunities.
- No. 4. Responsibility of States in respect of injury caused in their territory to the person or property of foreigners.
- No. 5. Procedure of international conferences and procedure for the conclusion and drafting of treaties.
- No. 6. Piracy.
- No. 7. Exploitation of the products of the sea.

The Committee will examine the replies received from the Governments and report subsequently to the Council on the questions which appear to be sufficiently ripe and on the procedure to be followed for their solution.

In addition to the subjects on which questionnaires were drawn up, the Committee examined and decided not to include in its list the subjects of " extradition " and " criminal competence of States in respect of offences committed outside their territory ". The reasons for this decision are set out in reports which have been distributed to the Governments. Finally, the Committee presented to the Council a report on the subject of " the legal status of Government ships employed in commerce " which was placed on the agenda of the Council's session of June 1926 and will be further dealt with in the Supplementary Report to the Assembly.

The Committee has also appointed Sub-Committees to report to it at its next session upon the desirability of including in its list of subjects to be submitted to Governments for their opinion all or any of the following matters :

- (1) Is it possible to establish, by way of a general convention, provisions concerning the communication in criminal matters of judicial and other documents (*actes judiciaires et actes extra-judiciaires*), and concerning commissions to take evidence (*commissions rogatoires*) in criminal matters ?
- (2) Is it possible to establish by way of a general convention provisions concerning the legal position of private, non-profit-making international associations and private international foundations ?
- (3) Are there questions concerning the conflict of laws in the matter of domicile of which a solution by way of a convention could be contemplated without encountering political obstacles ? In the affirmative, what are these questions and what solutions might be found for them ?
- (4) Is it possible to establish by way of a general convention provisions as to the legal position and the functions of consuls, and, if so, to what extent ?

(5) Is it possible to reach an international agreement determining, in the absence of special provisions, the effect of the most-favoured-nation clause ?

(6) Is it desirable to revise the classification of diplomatic agents made by the Congresses of Vienna and Aix-la-Chapelle ? In the affirmative, in what form should this revision be made ?

(7) Is it possible to establish, by way of a convention, international rules concerning the competence of the courts in regard to foreign States, and, particularly, in regard to States engaging in commercial operations (excluding the questions already dealt with in the report sent to the Council of the League of Nations by the Committee of Experts at the Committee's second session) ?

(8) Is it possible, without encountering political or economic obstacles, to formulate by way of a convention international rules concerning the nationality of commercial corporations and the determination of the question to what State the right of affording them diplomatic protection belongs ?

(9) Is it possible to establish by way of a convention international rules concerning the recognition of the legal personality of foreign commercial corporations ?

(10) Is it possible to establish by way of a convention international rules for the settlement of conflicts of laws concerning contracts for the sale of goods ?

(11) Whether, and to what extent, it would be possible to draw up treaty provisions concerning the application in international law of the conception of prescription, whether as establishing or as barring rights, and what such provisions should be.

At its session of March 1926 the Council referred to the Committee for examination the question of the admissibility of reservations to general conventions.

II. FOUNDATION OF AN INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW.

On September 30th, 1924, the Assembly of the League of Nations invited the Council to accept, in the name of the League, the Italian Government's offer to found and maintain an International Institute for the Unification of Private Law. The Council was invited at the same time to conclude with the Italian Government, after consultation with the competent organs, all agreements necessary to ensure the establishment, continuity and proper working of the Institute.

On October 3rd, 1924, the Council of the League of Nations, in pursuance of this decision, accepted the Italian Government's offer and requested the latter to communicate to it any suggestions which it might desire to put forward as a basis for future discussions.

Having received a communication from the representative of Italy forwarding a draft statute for the proposed Institute, the Council instructed the Secretary-General of the League, on December 13th, 1924, to invite the competent organs referred to by the Assembly to give their opinion on this draft statute.

The Secretary-General complied with these instructions and forwarded to the Council the opinions thus obtained (Document C. 41. 1926. V).

On March 15th, 1926, the Council of the League of Nations adopted, at the same time as the draft statute, annexed thereto¹, a report by the Italian representative, which stated, in particular, that the final terms of the Italian Government's offer would be embodied in a letter addressed to the Council by that Government. As this letter had not yet arrived in its official form, the Council, at its meeting of March 18th, 1926, authorised its President to receive this letter and to reply to it, accepting the offer of the Italian Government.

This letter, to which was attached the Organic Statute of the Institute, was sent on March 31st, 1926, by the Italian Government to the President of the Council². The latter replied on April 20th following and accepted the offer, in accordance with the Council's resolution of March 18th, 1926.

In conformity with the Assembly's resolution of September 30th, 1924, the communication of March 31st, 1926, and the Statute annexed thereto, provide for the organisation and working of the Institute on the basis of general principles analagous to those laid down in connection with the Institute for Intellectual Co-operation recently established at Paris. In particular, the undertaking given in the communication of March 31st, 1926, is subject to legislative approval and will not become definitive until this approval has been notified to the Secretary-General of the League of Nations. It should be added that, in conformity with Article 14 of the Organic Statute and paragraphs 4 and 8 of the letter of March 31st, 1926, the rules of procedure of the Institute for the Unification of Private Law, the regulations for its financial administration and its staff regulations are to be established later by the Governing Body of the Institute with the approval of the Council of the League of Nations.

¹ See *Official Journal*, April 1926, pages 577-579.

² See *Official Journal*, June 1926.

III. CONFERENCE OF THE STATES SIGNATORIES OF THE PROTOCOL OF SIGNATURE OF THE STATUTE OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE.

On March 18th, 1926, the Council, on the proposal of the British representative, decided to invite the signatories of the Protocol of Signature of the Statute of the Permanent Court of International Justice and the Government of the United States of America to send delegations to a meeting to be held at Geneva on September 1st, 1926, for the purpose of discussing questions arising in connection with the adhesion of the United States to this Protocol under the terms of the resolution of the United States Senate of January 27th, 1926.

By the resolution in question, the Senate gave its advice and consent to the adhesion of the United States to the Protocol on the condition that the signatory Powers accepted the conditions, reservations and understandings contained in the resolution.

A summary of the replies to the Council's invitation will be given in the Supplementary Report to the Assembly.

IV. INTERPRETATION OF CERTAIN ARTICLES OF THE COVENANT AND OTHER POINTS OF INTERNATIONAL LAW.

The Assembly, on September 21st, 1925, on the proposal of the Netherlands delegation, adopted the following resolution :

“ The Assembly requests the Council of the League to invite the Governments of States Members of the League which find in the report of the Special Committee of Jurists appointed under the resolution of the Council of September 28th, 1923¹, doubtful points which require elucidation, or which may have other comments to make on this report, to forward their observations to the Secretariat of the League of Nations before February 1st, 1926, with a view to a possible examination of the matter by a Committee to be appointed by the Council. ”

The Council considered this request of the Assembly on September 26th, 1925, and adopted the following resolution :

“ The Council, at the instance of the sixth Assembly, instructs the Secretary-General to invite the Governments of the States Members of the League which find, in the report of the Special Committee of Jurists appointed under the resolution of the Council of September 28th, 1923, doubtful points which require elucidation or which may have other comments to make on this report, to forward their observations to the Secretariat of the League of Nations before February 1st, 1926, with a view to a possible examination of the matter by a committee to be appointed by the Council. ”

The Secretary-General communicated this resolution to all the Members of the League. Replies were received from twenty-one Governments, some of which indicated that they did not desire to present any observations, while others made reservations or criticisms relating to some or all of the replies of the Special Committee of Jurists.

The Council considered whether it was desirable to refer the problems raised in these communications to a new committee. On the whole, it was of opinion that, while the initiative of the Netherlands Governments had produced a most valuable result in evoking statements of their opinion from so many Governments, there would not be any practical advantage in attempting to carry the matter further by appointing a new committee which would reconsider the answers given by the Special Committee of Jurists to the questions addressed to it by the Council and formulate new answers to these questions.

The Council was of opinion that the questions answered by the jurists were general questions of interpretation of the Covenant and of international law upon which it was felt desirable that the Council should take the advice of a strong legal committee but which cannot be authoritatively and finally settled by a report from any committee, however competent.

The Council also pointed out that, in noting the original replies of the Special Committee, it had not intended to accept them for itself or to impose them upon the Members of the League as a final and exhaustive statement of the law on the points examined. On the contrary, certain members of the Council, while approving the replies as a whole, had made certain reservations as to their application in certain cases. A similar opportunity to express their views had now been enjoyed by all the Members of the League, and the essential object aimed at by the proposal of the Netherlands Government had accordingly been attained.

There could be no dispute as to the competence of the original Committee, and the fact that it felt it desirable to give general answers to the questions put, without attempting to lay down detailed rules governing the infinite variety of cases which might arise in practice, was in itself a reason for thinking that these questions were hardly susceptible of any other treatment. On the other hand, when a case presented itself in which it might be appropriate for the Council to look for guidance to the replies of the jurists, it was obvious that the Council would at the same time take into consideration the observations on the replies which it would have the advantage of having received from so many Members of the League.

¹ See Report to the Fifth Assembly on the Work of the Council, *Official Journal*, Special Supplement No. 23, page 251.

The Council, therefore, decided to abstain from appointing a new committee, but, at the same time, it instructed the Secretary-General to distribute the communications received from the various Governments to all the Members of the League. These communications have accordingly been printed and distributed in document C. 57. 1926. V, dated February 6th, 1926 (See also document C. 212. M. 72. 1926. V, dated March 22nd, 1926).

V. RATIFICATION OF AMENDMENTS TO THE COVENANT.

Since the drafting of the report for 1925 on the work of the Council and of the Secretariat, none of the Protocols on the amendments to the Covenant adopted in 1921, 1924, and 1925 have come into force. (The amendments to Articles 6, 12, 13, and 15 of the Covenant came into force in 1924).

The amendment to Article 4 of the Covenant adopted in 1921 was ratified by France on May 19th, 1926, so that nine Members of the Council have now ratified it.

At the meeting of the Council held on June 10th, 1926, the Spanish representative stated that his Government had decided to ratify the same amendment.

As soon as the Spanish instrument of ratification has been deposited with the Secretariat, the unanimity of the Members of the Council required for putting this amendment into force will have been obtained and the amendment can come into force as it has also already been ratified by the majority of the States Members of the League whose Representatives compose the Assembly.

2.

FINANCIAL ADMINISTRATION OF THE LEAGUE.

I. GENERAL FINANCIAL POSITION.

During the course of the year 1925, 84.2 per cent of the amount of the contributions due for that year was received from the States Members, as against 83.2 per cent of the Budget for 1924 during that year.

With regard to payments on account of arrears during 1925, the total amount was 3,114,746.92 gold francs, as compared with 8,266,396.61 gold francs in 1924.

The net loss on exchange during 1925 amounted to 80,148.53 gold francs, which compares unfavourably with the profit obtained during 1924, owing to the fact that during 1924 the Swiss franc had not yet reached parity with the gold franc, whilst in 1925 the Swiss franc was frequently above par.

On December 31st, 1925, the three autonomous organisations of the League showed the following surpluses :

	Gold francs
(a) Secretariat	2,365,985.98
(b) International Labour Office.	409,334.78
(c) Permanent Court of International Justice	52,334.05
Total	<u>2,827,654.81</u>

The administration of the finances of the League since the last Assembly may perhaps be most conveniently illustrated by reference to the work of the Supervisory Commission, which has met on two occasions since last September.

The Commission was composed of the same members and of the same officers as last year, namely :

- M. Stefan OSUSKY, Czechoslovakia, *Chairman*.
- Lord MESTON OF AGRA, India, *Vice-Chairman*.
- Dr. J. A. NEDERBRAGT, Netherlands, *Rapporteur*.
- M. Jean RÉVEILLAUD, France.
- M. Luis WADDINGTON, Chile.

II. ACCOUNTS FOR 1925.

The Commission made an exhaustive study of the questions raised in the report drawn up by the League's Auditor, M. Ceresa. The Commission recommended that certain improvements should be made in the method of presenting the accounts of the Secretariat and in the

system of deducting appropriations in aid ; it further recommended certain rulings with regard to transfers in the Budget.

The Commission considered the suggestions put forward by M. Ceresa to the effect that a single balance-sheet showing the assets and the liabilities of the League of Nations as a whole should be furnished. After due deliberation it was decided not to recommend for the present the abolition of separate balance-sheets for the Secretariat and the autonomous organisations. On the instructions of the Commission, however, the Secretariat will in future compile a condensed balance-sheet, drawn up in gold francs alone, for the League of Nations as a whole, which will be communicated each year to the Members of the League, together with the accounts of the different organisations.

The Commission accepted the proposal of the Auditor to deduct from the contributions in arrears pertaining to the financial period 1924 a part of each contribution proportionate to the amount appropriated for reconstituting the Working Capital Fund, the Assembly having decided to refund in 1925 this sum to the Members of the League. The effect of this arrangement will be to reduce the arrears of the financial period 1924 by a total sum of 145,629.33 gold francs.

In agreement with the Auditor, the Commission recommended that the sums paid by Germany in 1925 to the International Labour Office as contributions for the years 1922-24 should be added to the surplus of the year 1925, which will therefore amount to 3,367,847.28 gold francs.

III. LEAGUE BUILDING FUND AND SURPLUS FOR THE FINANCIAL YEAR 1925.

The sixth Assembly having decided to create a League Building Fund from part of the surplus of 1924 and the Argentine contributions for the fourth and fifth financial periods, the Commission further recommended that to this Fund should be added the Argentine contribution for the sixth financial period as well as the consolidated surplus of 1925. It was, moreover, considered only logical that the whole cost of the International Labour Office Building and the sale price of the Hotel National should be added to the Building Fund. The Commission has devoted a most careful study to the questions connected with the administration of the Building Fund and the apportionment of the annuities included every year in the Budget. The Assembly will be asked to approve the recommendations of the Commission in this respect. The Commission has suggested for the administration of the Fund that two accounts should be kept, one showing the capital cost and the other recording the sums contributed by certain Members of the League, to enable the building scheme to be financed at once.

The Commission has studied the question of determining the shares which different Members of the League have contributed to the Fund, as the distribution of the annual repayment of 1,400,000 francs must depend on the proportion of these shares. After examining in detail the variety of methods of treating this question, the Commission arrived at a solution which it can confidently recommend to the Assembly. The system agreed upon will be published in August 1926 ; allowance can thus be made for all arrears that may be paid by States up to the end of the previous month.

IV. BUDGET FOR 1927.

The Budget for 1927 as forwarded to the Members of the League for consideration by the Council and the Assembly amounts to 24,615,097 francs, as compared with a budget of 22,930,623 francs for 1926 and 22,658,138 francs for 1925.

The Commission noted that the increase in the amount as compared with 1926 was due to the fact that the Budget was prepared on the understanding that Germany would be a Member of the League in 1927.

Although the gross expenditure provided for 1927 is greater than that for 1926, the net burden on each Member of the League may, for certain reasons, such as the building fund annuity repayment, be less in 1927 than in 1926.

The Commission strongly recommended the exercise of greater economy in the printing and publishing expenses of the League, being convinced that Committees did not always fully appreciate the financial consequences when deciding to have documents printed and published. The Commission noted, on the other hand, that the sale of the League's publications was increasing from year to year.

V. BUDGETARY AND ADMINISTRATIVE QUESTIONS.

The Commission was requested by the sixth Assembly to study the question whether, in view of the fact that, by a decision of the fifth Assembly, the Chiefs of Division of the International Labour Office were not entitled to participate in the Provident Fund, it should re-establish in their favour the article of the original Staff Regulations which provided for an indemnity on the termination of contract. Seeing that the Assembly itself had treated Chiefs of Division and Directors of the Secretariat on the same footing, by excluding them both from participation in the Provident Fund, the Commission unanimously agreed that the

re-introduction of this article for the benefit of the Chiefs of Division would be founded neither on equity, as compared with the position of the Directors of the Secretariat, nor on law.

The Commission, at the request of the Fourth Committee of the sixth Assembly, has considered whether it would not be possible, without increasing the credits voted, to publish at least once a year a bibliographical bulletin giving a list of all the publications which had appeared dealing with the League and its work. The Commission has arrived at the opinion, however, that without increasing the staff it is not possible to issue a list of periodical publications containing articles on the League. Members of the League will doubtless have noted that the Library of the Secretariat has issued as an annex to the *Monthly Summary* a list of important publications dealing with the League and its work.

VI. ALLOCATION OF THE EXPENSES OF THE LEAGUE.

The sixth Assembly, in 1925, approved for the years 1926, 1927 and 1928 the scale for the allocation of the expenses of the League which had been drawn up by the Committee on the Allocation of Expenses. The Assembly, moreover, requested the Council to ask the Committee to follow the economic development of the various Member States with a view to submitting a revised scale to the Assembly in 1928.

The Committee was convened on March 8th, 1926, during the special session of the Assembly in order to be in a position immediately to advise on any point in connection with the allocation of expenses which might have been put to it.

3.

REDUCTION OF ARMAMENTS.

On September 25th, 1925, the sixth Assembly, on the proposal of the First and Third Committees, adopted the following resolutions with regard to the pacific settlement of international disputes, arbitration, security and the reduction of armaments and the permanent organisation of the Council for work on disarmament:

“ I. The Assembly,

“ In view of the importance of making a thorough study of the views which have been expressed in the Assembly and the Council on the subject of pacific settlement of international disputes ;

“ Convinced that such study will contribute to the development of a system of pacific settlement of international disputes :

“ Requests the Council to submit to careful examination the proposals, declarations and suggestions made at the Assembly and the Council with a view to pacific settlement of international disputes, and to report to the seventh Assembly upon the progress which can be made in this matter.”

“ II. The Assembly,

“ Reserving the question whether it is at present desirable to embody in a new general convention the provisions concerning compulsory arbitration contained in the Protocol for the Pacific Settlement of International Disputes ;

“ Recalling the guarantees provided in the Covenant of the League of Nations :

“ Calls the attention of States Members of the League to the desirability, from the point of view of their security, of concluding particular conventions for arbitration or for the judicial settlement of disputes.”

“ III. The Assembly,

“ Taking note of the declarations submitted to the Council and the Assembly of the League of Nations in respect of the Protocol for the Pacific Settlement of International Disputes and of the fact that the said Protocol has not up to the present received the ratifications necessary for putting it into operation immediately ;

“ Convinced that the most urgent need of the present time is the re-establishment of mutual confidence between nations ;

“ Declaring afresh that a war of aggression should be regarded as an international crime :

“ Regards favourably the effort made by certain nations to attain these objects by concluding arbitration conventions and treaties of mutual security conceived in

the spirit of the Covenant of the League of Nations and in harmony with the principles of the Protocol (Arbitration, Security, Disarmament);

“ Records the fact that such agreements need not be restricted to a limited area but may be applied to the whole world ;

“ Recommends that, after these conventions and treaties have been deposited with the League of Nations, the Council should examine them in order to report to the seventh Assembly on the progress in general security brought about by such agreements ;

“ Undertakes again to work for the establishment of peace by the sure method of arbitration, security and disarmament ;

“ And, in conformity with the spirit of Article 8 of the Covenant, requests the Council to make a preparatory study with a view to a conference for the reduction and limitation of armaments in order that, as soon as satisfactory conditions have been assured from the point of view of general security as provided for in Resolution XIV of the third Assembly, the said conference may be convened and a general reduction and limitation of armaments may be realised. ”

“ IV. The Assembly :

“ Takes note of the Council resolution dated October 3rd, 1924, establishing the Co-ordination Commission ;

“ And invites the attention of the Council to the suggestions made during the proceedings of the Third Committee, as contained in the report (A. 99. 1925) submitted to the Assembly, with regard both to the designation and the composition of that Commission, and also to the necessity of determining its rules of procedure. ”

I. ARBITRATION, SECURITY AND PACIFIC SETTLEMENT OF INTERNATIONAL DISPUTES.

At its September session 1925 the Council dealt more particularly with the resolutions of the Third Committee of the Assembly, and on December 12th, 1925, it adopted the following resolution with regard to the resolutions proposed by the First Committee and adopted by the Assembly :

“ The Council,

“ Taking into consideration the resolutions adopted by the Assembly on September 25th, 1925, concerning arbitration, security and the reduction of armaments and the report adopted by the Council on September 26th, 1925 ¹ :

“ Invites the Secretary-General to prepare in due time before the next ordinary meeting of the Council : (1) a complete *exposé* of all the proposals, declarations and suggestions made at the sixth Assembly and at the Council with a view to the pacific settlement of international disputes ; (2) a systematic survey of the arbitration conventions and the treaties of mutual security which have been deposited with the League of Nations in order to enable the Council to prepare a report for submission to the seventh Assembly on the progress which has been achieved and can be made in these matters. ”

In execution of this resolution, the Legal Section of the Secretariat submitted to the March session of the Council “ an *exposé* of the proposals, declarations and suggestions made at the sixth Assembly and at the Council with a view to the pacific settlement of international disputes ” (see document C. 33. 1926. V), and a “ systematic survey of the arbitration conventions and the treaties of mutual security which have been deposited with the League of Nations ” (see document C. 34. 1926. V).

On March 18th, 1926, the Council was of opinion that the reports prepared by the Secretariat demanded careful examination on the part of the Council, and it decided to appoint a Committee of the Council consisting of the Rapporteur, M. Benes, and the representatives of Japan and Sweden. This Committee was asked to carry out a preliminary examination ; it prepared two reports from the Council to the Assembly which were examined by the Council at its session held in June 1926, and will be inserted in the supplementary Report to the Assembly.

II. PREPARATORY WORK FOR THE DISARMAMENT CONFERENCE.

As was mentioned above, the Council gave immediate effect to the resolutions adopted by the sixth Assembly on the proposal of the Third Committee, namely, the last paragraph of Resolution III already quoted and Resolution IV concerning the Co-ordination Commission. The Council, taking account of the desire expressed by the delegations to the Assembly that the preparatory investigations required for dealing adequately with the question of the reduction and limitation of armaments should be undertaken as soon as possible in order that, as soon as satisfactory conditions had been assured from the point of view of general security,

¹ See *Official Journal*, October 1925, page 1387.

the Council might convene an international conference without further loss of time, decided to take advantage of the existence of the Committee of the Council which was established in accordance with the resolutions of the fifth Assembly, to undertake in the Council's name the work connected with the carrying out of the Protocol. On September 26th, 1925, it adopted the following resolution :

“ The Council,

“ In view of the report of the Third Committee to the sixth Assembly and of the resolutions adopted by the Assembly relating to arbitration, security and disarmament, dated September 25th, 1925 :

“ Decides to refer the report, resolutions and Minutes of the Assembly, of the Third Committee and of the Sub-Committee of the Third Committee, to the Committee of the Council for examination, requesting it to meet as soon as possible during the interval between the September and December sessions in order :

“ (1) To examine the observations made during the sixth Assembly on the constitution and working of the Co-ordination Commission and submit definite proposals to the Council on the following questions :

“ (a) The composition and name of the Co-ordination Commission ;

“ (b) Status of its different members ;

“ (c) Procedure ;

“ (2) To make the necessary studies for determining the questions which need to be submitted to a preparatory examination with a view to a possible conference for the reduction and limitation of armaments, and draft definite proposals to be submitted to the Council on this subject.

“ The Committee of the Council is requested to submit a report on this matter in time for examination by the Council at its session in December. ”

Accordingly, the Committee of the Council met at Geneva under the presidency of M. Paul-Boncour from December 3rd to 7th, 1925, and it submitted to the Council proposals regarding the name, composition and procedure of the Committee which was to prepare for the Conference for the Reduction and Limitation of Armaments, and also regarding the questions to be submitted to a preparatory examination with a view to the proposed Conference.

The Council approved the proposals of the Committee of the Council relating to the composition and working of the Preparatory Commission for the Disarmament Conference, and on December 12th, 1925, it adopted M. Benes' report and the following resolution :

“ The Council,

“ In view of the report of M. Paul-Boncour on the work of the Committee of the Council regarding the permanent organ of the Council for work on disarmament,

“ Decides :

“ 1. To adopt the scheme for the constitution of the Preparatory Commission for the Disarmament Conference submitted by the Committee of the Council, as shown in the Annex to this report (see Annex 1 below) ;

“ 2. To adopt the present report ;

“ 3. To request the President to invite the Governments of the States named below to appoint representatives to the Preparatory Commission for the Disarmament Conference :

BULGARIA,

FINLAND,

NETHERLANDS,

POLAND,

ROUMANIA,

KINGDOM OF THE SERBS, CROATS AND SLOVENES ;

“ 4. To request the President to invite the Governments of GERMANY, the UNITED STATES OF AMERICA, and the UNION OF SOCIALIST SOVIET REPUBLICS to appoint representatives to the Preparatory Commission for the Disarmament Conference ;

“ 5. To request the Secretary-General to communicate the present report to all the States not represented on the Commission and to draw their attention to the facilities provided for in the scheme for the organisation of the Preparatory Commission for the Disarmament Conference, which enable States not represented on the Commission to state their points of view, and to forward to them the list of questions to be submitted to the Commission, together with the report attached thereto. ”

ANNEX 1.

COMPOSITION AND WORKING OF THE PREPARATORY COMMISSION FOR THE DISARMAMENT CONFERENCE.

I. Name.

The Commission will be entitled "*Preparatory Commission for the Disarmament Conference*, being a Commission to prepare for a Conference on the Reduction and Limitation of Armaments".

II. Composition.

- (1) The Commission will consist of :
 - (a) Representatives of States Members of the Council ;
 - (b) Representatives of countries chosen amongst those which, by reason of their geographical situation, occupy a special position as regards the problem of disarmament and which are not otherwise represented on the Commission.
- (2) Any State not represented on the Commission shall be entitled :
 - (a) To submit memoranda on matters in which it is specially interested ;
 - (b) To be heard in support of these memoranda.
- (3) Moreover, the Commission will always have the right, in the case of special questions, to call in the assistance of any State which, in the opinion of the Commission, may be particularly interested in these questions.
- (4) If the constitution of the Council is altered during the proceedings of the Commission, the Council may change the composition of the Commission in order to ensure the continuity of its work.

III. Working of the Commission.

(1) The Preparatory Commission will decide on the proposals for the Conference on the Reduction and Limitation of Armaments to be submitted to the Council and will assure the control and co-ordination of the work preparatory to the Conference. For that purpose it will be empowered by the Council to obtain the co-operation and advice of the competent organisations of the League. The latter, in their turn, may submit to it on their own initiative any suggestion which they feel called upon to make with regard to the work in progress. This co-operation will be effected as follows :

- (a) With the Permanent Advisory Commission in the case of any questions relating to the military, naval or air aspect of the questions under consideration ; and
- (b) In respect of the economic aspect of these questions, with a Joint Commission, constituted as follows :

Two members each of the Economic, Financial and Transit Organisations, to be appointed by the Council after consultation with the Chairmen of the respective Committees ;

Two members of the Employers' Group and two members of the Workers' Group of the Governing Body of the International Labour Office appointed by the Governing Body.

The Joint Commission may call in other experts under the same conditions as provided in the case of the Permanent Advisory Commission.

- (2) Under the standing authority of the President of the Council, the Chairman of the Preparatory Commission may request the Chairman of the Permanent Advisory Commission or the Joint Commission to assemble these Commissions on a given date.
- (3) The Preparatory Commission may at any time summon and hear the Chairman and Rapporteur of the Permanent Advisory Commission and of the Joint Commission to explain the views of their respective Commissions.
- (4) It may also summon and hear any persons whose special qualifications are calculated to facilitate its work on a given subject.
- (5) The authority referred to in sub-paragraphs 3 and 4 above is accorded to any Sub-Committees which it may establish within itself.

The Council also decided that "when the Preparatory Commission convenes the Chairman and the Rapporteur of the Technical Commissions (Permanent Advisory Commission and Joint Commission), these latter would express not their personal views but the views of their respective Commissions", and that "members of the organisations of the League sitting on the Joint Commission would not be required to present the point of view of their respective organisations at that Commission". Further, the Council decided "that the Joint Commission itself would call in any experts it wished to consult. If a member of the Commission asked for

an expert to be heard, it would be for the Commission to decide whether it would grant this request ”.

As regards the list of questions to be submitted to the Preparatory Commission, the Council adopted on December 12th, 1925, the following resolution and amended list :

“ The Council,

“ Having regard to the report of the Committee of the Council concerning the list of questions to be examined by the Preparatory Commission for the Disarmament Conference,

“ Decides :

“ (1) To adopt the list of questions prepared by the Committee of the Council in the amended form in which it appears in Annex I of this report (see Annex 2 below);

“ (2) To refer this programme, together with the Minutes of the Session of the Committee of the Council and of the present Session of the Council relating to the problem of disarmament, to the Preparatory Commission, constituted by its decision of to-day ;

“ (3) To convene a meeting of this Commission on February 15th, 1926, at Geneva in order that it may be duly constituted and that it may engage in a preliminary exchange of views regarding the accompanying list of questions, and may refer, if necessary, to the Technical Commissions attached to it the examination of the military and economic aspects of the questions which it has to consider. ”

ANNEX 2.

LIST OF QUESTIONS TO BE SUBMITTED TO THE PREPARATORY COMMISSION.

Question I.

What is to be understood by the expression “ armaments ” ?

(a) Definition of the various factors — military, economic, geographical, etc. — upon which the power of a country in time of war depends.

(b) Definition and special characteristics of the various factors which constitute the armaments of a country in time of peace ; the different categories of armaments (military, naval and air), the methods of recruiting, training, organisations capable of immediate military employment, etc.

Question II.

(a) Is it practicable to limit the ultimate war strength of a country, or must any measures of disarmament be confined to the peace strength ?

(b) What is to be understood by the expression “ reduction and limitation of armaments ” ?

The various forms which reduction or limitation may take in the case of land, sea and air forces ; the relative advantages or disadvantages of each of the different forms or methods : for example, the reduction of the larger peace-time units or of their establishment and their equipment, or of any immediately mobilisable forces : the reduction of the length of active service, the reduction of the military equipment, the reduction of expenditure on national defence, etc.

Question III.

By what standards is it possible to measure the armaments of one country against the armaments of another, *e.g.*, numbers, period of service, equipment, expenditure, etc. ?

Question IV.

Can there be said to be “ offensive ” and “ defensive ” armaments ?

Is there any method of ascertaining whether a certain force is organised for purely defensive purposes (no matter what use may be made of it in time of war), or whether, on the contrary, it is established for the purposes in a spirit of aggression ?

Question V.

(a) On what principle will it be possible to draw up a scale of armaments permissible to the various countries, taking into account particularly :

Population ;

Resources ;

Geographical situation ;

Length and nature of maritime communications ;

Density and character of the railways ;

Vulnerability of the frontiers and of the important vital centres near the frontiers ;

The time required, varying with different States, to transform peace armaments into war armaments ;

The degree of security which, in the event of aggression, a State could receive under the provisions of the Covenant or of separate engagements contracted towards that State ?

(b) Can the reduction of armaments be promoted by examining possible means for ensuring that the mutual assistance, economic and military, contemplated in Article 16 of the Covenant, shall be brought quickly into operation as soon as an act of aggression has been committed ?

Question VI.

(a) Is there any device by which civil and military aircraft can be distinguished for purposes of disarmament ? If this is not practicable, how can the value of civil aircraft be computed in estimating the air strength of any country ?

(b) Is it possible or desirable to apply the conclusions arrived at in (a) above to parts of aircraft and aircraft engines ?

(c) Is it possible to attach military value to commercial fleets in estimating the naval armaments of a country ?

Question VII.

Admitting that disarmament depends on security, to what extent is regional disarmament possible in return for regional security ? Or is any scheme of disarmament impracticable unless it is general ? If regional disarmament is practicable, would it promote or lead up to general disarmament ?

In conformity with these resolutions, the President of the Council invited the following Governments to be represented on the Preparatory Commission for the Disarmament Conference, the first session of which was to be held at Geneva on February 15th, 1926 :

BULGARIA,
FINLAND,
GERMANY,
NETHERLANDS,
POLAND,

ROUMANIA,
KINGDOM OF THE SERBS, CROATS AND SLOVENES,
UNION OF SOCIALIST SOVIET REPUBLICS,
UNITED STATES OF AMERICA.

All these States accepted the invitation except the Union of Socialist Soviet Republics, which, in a letter from M. Chicherin to the President of the Council dated January 16th, 1926, declared that the Soviet Government welcomed every step and every movement towards disarmament and was genuinely anxious to be represented at the Disarmament Conference and on the Preparatory Commission. Pending the settlement of its dispute with Switzerland, however, it could not send delegates to commissions or conferences meeting on Swiss territory, and it must take note that it was consequently deprived of the opportunity of attending the Preparatory Commission unless the meeting-place of the latter was changed. M. Chicherin's Government held the Council of the League of Nations responsible for its inability to be represented on the Commission.

At its March session the Council replied to this letter and brought to the notice of the Government of the Union of Socialist Soviet Republics a letter addressed to the Secretary-General of the League of Nations by the Political Department of the Swiss Confederation on December 30th, 1925. The Council declared itself in full agreement with the following view expressed by the Government of the Swiss Confederation :

“ The relations between the Government of the country in which the League of Nations is established, or of any country in which the League may from time to time arrange meetings, and the Government of any other country, whether a Member of the League or not, should in no way interfere with free negotiations between the organs of the League of Nations and the representatives of the last-named State ; nor should the co-operation between the League of Nations and any State directly influence the relations between that State and the country in which the League of Nations is established, or in which a conference may be held under the auspices of the League. ”

The Swiss Federal Council gave assurances that :

“ . . . Any delegates whom the Soviet Government may send to the Preparatory Commission for the Disarmament Conference would receive at Geneva the same treatment as the delegates of any other Governments, and, in particular, would enjoy the same facilities for entering Switzerland, the same privileges and immunities in the conduct of their mission, and such measures of protection as the Swiss authorities might think it necessary to take in order to ensure their safety ”.

The Council declared its conviction that, in view of the desire expressed by the Soviet Government to co-operate in the efforts made to alleviate as far as may be practicable the burden of armaments, that Government would not wish to insist on exceptional treatment being accorded to it in regard to the work of the Preparatory Commission. The Council expressed the hope that the Soviet Government would send representatives to the Preparatory Commission, the first meeting of which would take place at Geneva on May 18th, 1926.

On April 7th, 1926, the Government of the Union of Socialist Soviet Republics, in a letter to the Secretary-General, repeated its refusal to be represented on the Commission. The Soviet Government first pointed out that the assurances given by the Swiss Government, of which the Council had taken note, were known to the Soviet Government before the despatch of its letter of January 16th, and did not constitute any new fact from which it could be concluded that the Swiss Government had changed its attitude. In these circumstances, the Soviet Government accuses the Council of not having taken account of its objections to a meeting in Switzerland and claims to see in that fact proof that the Council was not sincere either in the invitation it sent to the Soviet Government or in its wish to solve the problem of disarmament. The Soviet Government declares incidentally that, not being present at the work of the Preparatory Commission, it will not be able to take part in the Disarmament Conference proposed by the League of Nations, and it will await the day on which the initiative will be taken in some other quarter before participating in a conference convened for the same purpose.

On January 30th, 1926, the Secretary-General received a joint letter, signed by the representatives on the Council of the French, Italian, Japanese, Czechoslovak and Uruguayan Governments, asking that the opening meeting of the Preparatory Commission for the Disarmament Conference, which had been convened for February 15th, should, in the general interest, be adjourned, on the understanding that another date should be fixed by the Council at its March session, this date to be not later, however, than May 15th. The other members of the Council, having been consulted by telegram, as well as the States invited to be represented on the Commission, agreed to the adjournment and to the procedure proposed. At its March session, therefore, the Council again considered the question of the date of the first meeting of the Commission and decided that it should meet at Geneva on May 18th, that the Permanent Advisory Commission for Military, Naval and Air Questions should meet on May 19th, and that the Joint Commission should not be convened until the Preparatory Commission was able to fix its agenda.

It was at the same meeting on March 18th, 1926, that the Council decided, after a fresh study of the composition of the Preparatory Commission, to invite the Argentine Republic and Chile to send representatives to serve on the Commission and to invite all the States represented on the Preparatory Commission to appoint military, naval and air experts, who would sit on the Permanent Advisory Commission on a footing of equality with members of that Commission whenever it was convened to assist the work of the Preparatory Commission.

Further, the Council, after taking note of a letter from the Chairman of the Advisory and Technical Committee for Communications and Transit informing it of the different qualifications of the members of that organisation, decided to add to the Joint Commission four members specially competent to deal with questions connected with industry and transport and to include a national of each of the following States : Germany, the United States of America, Japan and the Union of Socialist Soviet Republics.

III. PRIVATE MANUFACTURE OF ARMS AND AMMUNITION AND OF IMPLEMENTS OF WAR.

On September 25th, 1925, the sixth Assembly adopted the following resolution :

“ The Assembly adopts the declaration inserted in its Final Act by the Conference for the Supervision of the International Trade in Arms and Ammunition and in Implements of War which met at Geneva in May and June 1925, declaring that the Convention concerning the Supervision of the International Trade in Arms and Ammunition and in Implements of War ‘ must be considered as an important step towards a general system of international agreements regarding arms and ammunition and implements of war, and that it is desirable that the international aspect of the manufacture of such arms and ammunition and implements of war receive early consideration by the different Governments ’ .

“ The Assembly invites the Council to continue the preliminary work on the subject of the control of the private manufacture of arms and ammunition and of implements of war so that a draft convention may be prepared as speedily as possible and that the Council may summon an international conference to consider it, if possible, before the next Assembly.

“ It is of opinion that the co-operation of a representative of the United States Government in the preliminary work for this convention is indispensable to the success of the Conference and begs the Council to invite the said Government to co-operate as soon as it considers such a step possible. ”

This question of the private manufacture of arms and ammunition and of implements of war had been entrusted to the consideration of the Co-ordination Commission, which had prepared a draft questionnaire to be sent to all the Governments concerning the “ evil effects ” of the private manufacture of arms mentioned in Article 8 of the Covenant. As the Co-ordination Commission was to be re-organised by the Council in accordance with proposals submitted to it by the Committee of the Council, it was decided to refer also to the Committee of the Council the study of the question of private manufacture.

The duties of the Committee of the Council were defined in the following resolution adopted by the Council on September 26th, 1925 :

“ The Council

“ Has considered the resolution passed by the sixth Assembly on September 25th, 1925, with regard to the supervision of the private manufacture of arms and ammunition and of implements of war.

“ Acting upon this resolution, the Council decides to refer this resolution for the consideration of the Committee of the Council which is to meet between the September and December sessions, drawing the attention of the said Committee to the wish expressed by the sixth Assembly that a draft convention should be prepared as speedily as possible so that the Council may be in a position to submit it to an international conference to be convened if possible before the next Assembly.

“ Requests the Committee of the Council to submit to it a report as to the steps to be taken to carry out the desire of the Assembly, so that the question may be considered by the Council at its December session.”

The Committee of the Council examined the questionnaire prepared for the Co-ordination Commission by its Committee of Enquiry and also the observations submitted by the technical organisations of the League. In the light of these observations and the results obtained by the Conference on the Control of the International Trade in Arms and Ammunition and in Implements of War, the Committee decided upon an amended text of this questionnaire and submitted it for the consideration of the Council.

On December 12th, 1925, the Council adopted the following resolution with regard to this question :

“ The Council,

“ In view of the Assembly’s resolution dated September 25th, 1925, and the report of the Committee of the Council on the control of the private manufacture of arms and ammunition and of implements of war submitted to the Council on December 9th, 1925 :

“ Decides :

“ To approve the questionnaire prepared by the Committee of the Council in the form in which it appears in the above report ;

“ To request the Secretary-General to communicate this questionnaire to the Governments Members and non-Members of the League of Nations and to draw their attention to the importance of any replies they may wish to make reaching the Secretariat of the League of Nations before June 1st, 1926 ;

“ To adopt the proposal submitted by the Committee of the Council to the effect that the Committee of Enquiry, consisting of M. Cobián, M. Guani and M. Veverka, should undertake forthwith the necessary preliminary investigations for drawing up a draft convention on the control of the private manufacture of arms and ammunition and of implements of war ;

“ To entrust the study of this question to the Committee of the Council, so that, when it considers that it is in possession of the necessary information, and particularly of the replies to the above-mentioned questionnaire, it may prepare a draft convention to serve as a basis for the discussions of an international conference.”

In conformity with this resolution, the Secretary-General, on January 9th, 1926, sent the questionnaire to all the States Members and non-Members of the League of Nations with the request that they should forward their observations before June 1st.

Replies were received from the following Governments :

South Africa, United States of America, Australia, Austria, Bulgaria, Czechoslovakia, Egypt, Greece, Italy, Japan, Latvia, New Zealand, Poland, Turkey, Union of Socialist Soviet Republics.

In execution of paragraph 3 of the above resolution, the Committee of Enquiry met on April 12th, 1926, under the Chairmanship of M. Guani and prepared a preliminary draft convention, which it submitted to the Committee of the Council.

IV. STATISTICAL INFORMATION ON THE TRADE IN ARMS AND AMMUNITION AND IN IMPLEMENTS OF WAR.

On September 22nd, 1925, the sixth Assembly adopted the following resolution :

“ The Assembly :

“ Taking into account the provisions of the Convention for the Supervision of the International Trade in Arms and Ammunition and in Implements of War, signed at Geneva on June 17th, 1925 ;

“ Considering the advantage to be derived from the standardisation of nomenclature and statistical systems for this trade ;

“ Considering paragraph 3 of the resolution of the fifth Assembly dated September 27th, 1924, in virtue of which “ States Members and non-Members of the League of Nations are invited to transmit to the Secretariat all documents which they may deem likely to be of assistance in the preparation of a collection of statistical data concerning the trade in arms and ammunition and in implements of war ” ;

“ Recommends all States, so soon as they may find it possible, to adopt the models given in Annex I to the said Convention for their national statistics and for

the documents they supply to the Secretariat as data for the preparation of the above-mentioned collection.”

On September 26th, 1925, the Council considered the above resolution passed by the Assembly and requested the Secretary-General to take the necessary steps to bring this resolution to the knowledge of the States Members and non-Members of the League of Nations.

In pursuance of this resolution, the Secretary-General forwarded on October 24th, 1925, to all States Members and non-Members of the League of Nations a copy of the Convention for the Supervision of the International Trade in Arms and Ammunition and in Implements of War, drawing their attention to Annex I of the Convention. That Annex contains the forms which the resolution of the Assembly recommends as models to be used in supplying the Secretariat with data which might be helpful in preparing the collection of statistical information on the trade in arms and might give uniformity to the 1926 edition.

Up to the present time, the Spanish Government alone has made use of the tables in forwarding to the Secretariat information, furnished by the Ministry of War, regarding imports and exports of war material during the last quarter of 1925.

The British Government replied on December 29th, 1925, that “ a change of system entails considerable administrative inconvenience and expense, which His Majesty's Government does not feel justified in incurring until obliged to do so by the entry into force of the Convention. The returns published under the existing practice contain much detail and will in the meantime, it is hoped, prove adequate for the purpose in view ”.

On December 31st, 1925, the Roumanian Government reported that the Roumanian departments in question had adopted the models recommended, for the use of their internal services.

On February 10th, 1926, the French Government informed the Secretary-General that it could not adopt the tables annexed to the Convention on the Trade in Arms for its national statistics, because the statistics at present in use had a purely economic and commercial basis and were strictly subordinate to commercial policy, and therefore to the nomenclature employed in the Customs tariffs. Accordingly, the statistics relating to the trade in arms could not be drawn up according to the models annexed to the Convention until the Convention had entered into force and the system of licences was in operation. The French Government, therefore, could only establish the information to be supplied to the League Secretariat in accordance with the system of Customs statistics now in use.

V. MILITARY YEAR-BOOK.

(GENERAL AND STATISTICAL INFORMATION ON MILITARY, NAVAL AND AIR ARMAMENTS.)

On September 25th, 1925, the sixth Assembly adopted the following resolution :

“ The Assembly declares that the Year-Book of General and Statistical Information regarding the armaments of the various countries is of great assistance in connection with the work for the reduction and limitation of armaments, and it trusts that the Secretary-General will arrange for the continuation and enlargement of this publication on the lines laid down in the resolution of the fifth Assembly. ”

It will be remembered that the fifth Assembly, after taking note of the first edition of the *Military Year-Book*, requested the Council to arrange for the continuation of this work and, more particularly, to develop that part of the Year-Book which dealt with industrial and economic resources capable of being utilised for war.

The new edition of the Year-Book contains monographs on 57 countries (the first edition contained only 37 monographs), and, in an annex, the armament limitations imposed by the Treaties of Peace which appeared in the first edition. Regard has been paid to all important changes in military legislation and in the composition and organisation of the armed forces of the different countries generally.

All the monographs have, as far as possible, been brought up to date and amplified in accordance with the most recent documentary information. In the case of certain countries regarding which the first edition only contained summary information, monographs have been compiled this year on the lines approved by the Assembly. Certain chapters in most of the monographs have been expanded ; more detailed information is given, in particular, with regard to war fleets (the number and characteristic features of the different units), air forces, and, finally, industries adaptable to warlike purposes. In particular, as regards this last point, information has been added concerning the production of and trade in foodstuffs (cereals and potatoes), live-stock and preserved meat.

The work of this last year has shown the desirability of introducing in the next edition a number of changes of form, with a view to reducing the size of the volume.

4.

POLITICAL QUESTIONS.

I. QUESTION OF THE FRONTIER BETWEEN TURKEY AND IRAQ.

A. RECAPITULATION¹.

The report submitted to the sixth Assembly contains an account of the procedure adopted by the Council with regard to the determination of the frontier between Turkey and Iraq. It will be remembered that the Council had decided to send into the disputed territory a Commission of Enquiry, consisting of M. af Wirsén (Sweden, President), Colonel Paulis (Belgium) and Count Teleki (Hungary). This Commission, after getting into touch in London and Angora with the two Governments concerned, remained from January to April 1925 in the disputed territory.

B. CLOSE OF THE COMMISSION'S WORK AND SUBMISSION OF ITS REPORT TO THE COUNCIL.

Towards July 16th, 1925, the Commission completed its report, which was immediately forwarded to the Members of the Council.

It may be advisable briefly to recall the principal features and conclusions of this report.

The report begins with an account of the methods of work adopted by the Commission. The latter had collected its information by interrogating all persons and groups who appeared to be in a position to represent the wishes and interests of the population of the disputed area : " In view of the fact that the Turkish Government had based its case on the necessity of consulting the peoples concerned, and that the British Government also had laid stress on the importance of this factor, it was essential for the Commission to endeavour to obtain the widest and most thorough knowledge of the wishes of the population. "

The Commission found it impossible to agree with the opinion of the Turkish Government, which demanded that the population should be consulted by means of a plebiscite. On this point the Commission came to the conclusion that, owing to the backward state of education among these people, the primitive nature of the social organisation and the impossibility of establishing a provisional neutral administration, the practical difficulties would have been insurmountable, and there would have been serious reasons for doubting the genuineness of the vote. The Commission therefore considered that the procedure proposed by the British Government was the one most appropriate for furnishing the Council with the information it required for the settlement of the dispute. It adopted that procedure in carrying out its work and endeavoured to bear in mind the wishes of the Turkish Government and to neglect no means and no opportunity of ascertaining the desires of the population.

After a summary of the arguments put forward respectively by the British and Turkish Governments, the report contains a critical analysis of these arguments classified as follows : geographical, ethnographical, historical, economic, strategic and political.

The analysis of the geographical arguments includes a description of the two frontiers proposed — the one by the British Government and the other by the Turkish Government ; an account of the geographical, geological and climatic characteristics connecting the disputed territory and the neighbouring territories to the north and south ; an examination of the roads and communications.

The analysis of the ethnical arguments includes a study of the population and the percentage of races, an examination of religions and sects, their territorial distribution, the character of the town of Mosul, the character and affinities of the various races, the system of property, etc.

The historical arguments relate to the actual duration of Turkish sovereignty over Mosul and the interdependence of the Mosul and Bagdad districts.

As regards the economic relations of the Mosul Vilayet with Anatolia on the one hand and Iraq on the other, the Commission indicates and compares the replies of the two Governments to the questionnaires forwarded to them by the Commission. The latter distinguishes three main economic sectors and considers what effect union with Turkey or with Iraq would have on each of these sectors.

In the strategical part, the lines proposed by Great Britain and Turkey respectively, and also the Brussels line, are considered from the point of view of the security of the two neighbouring countries.

The examination of the political arguments is followed by a description of the views of the population in the various parts of the territory, as ascertained by the Commission.

The Assyrian problem is dealt with in a special chapter.

The last part of the report contains the conclusions arrived at by the Commission on each of the questions examined in the different chapters enumerated above, the object of these

¹ See Records of the Sixth Assembly, *Official Journal*, Special Supplement No. 33, pages 192-197.

detailed opinions being to support the general conclusion with which the report ends. The text of this final conclusion, which contains the proposals of the Commission for the settlement of the dispute, is as follows :

“ Looking at the question entirely from the point of view of the interests of the populations concerned, the Commission considers that it would be to some advantage that the disputed area should not be partitioned.

“ On the basis of this consideration, the Commission, having assigned a relative value to each of the facts which it has established, is of opinion that important arguments, particularly of an economic and geographical nature, and the sentiments (with all the reservations stated) of the majority of the inhabitants of the territory taken as a whole, operate in favour of the union with Iraq of the whole territory south of the ‘ Brussels line ’, subject to the following conditions :

“ (1) The territory must remain under the effective mandate of the League of Nations for a period which may be put at twenty-five years ;

“ (2) Regard must be paid to the desires expressed by the Kurds that officials of Kurdish race should be appointed for the administration of their country, the dispensation of justice and teaching in the schools, and that Kurdish should be the official language of all these services.

“ The Commission is convinced that if the League of Nations control were to terminate on the expiry of the four-years Treaty now in force between Great Britain and Iraq, and if certain guarantees of local administration were not to be given to the Kurds, the majority of the people would have preferred Turkish to Arab sovereignty.

“ The Commission is also convinced that the advantages of the union of the disputed territory with Iraq would in that case be exchanged for very serious political difficulties, and considers that, under those circumstances, it would be more advantageous for the territory to remain under the sovereignty of Turkey, whose internal conditions and external political situation are incomparably more stable than those of Iraq. Whatever decision may be taken, it is essential, however, that Iraq should retain the Diala region, which is necessary for the solution of the irrigation problem.

“ The Commission feels bound to leave it to the Council of the League of Nations to appraise the legal and other political arguments stated in its report, and to decide what relative weight should be given to them as compared with the other arguments. Should the Council, as the outcome of its examination, consider it equitable to partition the disputed territory, the Commission would suggest that the best line would be that approximately following the Lesser Zab. This line is described in greater detail elsewhere in the present report.”

This conclusion is followed by a few special recommendations concerning measures likely to ensure peace within the country, the protection of minorities, notably non-Moslem minorities, and, lastly, measures which might be adopted to encourage the resumption of commercial relations.

C. THE QUESTION BEFORE THE ORDINARY SESSION OF THE COUNCIL IN SEPTEMBER 1925.

During its session in September 1925 the work of the Council in connection with the settlement of the dispute assumed three distinct aspects.

In the first place, the Council, after taking note of the report of the Commission of Enquiry and of the observations made on it by the two Governments, instructed a Committee to draw up a possible solution in regard to the main problem at issue.

Next, the work of that Committee showed that a question of competence had first to be settled with a view to determining the nature and character of the decision subsequently to be taken by the Council. It will be seen that this difficulty led the Council to apply to the Permanent Court of International Justice for an advisory opinion.

Lastly, the complaints submitted by the two interested Governments regarding incidents which had occurred in the districts adjoining the provisional Brussels line were repeatedly discussed by the Council, which finally decided to send a League commission to the spot.

A brief account of each of these three aspects of the Council's work will be given in the following pages.

1. *Consideration of the Report by the Commission of Enquiry and Preparatory Work for the Settlement of the Dispute.*

At its meeting on September 2nd, 1925, the Council heard its Rapporteur, the Swedish representative, who recalled the circumstances in which it had decided to set up a Commission of enquiry and, in this connection, quoted the resolution adopted by the Council on September 30th, 1924. He reminded the Council that the British and Turkish representatives had undertaken on behalf of their respective Governments to accept the Council's decision on the question of the determination of the frontier between Turkey and Iraq. He congratulated the members of the Commission on their work and on the way in which they had discharged their duties.

The Council then heard, in the course of several successive meetings, the observations of the representatives of the two interested Governments on the conclusions embodied in the

report of the Commission of Enquiry, the main problem at issue and the procedure to be adopted in order to arrive at a settlement.

The British representative first discussed the conclusions of the Commission of Enquiry's report in which the view was put forward that the disputed area was still, from a legal point of view, under the sovereignty of Turkey. Admitting that, in a strictly theoretical sense, this might be true, he emphasised the fact that the Turkish Government, in virtue both of Article 3 of the Treaty of Lausanne and of the declaration made by its representative before the Council, had agreed in advance to renounce sovereignty over all territory beyond the line which the Council might decide upon as the boundary.

Legal sovereignty, therefore, would pass automatically at the moment when the Council gave its decision.

The British representative drew attention to passages in the Commission's report referring to the insuperable practical difficulties in the way of organising a plebiscite. The fact that the Commission had, during its enquiry, neglected no means and no opportunity of ascertaining the wishes of the population lent particular authority to its conclusions on the substance of the question.

Commenting on the text of the final considerations of the report reproduced above, and with particular reference to the conditions under which the disputed area might be attached to Iraq, the British representative declared that his Government interpreted the Commission's suggestion for the prolongation of the League of Nations mandate for a period of 25 years as constituting no departure from the present statute of Iraq in the form of the Treaty in force between Great Britain and Iraq. Subject to this interpretation, the British Government declared that, before the expiration of this Treaty in 1928, it was prepared to replace it by a treaty of longer duration in such a way as to continue the responsibility of the mandatory Power towards the League until such time as the Council was convinced that those conditions of stability which the Commission postulated were realised or until it might be considered possible to admit Iraq into the League.

With regard to the second condition mentioned in the report, relating to guarantees to be given to the Kurdish population, the British representative declared that his Government could give an assurance that the existing system, which did to a large extent carry out the recommendations of the Commission, would be continued and made even more effective.

He objected to the conclusions of the Commission recommending that the provisional Brussels line should be accepted as the final frontier between Iraq and Turkey. The British Government, in its statement of claims formulated on behalf of Iraq, had insisted, when first the question came before the Council, on its demand that the provisional frontier should be extended somewhat further north in order that Iraq might be given greater security from a strategic point of view and in order at the same time to enable the survivors of the Assyrian nation to return to one of the principal centres of their traditional home. Any other frontier less satisfactory from the military and economic points of view than that proposed by the British Government would involve serious risks, and any impairment of the territorial unity of Iraq might compromise progress towards the regeneration of that country. In particular, the suggestion that the frontier might be determined along the line of the Lesser Zab ought to be rejected, not only because such a frontier would offer small security but because it would divide districts economically connected with one another and would exclude from Iraq the great Arab centre of Mosul as well as the Christian populations of the north, without including in Turkey the greater part of the Turkish element in the Vilayet.

The question of the Assyrians led the British representative to express his views on the Commission's suggestion to send to the locality for a prolonged period a representative of the League of Nations to supervise the application of the guarantees given to the different elements of the population. Without being opposed to this proposal in principle, the British Government could not, however, accept it as regards Iraq unless the Turkish Government also accepted it for the areas placed under its administration. The representative of the League of Nations was merely to act as an observer and would have no executive or administrative power.

In conclusion, the British representative repeated the assurance given by his Government that it would loyally accept any solution proposed by the Council, and he expressed the hope that a final decision might be taken during that same session of the Council.

The observations of the Turkish representative on the contents of the Commission's report and his reply to the British representative's observations bore principally on three points: the facts noted by the Commission in the disputed area, the legal situation of that area, and the general conclusions embodied in the Commission's report.

According to the Turkish delegation, the facts noted by the Commission proved that, from the geographical, historical and racial points of view, the contested territory was closely connected with the neighbouring parts of Turkish territory.

From an economic point of view, the report, while emphasising the community of interests between the disputed area and the vilayet of Baghdad, admits, on the other hand, that the sincerity of the evidence obtained on that subject was not always above suspicion. The Turkish representative added that, according to the Commission itself, the interests of the inhabitants might be safeguarded by economic agreements, whatever solution was found for the territorial problem.

As regards the legal status of the territory, the Turkish Government considered that the Commission had fully recognised the force of the Turkish arguments.

Examining next the Commission's proposal to place the disputed area under a mandate for 25 years in the event of its being attached to Iraq, the Turkish representative pointed out

that, in considering any question submitted to it, the Council was bound by the treaties concluded between the interested States. Could Turkey, which had not recognised by any Treaty the right to establish mandates over parts detached from the former Ottoman Empire, agree to the establishment of a mandate over territory still forming an integral part of her national heritage as an essential preliminary condition for the detachment of that territory ?

The Turkish representative criticised the "unusual solution", which it was sought to justify by considerations based upon the comparative degree of development of the countries concerned. It was quite apart from any consideration of this kind that Turkey based her demand to keep the contested territory. In her opinion that territory had not ceased to form an integral part of her country, and its inhabitants demanded the maintenance of Turkey's sovereignty. The Turkish representative concluded by saying that the members of the Commission had exceeded the limits of their powers in giving an opinion on a question which was not raised : namely, that of establishing a mandate in any form and for any period whatever. Moreover, "the idea of introducing the effective mandate of the League of Nations would result in attributing to the League the character of a claimant when the League had in fact been resorted to as a mediator". Consequently, the final conclusions of the Commission should be considered, from the political as well as the juridical point of view, altogether apart from the question of the mandate.

The two following meetings of the Council on September 4th, 1925, were devoted to a further discussion between the Turkish and British representatives on the conclusions embodied in the report. At the end of the afternoon meeting, the Council, on the proposal of its Rapporteur, decided to appoint a committee to examine the data supplied by the Commission and the parties concerned, the latter having the right to submit to that Committee any observations, and to furnish it with any information which they might consider desirable. The Turkish Government had already collected a number of documents in a *Red Book* which had been distributed to the members of the Council before the session. This publication contained :

- (a) The text of the Convention of Mudros ;
- (b) A number of official documents relating to the occupation of the town and part of the vilayet of Mosul since the Armistice, and to a series of facts regarded by the Turkish Government as violations of paragraph 2 of Article 3 of the Treaty of Lausanne, which decreed the maintenance of the *status quo* until a decision was reached on the subject of the frontier ;
- (c) The Minutes of the Constantinople Conference on the Mosul question (May 19th - June 5th, 1924) ;
- (d) The Minutes of the Thirtieth and Thirty-first Sessions of the Council ;
- (e) The questionnaire sent by the Commission of Enquiry to the Turkish Government and the replies to that questionnaire.

The Committee of the Council was composed as follows : M. Undén (Sweden), Rapporteur ; M. Quiñones de León (Spain), and M. Guani (Uruguay).

2. Report of the Committee of the Council : Request for an Advisory Opinion from the Permanent Court of International Justice.

The work of the Committee of the Council was not concluded until September 19th, 1925, when the Swedish representative was able to submit to his colleagues the following report :

"The Committee of the Council instructed by the latter to study the question of the frontier between Turkey and Iraq has been led, since the beginning of this study, to consider a certain number of preliminary questions. Two of these have seemed to it particularly important..... :

"In view of the purely juridical character of these questions, the Committee feels that, while continuing its work, it should propose to the Council to submit them, for an advisory opinion, to the Permanent Court of International Justice by adopting the following resolution :

"The Council of the League of Nations, having been seized of the question of the frontier between Turkey and Iraq, by application of Article 3, paragraph 2, of the Treaty of Lausanne, decides, for the purposes of elucidating certain points of law, to request the Permanent Court of International Justice to give an advisory opinion on the following questions :

"1. What is the character of the decision to be taken by the Council in virtue of Article 3, paragraph 2, of the Treaty of Lausanne — is it an arbitral award, a recommendation, or a simple mediation ?

"2. Must the decision be unanimous or may it be taken by a majority ? May the representatives of the interested parties take part in the vote ? "

"The Permanent Court is requested to examine these questions, if possible, in an extraordinary session.

"The Council requests the Governments of Great Britain and Turkey to be at the disposal of the Court for the purpose of furnishing it with all relevant

documents or information. It has the honour to transmit to the Court the Minutes of the meetings of the Council at which the question of the frontier between Turkey and Iraq has been examined.

“ ‘The Secretary-General is authorised to submit the present request to the Court, together with all the relevant documents, to explain to the Court the action taken by the Council in the matter, to give all assistance necessary in the examination of the question, and, if necessary, to take steps to be represented before the Court.’ ”

The British representative, in commenting on the Committee's proposals, expressed his regret at the postponement which the adoption of these proposals by the Council would necessarily involve. As far as the British Government was concerned, the competence of the Council could not be called into question. His Government was, however, bound to point out that its pledge to the Council, which was based upon an explicit stipulation of the Treaty of Lausanne, was binding upon it to exactly the same extent to which it was binding on the Turkish Government. If any doubt remained on the questions raised in the report by the Committee of the Council, the British Government was willing that this question should be submitted to the Permanent Court of International Justice. In this case, however, it was important to avoid any further causes of delay. The British Government, in consenting to the proposal that the questions specified by the Committee should be referred to the Court for an advisory opinion, assumed that there was “ no doubt with regard to the question of the competence of the Council, but only doubt with regard to the two questions which were to be placed before the Court ”. The British representative urged that these questions should be examined by the Court as soon as possible in a special session.

The Turkish representative declared that his Government saw no necessity for consulting the Permanent Court of International Justice on questions which, in the opinion of his Government, were essentially political questions. The advisory opinion of the Court could not in any way affect the rights of the Turkish Government or modify the admitted rights of the Council, both being based exclusively on the provisions of the Treaty of Lausanne, on the Minutes of the meetings of the Conference which resulted in the conclusion of that Treaty and on such stipulations as existed in the Covenant of the League on July 24th, 1923, concerning the powers of the Council in regard to international disputes.

The Turkish representative added that the Grand Assembly of Turkey did not consider itself bound by any undertaking except the Acts which it had ratified, and any declarations or undertakings given by the Government which modified the stipulations contained in those Acts could not constitute any engagement until that Assembly had approved them. The fact that the Council considered it necessary to ask a third party whether or not the Council's role was that of an arbitrator (a role which, by the essence of arbitration, was of necessity and explicitly accepted and defined in advance by the parties to the dispute) was sufficient to show that there was here no question of arbitration in the commonly accepted meaning of that word.

After hearing these statements the Council adopted the Committee's proposals without discussion.

The President announced that the Court at The Hague would be requested to give its opinion as soon as possible in order that the Council might consider it at its next session. He reminded both parties of the engagement they had made at the meeting of the Council held at Geneva on September 30th, 1924 :

“ Pending the decision upon the subject of the frontier, no military or other movement shall take place which might modify in any way the present state of the territory whose final fate will depend upon that decision. ”

3. *Complaints of the Two Interested Governments regarding Incidents in the Neighbourhood of the Provisional Line : Despatch of a Commission to the District.*

At one of the first meetings of the session, on September 3rd, 1925, the Council had been called upon to consider incidents which had occurred in the neighbourhood of the provisional line, to which the Turkish Government had drawn attention in telegrams dated August 15th, 26th and 28th, whilst similar complaints had been made by the British Government in a letter dated August 27th, 1925. The Turkish Government had protested against the activity of volunteer bands which it alleged had attacked Turkish military posts in the neighbourhood of the provisional line, and against the fact that British aeroplanes had flown over Turkish territory north of that line. It further protested against the movements of the British fleet in the Ægean Sea, which, in its opinion, had “ a significance which could not be attributed to mere chance ”.

On the other hand, the British Government claimed that Turkish troops had crossed the provisional Brussels line and had attacked Christian villages from which they had expelled the inhabitants. The British Government also protested against the fact that the Turkish Government was systematically deporting the Christian populations inhabiting the territory between the provisional Brussels line and the area claimed by the British Government on behalf of Iraq.

At the request of the British Government, and in order to ensure the maintenance of the *status quo* along the Brussels line, and above all to obviate the disadvantages of reports which were sometimes difficult to verify, the Council decided at its meeting of September 28th to send to the spot a representative of the League of Nations. At the same meeting it appointed General Laidoner (Esthonia), with two assistants, as the representative of the League of Nations to keep the Council informed of the situation in the locality of the provisional line

The British representative declared that his Government and the Government of Iraq would give to the representative of the League of Nations all the assistance necessary. The Council hoped that the Turkish Government, whose representative had declared that he did not possess the necessary powers, would subsequently be able to give similar assurances in respect of the area north of the Brussels line.

D. THE QUESTION BEFORE THE ORDINARY SESSION OF THE COUNCIL OF DECEMBER 1925.

The Council's work during its December session may be summarised as follows :

- (a) Adoption of the advisory opinion of the Permanent Court of International Justice ;
- (b) Adoption of a resolution on the main problem at issue ;
- (c) Consideration of General Laidoner's report on the position in the frontier districts.

(a) *Adoption of the Advisory Opinion of the Permanent Court of International Justice.*

At its meeting on December 8th, 1925, the Council took note of the advisory opinion of the Court on the questions raised during the previous session.

The Court had expressed this opinion on November 21st, 1925, in a document concluding with the following words :

“ The Court is of opinion :

“ (1) That the ‘ decision to be taken ’ by the Council of the League of Nations, in virtue of Article 3, paragraph 2, of the Treaty of Lausanne, will be binding on the parties, and will constitute a definite determination of the frontier between Turkey and Iraq ;

“ (2) That the ‘ decision to be taken ’ must be taken by unanimous vote, the representatives of the parties taking part in the vote but their votes not being counted in ascertaining whether there is unanimity. ”

The Swedish representative, acting as Rapporteur, having stated the view that the opinion of the Permanent Court of International Justice supplied an answer to the questions submitted to it, proposed that the Council should note and adopt this opinion. The British representative confirmed his previous statements that his Government regarded itself as bound in advance by any decision the Council might take on the basis of the Court's opinion.

The Turkish representative said that he could not accept an interpretation of Article 3, paragraph 2, of the Treaty of Lausanne contrary to that adopted by the Turkish National Assembly when it ratified that Treaty. He maintained that the Turkish Government could not be considered as bound by the opinion of the Court. Although the Turkish Government had not refused to supply the Court in writing with information for which it had been asked regarding certain points of detail, the advisory opinion, according to the Turkish representative, “ was given after hearing only one of the parties to the dispute, which developed its case at length ”. He concluded that “ the Court was only able to obtain information from one party, and the result would appear to be that the Court was influenced by arguments, which no one refuted, from one party of which a national sat as a judge of the Court ”.

He further observed that “ the advisory opinion was not asked for by unanimous vote. The Turkish representative, who, for the Mosul question, had the same rights as any other member of the Council, had voted against it ”. Even if Turkey had voted with the rest, the Council would have to decide whether the opinion of the Court had to be adopted by a unanimous vote, including those of the Turkish and British representatives.

“ The Government of the Turkish Republic ”, he went on, “ considered that the meaning given to Article 3 of the Treaty of Lausanne by the Court, according to which the parties would appear to express the desire to ensure a definitive and binding solution of the dispute (penultimate paragraph, p. 19 of the Advisory Opinion of the Court) by recourse to the Council, was not a fair interpretation of this article and was even less like the meaning which the signatory States considered that article to possess

“ . . . Turkey had never intended, by postponing the solution of the question, to create a pretext or excuse for accepting what her delegates refused at Lausanne, by leaving the solution of so important a question to the luck of arbitration ”.

In the opinion of the Turkish Government :

“ (1) Arbitration being excluded as long as it was not recognised in a definite clear text that the Council had the right to use that method, the essential duty of the Council under the terms of the Covenant was to exercise a conciliatory and mediating influence ;

“ (2) Article 3 of the Treaty of Lausanne did not confer on the Council of the League of Nations the power to take a decision which must be accepted — that is to say, the right to intervene decisively. ”

The Turkish Government, while maintaining that a compulsory decision could only be given with the consent of the parties to the dispute, recognised the Council's right to act as a mediator and as a conciliator. The Turkish representative concluded his statement by expressing the hope that the Council would carry out this duty.

The Rapporteur said that all the members of the Council would agree with the Turkish representative that it must not lose sight of the conciliatory action which was one of its essential attributes and which must always be resorted to before a decision was taken.

A discussion then ensued between the Rapporteur and the Turkish representative with regard to the form in which the Council should pronounce on the Court's opinion. The Rapporteur held the view that this question should be treated in the same way as the principal dispute, the votes of the parties concerned not counting in ascertaining whether there was unanimity.

The Turkish representative maintained, on the contrary, that the votes of the parties concerned should be counted. The President of the Council pointed out that this was a preliminary question with regard to the action to be taken as a result of the advisory opinion. The Turkish representative then intervened and made the following statement :

“ I have, in the long statement which I have just made, declared that the Government of the Republic has entrusted the solution of the vital question with which we are dealing to the intermediary action of the Council but that it could not leave the destinies of the disputed territory to the luck of arbitration.

“ It follows that, in all the phases of the negotiations, the approval of the parties to the case is an essential and indispensable condition for enabling a recommendation made by the Council to be regarded as a decision.

“ Moreover, when the Grand National Assembly of Turkey ratified Article 3 of the Treaty of Lausanne, it was in this sense that it understood the meaning of the article in view of the text of that article, in view of the Covenant and in view of the Minutes of the Conference. It follows that the Government of the Republic, and therefore its delegation, can be authorised to take part in all the stages of the negotiations for reaching a solution by conciliation, but that their powers do not enable them to settle the question by arbitration or to defend their case before an arbitrator ”.

The President of the Council expressed the view that the Council might even perhaps vote by a simple majority, since, in the advisory opinion of the Permanent Court, there was no question which dealt directly with the main problem. The opinion merely dealt with questions of competence. He thought, however, that, in the present case, the Council might follow a stricter rule, in accordance with the principle contained in Article 15 of the Covenant, which contemplated a unanimous vote, but, in reckoning unanimity, the votes of the interested States should not be counted.

The question having been put to the vote by roll-call, the report of the Swedish representative recommending the acceptance of the advisory opinion of the Permanent Court of International Justice was unanimously adopted, the representative of Turkey voting against.

The latter expressed regret that his Government's observations had been rejected. In the circumstances, he considered the vote of the Council not as a decision but merely as a recommendation of which he would take note as such and which he would communicate to the Grand National Assembly of Turkey. The Rapporteur observed that in taking this decision the Council had never had any idea of renouncing its duties as mediator. The Committee of the Council, consisting of the representatives of Sweden, Spain and Uruguay, would therefore continue its conciliatory action.

(b) Final Attempt at Mediation and Adoption of a Resolution regarding the Main Problem at Issue.

During the week from December 8th to 16th, 1925, fresh efforts were made by the Committee of the Council to offer a solution to each of the parties. As it had already done on various occasions during the discussions, the Committee lost no opportunity for making suggestions and proposals which would serve as a basis for negotiation and agreement. To this end the Committee had frequent conversations with the Turkish representatives, but none of the suggestions put forward by either party appeared to the Committee to be of a nature to provide a basis of discussion permitting mediatory action with a view to a friendly settlement.

At its meeting of December 16th, the Council considered the report of its Committee and, having noted that every effort at conciliation had proved unavailing, announced its decision on the main problem under dispute. The Turkish representative was not present at the meeting, but he had communicated to the Secretary-General a letter dated December 16th which contained the following declarations :

“ I would take this opportunity of repeating the statements made by Munir Bey at the meeting of December 8th with regard to the powers possessed by our delegation.

“ I should add that, as all the proposals which I have previously made with the object of reaching an agreement and of facilitating the role of mediator and conciliator which we have always recognised the Council to possess have had no result, and as the Council has decided not to carry out this role, I find myself obliged to inform you that these proposals are now *ipso facto* null and void.

“ I desire further to declare that the sovereign rights of a State over a territory can only come to an end with its consent, and that therefore our sovereign rights over the whole of the Vilayet of Mosul remain intact. ”

The Rapporteur of the Council recapitulated the history of the dispute since the moment when it had been laid before the Council in pursuance of Article 3, paragraph 2, of the Treaty

of Lausanne until the last attempt at mediation which had been made through the Committee of the Council during the previous week. He pointed out that the Council had not thought fit to formulate any proposals chiefly because such proposals should have been made by the parties themselves with a view to a compromise ; but, even so, it could not act as mediator if the divergence between the proposals were so wide as to exclude all hope of conciliation. Moreover, the Council was bound to maintain its absolute right to take a decision — a right of which it would avail itself, if necessary. “ The decision of the Council ”, the Rapporteur added, “ will, in accordance with the finding of the Court in its advisory opinion, be binding on both parties and will constitute a final determination of the frontier between Turkey and Iraq ”. Recalling the provisions of Article 16 of the Treaty of Lausanne, the Rapporteur pointed out that Turkey had declared that she “ renounced all rights and title whatsoever over or respecting the territories situated outside the frontiers laid down in the present Treaty and the islands other than those over which her sovereignty is recognised by the said Treaty, the future of these territories and islands being settled or to be settled by the parties concerned ”.

“ This decision of the Council ”, the Rapporteur went on, “ cannot be based on a more solid foundation than that provided by the report of the Commission of Enquiry, whose exhaustive investigations were conducted with a conscientiousness to which both parties paid a tribute ”.

Having read the Commission's final conclusions, the Rapporteur added that the Committee of the Council, in the course of its work, had carefully weighed the advantages and disadvantages of each of the solutions indicated. Taking into account all the considerations put forward by the Commission of Enquiry in the different parts of its report, the members of the Committee arrived at the conclusion that two solutions were possible, *viz* : (1) the allocation to Iraq of all the territory south of the so-called “ Brussels line ”; or (2) the partition of the disputed territory by a line for the most part following the course of the Lesser Zab.

In view of the great complexity of the problem, the members of the Committee thought that they would benefit by consulting the opinion of the other members of the Council, and in the end the first of the solutions appeared to them the better adapted to solve the problem submitted to the Council under Article 3 of the Treaty of Lausanne. Nevertheless, one of the essential conditions of this decision, without which it would not become definitive, was the continuation for twenty-five years of the regime laid down by the Treaty of Alliance between Great Britain and Iraq and by the undertaking entered into by the British Government and approved by the Council on September 27th, 1924. Article 7 of this undertaking was as follows :

“ On the conclusion of the period for which the Treaty of Alliance has been concluded, the Council of the League of Nations shall, if Iraq has not been admitted to the League, be invited to decide what further measures are required to give effect to Article 22 of the Covenant. ”

Furthermore, the Commission of Enquiry, in its conclusions, had thought it necessary to grant the Kurds certain guarantees of local administration, and if the Council took a decision allocating the territory to Iraq it would no doubt ask the mandatory Power to acquaint it with the measures which it proposed to take in this connection. The Council would also wish to know the measures which would be taken to secure pacification and to afford equal protection to all the elements of the population and also to promote the resumption of commercial relations.

After this explanatory statement the Rapporteur read the following resolution :

“ The Council,

“ Having regard to Articles 3 and 16 of the Treaty of Peace signed at Lausanne on July 24th, 1923 ;

“ In view of the conclusions of the report of the Commission of Enquiry :

“ Adopting the reasons and proposals contained in the report of the Committee of the Council :

“ Decides :

“ 1. (description of the proposed frontier which coincides with the provisional line fixed at Brussels) ;

“ 2. The British Government is invited to submit to the Council a new Treaty with Iraq, ensuring the continuance for 25 years of the mandatory regime defined by the Treaty of Alliance between Great Britain and Iraq and by the British Government's undertaking approved by the Council on September 27th, 1924, unless Iraq is, in conformity with Article 1 of the Covenant, admitted as a Member of the League before the expiration of this period.

“ As soon as, within a period of six months from the present date, the execution of this stipulation has been brought to the knowledge of the Council, the Council shall declare that the present decision has become definitive and shall indicate the measures required to ensure the delimitation on the ground of the frontier-line.

“ 3. The British Government, as mandatory Power, is invited to lay before the Council the administrative measures which will be taken with a view to securing for the Kurdish populations mentioned in the report of the Commission of Enquiry the guarantees regarding local administration recommended by the Commission in its final conclusions.

“ 4. The British Government, as mandatory Power, is invited to act, as far as possible, in accordance with the other suggestions of the Commission of Enquiry

as regards measures likely to ensure pacification and to afford equal protection to all the elements of the population, and also as regards the commercial measures indicated in the special recommendations of the Commission's report."

The President having reminded the Council that, in accordance with the advisory opinion of the Permanent Court of International Justice, its decision must be adopted unanimously, the votes of the interested parties not being counted, a vote by roll-call was taken. The report was unanimously adopted and the President stated that the decision which had just been taken constituted the "decision of the Council" in virtue of Article 3 of the Treaty of Lausanne.

The British representative said that his Government accepted on its own behalf and on that of Iraq the decision of the Council and would loyally conform to it. He added that he hoped to submit to the Council at an early date a new Treaty between Great Britain and Iraq the execution of which would give final effect to the decision taken by the Council. He announced his Government's intention of laying before the Council proposals for giving effect to the recommendations of the Commission of Enquiry as regards local administration in the Kurdish districts, the pacification and protection of all the elements of the population and the establishment of a liberal system of commercial intercourse.

The President then read the following declaration in the name of his colleagues :

"The Council,

"Having taken the decision which it was called upon to take under Article 3, paragraph 2, of the Treaty of Lausanne,

"Urges the two parties which have laid the question before it to reach friendly agreements in order to put an end to the regrettable state of tension existing between them owing to the dispute for which a solution has just been found. By doing so, they will assure the strengthening of the foundations of peace, which is the essential object of the League of Nations."

In reply to this declaration, the British representative read the following statement on behalf of his Government :

"The British Government have no wish to take up a rigid or uncompromising attitude towards Turkey. If they have pressed for a decision by the Council, it is only because they believed that, until the Council had pronounced upon the question submitted to it by the Treaty of Lausanne, it was impossible to find a common basis on which to found the discussion of an agreement with the Turkish Government. The British Government most earnestly desire to live on terms of peace and amity with the Turkish Government. The Council having given its decision, His Majesty's Government will gladly lend themselves to conversations with the Government of the Republic of Turkey in order to see whether, while taking due account of the Council's decision, it may not be possible to render the relations between our two countries easier and safer. With this object in view, the British Government are ready to take into consideration any proposal made by the Turkish Government which is compatible with their duty as Mandatory to protect the interests of the people of Iraq."

(c) Consideration of General Laidoner's Report.

It will be remembered that during its ordinary September session in 1925 the Council, in response to repeated complaints from the two Governments concerning incidents in the region of the provisional Brussels line, and at the request of the British Government, decided to send to this region a representative of the League of Nations — General Laidoner — who, with the help of two assistants, was to keep the Council informed of the position in the neighbourhood of the provisional Brussels line. His assistants were Colonel Jač (Czechoslovak) and M. Markus (Esthonian).

The Council took note of General Laidoner's report at its meeting of December 10th, 1925.

The Turkish representative was invited to attend the meeting of the Council but declined this invitation in a letter recalling the attitude taken up by the Turkish delegation on behalf of its Government with regard to the adoption by the Council of the Court's advisory opinion on the question of competence. He could not accept the resolution taken in this connection, as, in his view, the unanimity required should, contrary to what had been decided, have included the votes of the parties concerned. He further maintained his opposition to the compulsory character of the Council's decision on the main problem. For these reasons he regretted that his instructions did not permit him to avail himself of the Council's invitation.

The principal points of the report submitted by General Laidoner were as follows :

Before his departure the General had been informed by the Committee of the Council that his duties would be confined to making an investigation in the district to the south of the Brussels line, as the Turkish Government had refused to admit a representative of the Council to the north of the line. He was given entire freedom of action as to the scope of his duties and the means to be employed in conducting the investigation, and he was free to decide what incidents deserved investigation, while refraining from doing anything to aggravate the situation. The obligation to confine his investigation to the zone south of the Brussels line had naturally reduced, in its application, the scope of the resolution adopted on September 24th, 1925.

The various incidents previously brought to the Council's attention might be classified as follows :

(1) Raids by tribal and village chiefs in the wild and mountainous frontier district, where tribes frequently attacked one another without taking any account of the Brussels line. The latter did not constitute a natural frontier, and the prolongation of a provisional situation had been favourable to brigandage. As long as the frontier question was not finally settled and the line marked out on the ground, it would be difficult to prevent the recurrence of attacks of this kind.

(2) Occupation of certain villages by Turkish military posts and patrols. During the summer of 1924, the British Government had made numerous protests against the action of the Turkish authorities in sending patrols to certain villages south of the Brussels line and establishing posts there. General Laidoner had found that the existing maps did not accurately represent the various localities and that several of the villages were not shown in their true positions. This uncertainty might have given rise to confusion. The Turkish local authorities were now much better acquainted with the line, however, and there was reason to hope that in future they would refrain from sending military patrols to certain points.

(3) Flights over the line by British aircraft. The Turkish Government had complained that British aircraft had on several occasions flown over the districts to the north of the provisional Brussels line. The British Government had affirmed that its aircraft had never crossed that line. The Commission came to the conclusion that it was very difficult to determine the exact position of aircraft from a single spot on the ground.

(4) Deportations of Christians. General Laidoner ascertained that there were already 3,000 fugitive Christians in the district of Zakho, and every day isolated groups continued to arrive. These refugees all came from villages situated in the zone between the Brussels line and the line previously claimed by the British Government. The statements of these refugees agreed one with another.

The report goes on : " In order to ascertain the real causes of these deportations, it would be necessary in the first place to hear the explanations of the Turkish authorities and then to make an enquiry in the localities where the evacuated villages are situated, which I have not been able to do. Definite evidence that all the Christian refugees were constrained by force and violence to leave their villages and their homes is, however, to be found in the fact that they have arrived in Iraq without any means of subsistence.

" Among all the incidents which have taken place in the zone of the Brussels line, it is beyond question that the deportations of Christians constitute the most important fact, especially if we consider that a fairly large population has been deported from the villages and that these deportations are still going on, for, as I have already mentioned, further arrivals of refugees in Iraq are taking place every day. "

E. THE QUESTION BEFORE THE ORDINARY SESSION OF THE COUNCIL IN MARCH 1926 : ENTRY INTO FORCE OF THE COUNCIL'S DECISION OF DECEMBER 16TH, 1925, DETERMINING THE FRONTIER BETWEEN TURKEY AND IRAQ.

The entry into force of the decision assigning to Iraq the disputed territory bounded on the north by the Brussels line was made subject, as already stated, to the acceptance of certain conditions by the British Government. In the first place, the British Government was to submit to the Council a new treaty with Iraq ensuring the continuance for twenty-five years of the mandatory régime ; secondly, the British Government was invited to lay before the Council the administrative measures which it proposed to take with a view to giving the Kurdish population the necessary guarantees ; and, lastly, the British Government was invited to act in accordance with the suggestions of the Commission as regards measures likely to ensure pacification and to afford protection to all the elements of the population.

On March 2nd, 1926, the British Government forwarded to the Secretary-General for communication to the Council the new treaty which had been signed at Baghdad on January 13th, 1926, and accepted by the Iraq legislature on January 18th, and which has since been approved by the British Parliament. The Turkish Government was immediately informed and invited to send a representative to the meeting of the Council at which this treaty was to be submitted for the latter's approval. The Turkish Minister for Foreign Affairs replied in a telegram dated March 8th, 1926, that, as his Government was still ignorant of the contents of the treaty, the despatch of which had been announced, its participation in the Council session was physically impossible. He added that the Turkish Government's views on the question of Mosul had not changed and that it regarded this question as still open.

Having taken note of the terms of the treaty concluded between Great Britain and Iraq, the Council adopted a resolution in which it stated that it " considered that this treaty, which was brought to its knowledge within the time-limit laid down in its resolution, ensured the continuance for twenty-five years of the mandatory regime under the conditions laid down by it, and accordingly declared that its decision of December 16th, 1925, had become definitive "

On the same day the Council approved a resolution submitted by its Rapporteur forwarding to the Permanent Mandates Commission a memorandum from the British Government regarding the administration of the Kurdish districts of Iraq. The outcome of the examination of these texts by the Mandates Commission is described in the chapter of the present report which deals with that Commission's work.

II. THE QUESTION OF MEMEL : PROCEDURE IN CONNECTION WITH ARTICLE 17 OF THE MEMEL CONVENTION.

In a resolution dated March 14th, 1924, the Council of the League of Nations took note of Lithuania's acceptance of the Convention concerning the Memel Territory and the annexes thereto and recommended the acceptance of those texts by Great Britain, France, Italy and Japan.

The Convention was signed at Paris on May 8th, 1924 ; Lithuania's ratification was deposited on September 27th, 1924, and those of the other signatory Powers on August 25th, 1925. The Secretary-General received a copy of the *procès-verbal* of the deposit of ratifications from the Conference of Ambassadors on September 9th, 1925, and it was laid before the Council on September 25th.

By the transitory provision signed simultaneously with the Convention on May 8th, 1924, Lithuania had undertaken " immediately to ratify the Convention, and, pending its ratification by the other Parties thereto, to begin without delay and to continue to give effect to all the provisions of the Convention and its annexes ".

The Convention and its annexes came into force on the date of the deposit of ratifications : namely, August 25th, 1925.

Article 11 of the Convention reserves to the Council, as regards the Memel Territory, the same rights as the Declaration concerning the protection of minorities made by the Lithuanian Government before the Council at its meeting on May 12th, 1922. By Article 17 of the Convention, " the High Contracting Parties declare that any member of the Council shall be entitled to draw the attention of the Council to any infraction of the provisions of the present Convention ".

During the period which elapsed between Lithuania's ratification and the coming into force of the Convention, the Secretary-General received communications drawing attention to certain alleged infractions of some of the provisions of the Convention.

In a report submitted to the Council on September 28th, 1925, the Uruguayan representative pointed out that whereas the procedure for applying Article 11 — which was identical with the Council's usual procedure for dealing with minority petitions — was specified in the Article itself, the Convention contained no provision dealing with the preliminary procedure for carrying Article 17 into effect.

He asked the Council to choose between two methods. The first would consist " in adopting the same procedure in regard to information received either by the Members of the Council or by the Secretariat in regard to the questions dealt with in Article 17, as has been adopted in regard to petitions relating to the protection of minorities. The right given to Members of the Council by this Article is described in terms similar to those used in Article 9 of the Declaration concerning the protection of minorities made by the Lithuanian Government to the Council on May 12th, 1922 " ¹.

The other method would be to instruct the Secretary-General to transmit to the Members of the Council for their information all documents which he might receive concerning acts which might give occasion for the exercise of the right laid down in Article 17 of the Convention.

The Rapporteur proposed that the procedure adopted should be applied to communications received by the Secretary-General during the period which had elapsed between the ratification of the Convention by Lithuania and its entry into force.

The representative of Lithuania said that the procedure to be followed in applying Article 11 was clearly described in the article itself. He added that the Memel Convention went further as regards the use of the German language than the Declaration concerning minorities, in as much as Article 27 of Annex I made provision for the recognition of the German and Lithuanian languages on the same footing as the official languages in the Territory of Memel. With reference to Article 17, he observed that the Rapporteur's proposal ignored the provisions of the second paragraph of the article. The entire article read as follows :

" The High Contracting Parties declare that any Member of the Council of the League of Nations shall be entitled to draw the attention of the Council to any infraction of the provisions of the present Convention.

" In the event of any difference of opinion in regard to questions of law or of fact concerning these provisions between the Lithuanian Government and any of the Principal Allied Powers Members of the Council of the League of Nations, such difference shall be regarded as a dispute of an international character under the terms of Article 14 of the Covenant of the League of Nations. The Lithuanian Government agrees that all disputes of this kind shall, if the other party so requests, be referred to the Permanent Court of International Justice. There shall be no appeal from the Permanent Court's decision, which shall have the force and value of a decision rendered in virtue of Article 13 of the Covenant. "

In the opinion of the Lithuanian representative, if a Member of the Council desired to make use of the right conferred on it by Article 17 in the event of an infraction of the Convention, it had to collect, on its own initiative and through its own channels, all the information concerning the alleged circumstances and submit it to the Council. Article 17 gave no right to, and imposed no obligation upon, the Secretariat, nor did it give citizens of the countries which had signed the Convention the right of presenting petitions in the event

¹ See *Official Journal*, June 1922, page 524.

of those countries not carrying out the provisions of the Convention. The authors of the Convention had endeavoured to prevent any pressure from the great Powers on a small Republic.

The Council was a political organisation, of which four Members were the great Power which had signed the Convention, and for this reason the Convention provided, in the event of any difference of opinion "in regard to questions of law or of fact concerning its provisions", for reference to the Permanent Court of International Justice. If, as the Rapporteur proposed, petitions were to be published and submitted to Members of the Council, the Lithuanian representative said that his Government would protest, as representative of a country which had signed the Memel Convention and was a Member of the League of Nations. It could not be deduced from the right conferred on the Members of the Council by Article 17 that they had the right to use the staff of the Secretariat or the budget of the Secretariat to see that the contracting parties executed the Convention. In his opinion the procedure outlined by the Rapporteur would be contrary to Article 17 of the Convention and to the principles of international law as at present established. In those circumstances, such a solution could never be accepted by Lithuania.

Turning to the second part of the report, concerning the petitions received between the date of Lithuania's ratification of the Convention (September 27th, 1924) and the date of the Act regarding the deposit of ratifications (August 25th, 1925), the Lithuanian representative considered that it was based upon a mistaken interpretation of the transitory provision. In his view, the sole object of that provision had been to prevent delay in execution, due to the time that would be required to enable the Japanese Government to ratify. He did not think that the Members of the Council could exercise the right provided in Article 17 in connection with events which had taken place before the Convention came into force. He concluded that the proposal to adopt a procedure in regard to communications which had already reached the Secretariat should not even be discussed.

The Rapporteur pointed out that his report merely contained a proposal to adopt one of two alternatives. The question was whether the Council should give preference to the method followed in regard to minority petitions, or whether it should instruct the Secretary-General to forward to the Members of the Council, for information, all documents reaching him concerning matters which might call for the exercise of the right stipulated in Article 17 of the Convention.

During the discussion which followed, the Members of the Council endeavoured to find a formula, which, while giving due weight to certain of the Lithuanian representative's remarks, would ensure that the right provided in Article 17 of the Convention could be exercised. The representative of Italy proposed that the question of information received before the Convention came into force should not be considered. With reference to the procedure to be followed thereafter, he observed that a Member of the Council would not put any matter before the Council without due reflection, but would, before moving in the matter, take all the necessary precautions. "The Secretariat would forward information received to the Council, and if the latter had before it a question submitted by one of its Members and thought that the information put forward was not sufficient, it could itself proceed to an enquiry; then, if a question of law or fact arose between Lithuania and another Power, the Permanent Court of International Justice would be called upon to decide it".

The British representative then proposed the following resolution:

"The Secretary-General is instructed to forward to Members of the Council information unsought of a serious character as to an infraction of the Memel Convention. This information should be sent forward without comment."

The Lithuanian representative withdrew, after making a formal protest.

The Belgian representative proposed that the Council should amend the text in such a manner as to avoid anything which might appear to be an invitation on the part of the Council to collect information, and the resolution was finally adopted in the following form:

"If the Secretary-General should receive spontaneous communications addressed to the Council or the League of a serious character, bearing on infractions or alleged infractions of the Memel Convention, he is authorised to forward the same as a matter of information and without comment to the Members of the Council."

III. FRONTIER INCIDENT BETWEEN BULGARIA AND GREECE.

In the afternoon of October 19th, 1925, shots were exchanged between two sentries on the Greco-Bulgarian frontier near Demir Kapu (N.-N.-E. of Salonika). The Greek sentry was killed; the frontier detachments seized their arms and firing ensued. A Greek officer — Captain Vassiliadis — who advanced under cover of a flag of truce, was shot dead a few hundred yards from the firing line.

The Bulgarian Government at once proposed to the Greek Government the appointment of a mixed commission to decide who was responsible. At the same time, the Greek Government demanded apologies and reparation, and, having received news, which subsequently proved untrue, that a Bulgarian battalion was attacking the Greek post at Demir Kapu, issued orders to the Third Army Corps to advance into the valley of the Struma. On October 22nd the Greek forces penetrated Bulgarian territory in the direction of Petritch. On the same day the Bulgarian Government sent a telegram to the Secretary-General asking that a special meeting of the Council should be summoned in virtue of Articles 10 and 11 of the Covenant. It added

that, trusting to the intervention of the Council, it had given orders to its troops not to resist the invasion.

The telegram reached Geneva in the early hours of Friday, October 23rd, 1925. In virtue of powers conferred upon him, in the event of war or the threat of war, by paragraph 1 of Article 11 of the Covenant, the Secretary-General immediately summoned an extraordinary session of the Council, and, in agreement with M. Briand, the Acting President of the Council, he appointed Paris as the place and Monday, October 26th, 1925, as the date of the meeting. On the same day the President of the Council sent a telegram to both Governments reminding them of the "obligations undertaken by them as Members of the League of Nations under Article 12 not to resort to war and of the grave consequences which the Covenant lays down for breaches thereof". "I further exhort the two Governments", he added, "to give immediate instructions that, pending consideration of the dispute by the Council, not only shall no further military movements be undertaken but that troops shall at once retire behind their respective frontiers." It afterwards transpired that the effect of this telegram was to prevent an encounter between the Greek and Bulgarian forces in front of Petritch — an event which might have had serious consequences.

1. CESSATION OF HOSTILITIES AND EVACUATION OF OCCUPIED TERRITORIES.

The Council met on the date appointed — *i.e.* three days after the appeal by the Bulgarian Government. The Bulgarian and Greek Governments were represented by their Ministers in Paris : M. Marfoff and M. Carapanos.

At the opening of the session the President drew a clear distinction between the two questions before the Council. One of them — that of ascertaining the facts and responsibility and, if necessary, fixing the amount of reparation due — must, he said, be examined with all necessary care and deliberation. The other, which was of an urgent character, concerned the cessation of hostilities and the immediate withdrawal of the Bulgarian and Greek troops to their respective territories.

The President asked the representatives of the two parties what action had been taken on the recommendation with regard to the cessation of hostilities and the withdrawal of troops, and what was the present situation. The Bulgarian representative declared that at no moment and at no point had Greek territory been invaded or occupied by the Bulgarians. The representative of Greece stated that his Government agreed without hesitation to comply with the invitation of the President of the Council to evacuate Bulgarian soil as soon as the Bulgarians had quitted Greek territory.

The Council then decided, on the report of the British representative, to request the representatives of the two States to inform it within twenty-four hours that the Bulgarian and Greek Governments had given unconditional orders to their troops to withdraw behind their respective national frontiers, and within sixty hours that all troops had been withdrawn within the national frontiers ; that all hostilities had ceased and that all troops had been warned that the resumption of firing would be visited with severe punishment. The Governments of France, Great Britain and Italy were requested to direct officers who were within reach to repair immediately to the region where the conflict had broken out and to report direct to the Council the execution of its decision, the time-limit provided in this decision having begun to run at 8 p.m. on October 26th.

At a meeting on the following day — October 27th — the Council heard statements on the facts by the representatives of the two Governments concerned. The Greek representative mentioned certain suggestions which had been made for a direct agreement between Greece and Bulgaria for the evacuation of the occupied territories. The President of the Council replied that he hoped that the resolution passed on the previous day would be accepted and fully carried out. On the morning of October 28th, the Council took note of a telegram from the Bulgarian Government announcing that strict orders had been given to the military authorities to abstain from all action in the frontier region and to withdraw immediately any Bulgarian troops which might be on Greek territory. In its turn, the Greek Government announced that, as soon as it had been informed of the Council's resolution, it had repeated and confirmed the instructions previously given for the cessation of hostilities and the withdrawal of troops. Effect had thus been given to the first part of the decision taken on the evening of October 26th by the Council of the League, the troops of both parties having received orders to cease hostilities and evacuate all occupied territory.

Regarding the execution of these orders, the Council, at its meeting of October 29th, took note of two telegrams, one from the Greek Minister for Foreign Affairs stating that his Government would neglect no steps to ensure that Bulgarian territory was evacuated by the hour laid down, the other from the military attachés of Great Britain, France and Italy at Belgrade — who had reached the scene of the conflict at mid-day on Wednesday, October 28th — announcing that both parties had formally undertaken to refrain from any further hostile act and to warn their troops that any resumption of firing would be visited with the severest penalties. They added that calm reigned on the whole front and that the arrangements made afforded reason to hope that no further incident was to be feared.

On the following day — October 30th — the Council learned, through a communication from the military attachés and by a telegram from the Greek Government, that the Greek troops had concluded the evacuation of Bulgarian territory on October 28th at midnight — eight hours before the time-limit fixed — and that this evacuation had given rise to no incident of any kind.

During the discussion on this first point, the President of the Council and the Rapporteur made important statements which met with the unanimous approval of their colleagues.

“ Such incidents as that which has caused our present meeting ”, said the British representative at the meeting of October 26th, “ have sometimes had very serious consequences in the past, when there was no machinery such as that offered by the League for their peaceful adjustment and for securing justice to both parties ; but it would be an intolerable thing if, with all the machinery of the League at their disposal and with the good offices of the Council immediately available — as this meeting shows — such incidents should now lead to warlike operations instead of being submitted at once for peaceful and amicable adjustment by the countries concerned, to the Council, which will always have regard to their honour and to the security of their nations ”.

At the meeting on October 28th, the French representative spoke as follows regarding the argument derived from the necessities of legitimate defence : “ It was essential that such ideas should not take root in the minds of nations which were Members of the League and become a kind of jurisprudence, for that would be extremely dangerous. Under the pretext of legitimate defence, conflicts might arise which, though limited in extent, might cause most regrettable injury ; and, once these conflicts had broken out, they might assume such proportions that the Government which started them under a feeling of legitimate defence would no longer be able to control them. The League of Nations, through its Council and through all the methods of conciliation at its disposal, offered the nations a means of avoiding such deplorable events ”.

2. CREATION OF A COMMISSION FOR PURPOSES OF INVESTIGATION AND SETTLEMENT.

Having fulfilled the first part of its duty, the Council set to work to find a complete solution of the difficulties which had led to its intervention.

On October 26th it had heard the explanations of the two parties. The Bulgarian representative had declared that the Bulgarians had at no moment occupied Greek territory and had reminded the Council that his Government had, at the very outset, proposed the appointment of a Mixed Commission. He demanded an enquiry, the release of prisoners and compensation for the damage sustained. The representative of the Greek Government had stated that the object of the measures taken by his Government had been the defence of national territory. He attributed the origin of the incident to the activity of *comitadjis* in the region, the Bulgarian Government not having been able to impose the application of the military clauses of the Treaty of Neuilly. He demanded that enquiry should particularly be made into the local causes of the incident.

At its meeting on October 29th the Council decided, on the report of the British representative, to appoint a Commission to carry out a full enquiry, establish the facts enabling the responsibility to be fixed, and to supply the necessary material for the determination of any indemnities or reparations which might be considered appropriate. The Commission was to submit a report before the December session, and it was requested, either in the report or subsequently, to submit to the Council “ any suggestions as to measures which in its opinion would eliminate or minimise the general causes of such incidents and prevent their recurrence ”. It was empowered to take final decisions on the restoration of property or regarding indemnities due to private persons. The military attachés, who were present on the spot, were to continue to watch the situation and place at the disposal of the Commission on its arrival all information which they had been able to obtain. The representatives of the two parties gave the assent of their Governments to the Council's resolution and further stated that they accepted in advance any decisions which the Council might eventually take.

At the conclusion of the discussions the Acting President thanked the representatives of Bulgaria and Greece for the rapidity with which their Governments had complied with the invitation of the Council.

“ Throughout this affair ”, he said, “ which ends in so fortunate a manner, there is neither victim nor vanquished. There are two nations which, forming part of the same great family, have shown their desire for conciliation by agreeing immediately to accord to reason and justice the last word in the dispute in which they are engaged ”. At the same time the Rapporteur emphasised the importance of the precedent which had just been established. “ Thanks to the readiness with which the Powers concerned had immediately submitted their case to the Council, thanks to the promptitude with which the Council had met before a dangerous situation had got out of control, it had succeeded, with the willing assent of the parties, in bringing to a happy close an incident which had threatened their peace. The work which had just been achieved was an example of the conduct which might be expected of Members of the League of Nations between whom some dispute arose which threatened the peace of the world. It was an example of the manner in which the Council could use the authority and the powers entrusted to it by the Covenant for conciliation, for removing causes of dispute and, above all, for preserving the peace of the world ”.

3. REPORT BY THE COMMISSION OF ENQUIRY.

The Commission of Enquiry was composed as follows : Chairman : Sir Horace Rumbold, His Britannic Majesty's Ambassador at Madrid ; Members : General Serrigny (France) ; General Ferrario (Italy) ; M. Droogleever Fortuyn, Member of the Netherlands Parliament ; H. E. M. de Adlercreutz, Swedish Minister at The Hague.

The Commission, which met at Geneva on November 6th, 1925, left on the following day for Belgrade, where it met the military attachés of Great Britain, France and Italy and took note of the information they had gathered. From Belgrade it went to the scene of the incident

and then proceeded to obtain information from the two Governments concerned, first at Athens and later at Sofia. With the authorisation of the Acting President of the Council, it communicated its report on November 28th, to the two Governments in order to facilitate the examination of the question by the Council at the December session.

The report consists of an introduction referring to the constitution and itinerary of the Commission, followed by three chapters : Enquiry, Responsibilities and Indemnities, Recommendations.

A. Enquiry.

1. *The Demir Kapu Incident.*

With regard to the original incident, the Commission declared that it was impossible to determine which of the two sentries fired the first shot and whether or not the Greek sentry was killed on Bulgarian territory. The same uncertainty prevails regarding the death of Captain Vassiliadis, who, hastily proceeding from his command headquarters to stop the fight, was killed a few hundred yards from the line just as he was advancing accompanied by a soldier carrying a white flag. During the day the two opposing detachments had been reinforced partly by armed civilians. The firing continued through part of October 20th, and, intermittently, on the 21st, casualties being few in number. The local commands on both sides made attempts to stop the affray, while the Bulgarian Government was trying to obtain from the Greek Government, through diplomatic channels, the appointment of a mixed commission of enquiry.

The affray itself was only one incident among many. The mentality of frontier populations consisting partly of refugees, in whom the memory of recent grievances is still fresh, reacts on the mentality of the soldiers living in their midst. The too close proximity of the opposing posts, the defective organisation of the frontier guards, and certain instructions too closely resembling those which would be issued to outposts in the field, accounted for the occurrence of such incidents.

2. *Greek Military Action in Bulgarian Territory.*

This is explained by the impression produced in Greece by reports which became exaggerated in the course of transmission. On news being received at Athens, on the morning of the 20th, that the Bulgarians had attacked with one battalion, the Minister for War had ordered the Third Army Corps to advance into the Struma Valley. On October 22nd, Greek troops had crossed the frontier and had advanced until close on Petritch. An operation against this place was to have been carried out on the 24th, at 8.30 a.m., but orders for the suspension of operations were received from Athens two and a-half hours before the time when the attack was to begin.

On the Bulgarian side reinforcements had been sent up towards Petritch with orders to make only slight resistance, to protect the population, to prevent panic and, above all, not to expose the troops to unnecessary losses, in view of the fact that the incident had been laid before the Council of the League of Nations, which was expected to stop the invasion.

The covering operations carried out in the first place by the Commander of the Third Greek Army Corps were considered by the Commission to be perfectly regular, but, however real the danger, the frontier line gave them an entirely adequate covering position. There could be no question of premeditation on either side. The incident would not have assumed such disquieting proportions had not the Bulgarian post at Demir Kapu been reinforced by Bulgarian civilians organised into an armed force in violation of the Treaty of Neuilly. Feeling in Athens was quite naturally alarmed at the news that a Greek sentry, and an officer who had gone out on "parley", had been killed, as well as by other reports depicting the situation as much more serious than it really was. Nevertheless, the Commission was of opinion that the operation carried out by the Greek troops was not justified on technical grounds.

B. Responsibilities and Indemnities.

The Commission considered that the Bulgarian Government had acted in conformity with the Covenant of the League of Nations and that the fact that Bulgarian soldiers at Demir Kapu might have at one moment penetrated a few yards into Greek territory could not be held to be a violation of the territorial integrity of Greece. With regard to the Greek Government, the Commission, although taking into account the emotion aroused by the news received, considered that by occupying a part of Bulgarian territory with its military forces Greece had violated the Covenant of the League of Nations.

The Commission rejected the indemnity claims submitted by the Greek Government, except as regards the claim on account of Captain Vassiliadis. The reparation to be made as compensation for damage caused in Bulgarian territory was divided into two parts. The first consisted of compensation for losses sustained by the population in respect of household furniture, moveable property, implements of work, cattle, cereals, etc. The Commission, exercising powers conferred upon it by the Council's resolution, fixed the sum to be paid under this heading at 20 million levas.

The second group of indemnities concerned the killed, the wounded (not including members of local levies armed in violation of the Peace Treaty) and certain material and moral damage sustained by the population as a result of the invasion (ill-treatment, loss of working days, etc.). For this category of damage the Commission recommended that the Council should fix the sum to be paid to the Bulgarian Government at 10 million levas. In determining this amount, allowance was made for the death of the Greek Captain Vassiliadis, who was killed under cover of the white flag.

C. Recommendations.

This final part of the report began with a summary of the particular problems presented by this frontier region (material and moral situation of the Bulgarian and Greek refugees; action of the Revolutionary Macedonian Committee; part played by the *comitadjis*).

This summary was followed by recommendations, military and political.

1. Military Recommendations:

(a) Measures to prevent frontier incidents: The system of guarding the frontier must be reorganised on both sides, and the opposing posts must be placed at least one kilometer from one another. On each side of the frontier a neutral officer, placed at the disposal of each of the two Governments for two years and attached to the headquarters of the frontier guards, would ensure that the reform was carried out on parallel lines in both countries.

(b) Measures to limit the effects of incidents: If the presence of neutral officers of the same nationality did not suffice to ensure the settlement on the spot of any incident by the local military authorities, a conciliation commission should intervene: it would consist of one Greek and one Bulgarian officer, each of whom would be assisted by one of the two neutral officers, with another neutral, who would be appointed in advance, as Chairman. In order to allow the Commission to meet without delay, this Chairman should be selected from the staffs of the organisations working in the Balkans which are attached to, or have relations with, the League of Nations.

(c) Measures to enable the League of Nations to take rapid action in cases of conflicts: The report pointed out that the rapidity with which the League had intervened in the Greco-Bulgarian incident had greatly helped to limit its serious nature.

The attack by the Greek troops on Petritch, which was to start at 8.30 a.m. on October 24th and which would no doubt have led to serious fighting, was stopped by orders which arrived from Athens at 6 a.m. on that day. These orders followed immediately upon the receipt of the urgent telegram sent to the Bulgarian and Greek Governments by the Acting President of the Council on October 23rd.

In order to hasten intervention by the League of Nations in such cases, the Commission recommended that special facilities for communications and transit might be granted to Governments and to the Secretariat in case of a threat of war, particularly as regards the use of wireless telegraphy and of priority messages.

2. Political Recommendations.

In compliance with the Council's request that it should offer any suggestions which it might consider suitable as to the best means for eliminating or diminishing the general causes of such incidents, the Commission gave its opinion that it would be necessary in the interests of friendly relations between Bulgaria and Greece to remove two sources of discontent.

In the first place, it recommended that the liquidation of property, undertaken in accordance with the Convention for the voluntary exchange of Greek and Bulgarian populations, should be hastened and that all vexatious measures should be avoided. It next pointed to the difficulty caused by the presence in Bulgaria of a number of persons of Bulgarian race but of Greek nationality who had come from Greece at different periods, leaving property behind them. According to Articles 3 and 4 of the Treaty between the Principal Allied Powers and Greece concerning the treatment of minorities, these persons, not having renounced Greek nationality, had the right to return to Greece, and, in any case, to retain their immovable property in that country. The Greek Government, however, under pressure of circumstances, had employed their land to settle Greek refugees from Turkey. The Commission, recognising that the application of the Treaty provisions pure and simple had become a practical impossibility, recommended that the Greek Government should offer equitable compensation to the persons who had suffered in this way in return for the surrender by these persons of their Greek nationality.

The Commission concluded as follows:

“Taken as a whole, the measures proposed in the present report may be expected to contribute in a large degree towards reducing the tension between the populations of the two countries, particularly in the neighbourhood of the frontier.

“In the first place, the Macedonian Revolutionary Committee's influence would decrease as it found fewer and fewer grievances and sufferings among the refugees in Bulgaria to exploit. Secondly, the Greek population settled near the frontier would have less to fear from *comitadjis* and from the rancour of the Bulgarian population they have displaced. As the causes of discontent and grievance disappeared, relations between the two countries — and even in the Balkans as a whole — would become less strained.

“In conclusion, the Commission considers that it would be well for the Council to request the two Governments to keep it informed at fairly frequent intervals of the progress made in carrying out the measures recommended by the Council.”

D. Decision by the Council.

The report by the Commission of Enquiry was submitted to the Council at its thirty-seventh session. Bulgaria was represented by M. Kalfoff, Minister for Foreign Affairs and

Greece by M. Rentis, formerly Minister for Foreign Affairs. At the meeting on December 7th, 1925, the Council heard the observations made on this report by the representatives of Bulgaria and Greece. On the proposal of the Rapporteur, the British representative, the report and the statements made by the representatives of the two parties were referred for examination to a Committee composed of the Rapporteur himself and the representatives of Belgium and Japan.

The report of this Committee was submitted to the Council on December 14th, 1925.

"The fact", said the Rapporteur, "that the Greek Government acted without premeditation, under the impression produced by information received from the frontier posts and exaggerated in transmission to Athens, has not escaped our attention. But, even if this information had been accurate, the Greek Government would not have been justified in directing the military operations which it caused to be undertaken . . . We believe that all the Members of the Council will share our view in favour of the broad principle that, where territory is violated without sufficient cause, reparation is due, even if at the time of the occurrence it was believed by the party committing the act of violation that circumstances justified the action. We believe this to be a principle which all Members of the League of Nations will wish to uphold and which both Bulgaria and Greece would wish to support, even if they had not already accepted in advance whatever decision the Council might reach on this point."

The report was adopted with the assent of the two parties.

The Council approved the work of the Commission and the conclusions in its report and also — subject to a few amendments to which the Governments concerned agreed — the military and political recommendations proposed by the Commission. The figures proposed for the indemnities, which had been examined at the request of the Greek representative, were upheld: the time allowed for payment was fixed at two months, the Council to be informed as soon as payment should have been effected.

The Swedish Government was requested to provide the two officers to assist in the reorganisation of the frontier guards, while the Council itself would appoint the Chairman of the Conciliation Commission on the recommendation of these officers.

The Council noted with satisfaction the desire of the two Governments to accelerate the procedure for the liquidation of landed property, in accordance with the provisions of the 1919 Convention on Voluntary Emigration, and requested them to keep it informed of the progress made. It further requested them to report to the Council at its next session as to the effect given to its recommendation with regard to persons of Bulgarian race and Greek nationality living in Bulgaria. It called upon the Greek Government (which had already stated its willingness to extend, in favour of these persons, the time-limit laid down for making declarations of voluntary emigration) to consider the means of granting them equitable compensation, and it called on the Bulgarian Government to use its influence to induce them to accept compensation in return for the surrender of their rights.

The Council referred to the Advisory and Technical Committee for Communications and Transit the examination of the suggestion made by the Commission regarding special facilities for communication and transit which ought, in its opinion, to be granted to Governments and to the Secretariat of the League in case of a threat of war. It gladly took note of the fact that, from the moment when the Council intervened, both Governments had conformed to its decisions and had executed them loyally.

The indemnities laid down in the Council's resolution were paid in two equal instalments, on February 15th and March 1st, 1926, in accordance with an arrangement concluded between the two Governments concerned. At its March session the Council was informed of this payment and of the appointment of the two Swedish officers placed at the disposal of the Bulgarian and Greek Governments with a view to the reorganisation of the frontier guards. It also received from the Bulgarian and Greek Governments reports on the progress achieved in the execution of its recommendation of December 14th, 1925, regarding the question of Greek nationals of Bulgarian race living in Bulgaria. Negotiations on this question and the liquidation of property in accordance with the Convention on Voluntary Emigration were to be continued and were to form the subject of further reports.

IV. MEDIATION OF THE PRESIDENT OF THE COUNCIL IN CONNECTION WITH AN INCIDENT ON THE POLISH-LITHUANIAN FRONTIER.

(a) Statement by the Italian Representative concerning the Situation in Regard to the Incident.

At a meeting of the Council held on March 15th, 1926, the Italian representative informed his colleagues of the satisfactory results of the action he had taken, as Acting President of the Council, with a view to the amicable settlement of an incident which had occurred on the Polish-Lithuanian frontier near Kernava.

He concluded that in the circumstances it would not be necessary to include the question in the agenda of the session of the Council.

(b) Request by the Lithuanian Representative.

In a letter dated March 15th, 1926, the Lithuanian representative asked that the question should be included in the agenda of the Council, pointing out that in a letter to the Acting President of the Council dated March 3rd he had requested, on behalf of his Government, that an enquiry should be conducted on the spot.

(c) Statement by the President of the Council.

At a meeting on March 18th, 1926, the Japanese representative, Acting President of the Council, made a brief statement concerning the circumstances attendant upon the Italian representative's mediation.

In a letter dated February 24th, 1926, the Lithuanian Government had requested the Council to intervene in connection with an incident which had occurred in a forest near Kernava. The Polish forces had advanced on February 17th into a part of the forest which was held by the Lithuanians to be situated in their territory, but the Lithuanian militia had driven them back on February 19th. On the same day, however, the Lithuanians were in turn expelled by the Polish frontier-guards, who took eight of them prisoner.

In a reply dated February 26th, the Polish Government admitted that on February 22nd the Polish police had arrested eight Lithuanian militia men belonging to a detachment which, it was stated, had unjustifiably advanced three days previously into a part of the forest that had hitherto been under Polish control.

The President of the Council, after giving some details as to the locality in which the incident had occurred, observed that, owing to the Lithuanian Government's objections, both to the Council's resolution of February 3rd, 1923, and to the decision of the Conference of Ambassadors of March 15th of the same year, there was not at the present time any line traced on the ground separating the Polish and Lithuanian territories.

When this incident had been brought to the notice of the League, the Italian representative was Acting President of the Council, and in that capacity he had immediately begun and since continued to endeavour to find some basis for a friendly settlement. After hearing the observations of both Parties, the Italian representative proposed to them, in identical letters, the following solution :

“ (1) Every member of the police or armed forces who was concerned in this incident should immediately return to the place in which he was on February 15th.

“ (2) All persons still held prisoners as a result of this incident should immediately be set free and sent to the place nearest the locality in which the incident occurred. ”

In submitting these proposals to the representatives of the two Governments, the Italian representative added that if both countries accepted them and carried them out immediately, the incident might be regarded as closed.

The proposals were accepted by the Lithuanian Government on March 10th, and by the Polish Government on March 11th. The latter observed, however, that the Polish frontier-guards were posted along a line which had been occupied prior to February 15th, 1926.

On March 18th, the Lithuanian representative sent a letter to the Acting President of the Council admitting that the prisoners held by the Polish authorities had been set at liberty and repatriated but denying that the Polish forces had been withdrawn to the positions which they occupied on February 15th.

On the same day the President of the Council received from the permanent Polish representative a verbal assurance of the most categorical kind to the effect that his Government intended scrupulously to carry out the recommendations which had been accepted by both Parties as it had proved by setting the Lithuanian prisoners at liberty.

(d) Council's Decision not to go into the Details of the Incident.

The President concluded his report by stating that he did not think it desirable to discuss the substance of the question, as the matter was practically, if not absolutely, settled. He invited his colleagues to express an opinion on this previous question. All the members of the Council except the Lithuanian representative stated that they shared the President's view that it was unnecessary to discuss the substance of the question.

In noting this decision of the Council with respect to the procedure to be followed, the President added that, if the Lithuanian Government so requested, the question could be included in the agenda of the next session of the Council.

The Lithuanian representative expressed his regret at the decision reached by the Council, his Government having proposed that a committee of enquiry should be sent to the spot or that some other method of direct investigation should be adopted.

The President of the Council closed the discussion by appealing to the Lithuanian representative's spirit of conciliation — a spirit which the Council had itself displayed with a view to securing a speedy settlement of the incident.

V. DELIMITATION OF THE FRONTIER BETWEEN GREECE AND TURKEY.

The question of the delimitation of the frontier between Greece and Turkey at the Maritza delta was brought to the notice of the Council by a telegram dated February 26th, 1926, from the Greek Minister for Foreign Affairs. The Greek Government stated that a dispute had arisen on this subject between itself and the Turkish Government. It was of opinion that the western branch of the Maritza delta, called the Little Maritza, and the territory lying between this

branch and the eastern branch, formed an integral part of the territory of Greece and must therefore not be included in any work of the Delimitation Commission established by the Treaty of Lausanne.

The Greek Government had proposed to the Government of Angora that the dispute between them should be submitted to the Permanent Court of International Justice, but this proposal was not accepted.

For its part, the Turkish Government, which was invited to send a representative to the Council, observed in a telegram dated March 8th, 1926, that, while accepting the invitation, it was opposed to the request on the grounds that the Council was not competent to deal with the matter, since, in its opinion, the Mixed Delimitation Commission was, according to the provisions of the Treaty of Lausanne, the body competent to settle all disputes of this kind by a majority vote.

At its meeting on March 16th, 1926, the Council considered this question, Greece being represented by M. Dendramis, Chargé d'Affaires at Berne, and Turkey by Chukri Kaya Bey, former Minister for Foreign Affairs, assisted by Munir Bey, Turkish Minister at Berne.

The Greek representative, in explaining his Government's view, observed that Article 2 of the Treaty of Lausanne laid down, as the frontier between Turkey and Greece in the area under consideration, the course of the Maritza — that is to say, according to Article 6, the median line of the principal branch of the river. The map attached showed this frontier as running along the eastern branch of the Maritza. The Turkish Government had maintained that there was a divergence between the text and the map, in which case, according to Article 4 of the Treaty, the text should prevail. If that view were admitted, it would be equivalent to a revision of the Treaty, seeing that, by the Convention of Sofia of September 6th, 1915, Turkey had abandoned to Bulgaria her rights over the Maritza delta, and that, under the Treaty of Neuilly, Bulgaria had ceded it to the Allied Powers with the whole of Western Thrace; moreover, the declaration of all the delegates at the meeting of the Conference of Lausanne on April 24th, 1923, and the provisions of the Treaty itself had completely convinced the Greek Government that the delta was situated in Greek territory. Were the Commission to carry out delimitation work in this territory, it would, therefore, be exceeding its powers. It was on this point that the Greek Government requested the Council to ask the Permanent Court of International Justice to give an advisory opinion.

The Turkish representative reminded the Council of the powers accorded to the Commission. The latter, in the opinion of the Turkish Government, would not be exceeding its powers by undertaking topographical or hydrographical work on the two branches of the Maritza in order to determine which was the principal branch of this river. The Turkish Government held that there was a divergence between the Treaty and the map because the map gave definite indications which could only be determined as a result of work which had been begun by the Delimitation Commission but had been suspended owing to the Greek Government's objections. The Turkish representative therefore requested the Council to refuse the request of Greece, and cited paragraph 1 of Article 15 of the Covenant, which empowered the Council to refuse to examine a dispute at the request of one of the parties when the dispute has already been submitted to arbitration or judicial procedure.

The Council instructed the Brazilian representative to examine the question with the assistance of the jurists accompanying the members of the Council.

In a report submitted to the Council on March 18th, the Brazilian representative communicated the conclusions of the jurists, M. Botella (Spanish), M. Krčmář (Czechoslovak), and M. Rolin (Belgium). He was of opinion that before proceeding to examine the arguments put forward by each of the two parties in support of its interpretation of the delimitation clause, and before discussing the possibility of referring that question to the Court for an opinion, the Council must decide as to the plea of incompetence urged by the Turkish Government.

After examining the articles of the Treaty concerning the point in dispute, the jurists came to the conclusion that it was for the Delimitation Commission itself to delimit the frontier in accordance with the indications given in the Treaty. In this work it should make use of all information obtained from the parties as to the real intentions of the authors of the Treaty; and the map attached to the Treaty should, in accordance with Opinion No. 8 of the Permanent Court of International Justice, page 33, be regarded as a highly important, though, of course, not predominant, factor. It was, however, the duty of the Commission and of each of its members to obtain for the performance of its functions the opinions of persons qualified to deal with any special questions which might be raised. Only if, after exhausting all these sources of information, the Commission should announce that it found itself too much in doubt to decide on these questions or should flagrantly exceed its powers, would the parties be justified in attempting to reach a settlement of such difficulties in accordance with international law. The jurists considered that in the absence of the circumstances indicated above, the Council could not then take cognisance of the question under Article 11, paragraph 2, of the Covenant, to which the Greek Government had made reference.

The Council, in adopting its Rapporteur's conclusions, requested the two Governments to take note of this opinion and to be good enough to communicate it to the President of the Commission for his guidance. It expressed the conviction that the President would follow the lines indicated in the jurists' opinion and would, if he thought necessary, obtain advice to assist him in removing such difficulties or doubts as might at present be impeding the Commission in the performance of its duties.

The conclusions of the report, which were accepted by the representatives of the two parties, were adopted by the Council.

VI. APPLICATION BY GERMANY FOR ADMISSION TO THE LEAGUE OF NATIONS.

A. SUMMARY OF THE SITUATION AT THE TIME OF THE APPLICATION.

The report submitted to the sixth Assembly¹ contained the correspondence between the German Government and the Council regarding the conditions which would govern the admission of Germany to the League, should the question arise.

On December 12th, 1924, the German Government had addressed to the Secretary-General a letter accompanied by a memorandum which had already been forwarded to the Governments of the States Members of the Council.

At its session in March 1925 the Council drew up a memorandum replying to each of the points raised in the German Government's letter and expressing its desire to see Germany associated in its work.

It should further be stated that at Locarno, in October 1925, France, Great Britain, Italy, Belgium, Czechoslovakia, and Poland, all Members of the League of Nations, negotiated treaties with Germany which were not to come into force "until such time as Germany shall become a Member of the League of Nations" (Protocol of Locarno, Annex A, Article 10, paragraph 2). These treaties were signed by the plenipotentiaries of the High Contracting Parties in London on December 1st, 1925.

B. GERMANY'S APPLICATION FOR ADMISSION TO THE LEAGUE.

On February 8th, 1926, the Minister for Foreign Affairs of the German Empire despatched to the Secretary-General the following letter with annexed note :

[*Translation.*]

"With reference to the German memorandum of September 1924 to the Governments represented on the Council, and to the German Note addressed to you on December 12th, 1924, and the reply thereto of the Council of the League dated March 14th, 1925, as well as to the Note of the other parties to the Locarno Treaties of December 1st, 1925, of which a copy is attached, I have the honour, in accordance with Article 1 of the Covenant of the League of Nations, to propose herewith, in the name of the German Government, the admission of Germany to the League of Nations. I beg you to put this proposal on the Agenda of the Assembly as soon as possible.

(Signed) STRESEMANN."

"*Note (Annex F to the Locarno Agreements).*

London, December 1st, 1925.

"The German delegation has requested certain explanations in regard to Article 16 of the Covenant of the League of Nations.

"We are not in a position to speak in the name of the League, but in view of the discussions which have already taken place in the Assembly and in the Commissions of the League of Nations, and after the explanations which have been exchanged between ourselves, we do not hesitate to inform you of the interpretation which, in so far as we are concerned, we place upon Article 16.

"In accordance with that interpretation, the obligations resulting from the said article on the Members of the League must be understood to mean that each State Member of the League is bound to co-operate loyally and effectively in support of the Covenant and in resistance to any act of aggression to an extent which is compatible with its military situation and takes its geographical position into account

(Signed) Emile VANDERVELDE.
Aristide BRIAND.
Stanley BALDWIN.
Austen CHAMBERLAIN.
Vittorio SCIALOJA.
Alexander SKRZYNSKI.
Eduard BENES."

As soon as he had received this communication and advised the Members of the League, the Secretary-General, on behalf of the Acting President of the Council, convened an extraordinary meeting of the Council to take appropriate action.

¹ See Records of the Sixth Assembly, *Official Journal*, Special Supplement No. 33, page 203.

C. EXTRAORDINARY MEETING OF THE COUNCIL.

This meeting was held at Geneva on February 12th, 1926, the Italian representative acting as President. Having examined Germany's application for admission to the League, the Council decided, in conformity with Article 1, paragraph 2, of the Rules of Procedure of the Assembly, to summon a special session of the Assembly for March 8th at 3 p.m., that being the date of the Council's ordinary session.

The Council then decided to include in the agenda of the special session the following questions :

(1) Request of Germany for admission.

(2) Decisions of the Assembly on the proposals which might be made by the Council in application of Article 4 of the Covenant.

With reference to the inclusion of the second question, in the form proposed, in the agenda of the special session of the Assembly, the Brazilian representative, at the Council meeting on February 12th, drew attention to the fact that Article 4 of the Covenant consisted of two sentences. The first dealt with the increase in the number of the permanent Members of the Council, and the second with the increase in the number of the non-permanent Members.

"In case of the increase in the number of permanent Members, the Council named the new permanent Members, and the Assembly approved this nomination. In the case of the increase in the number of the non-permanent Members, the Council proposed the increase to the Assembly for approval; when this approval had been obtained, the Assembly selected from among the Members of the League those which would be represented on the Council."

D. ORDINARY SESSION OF THE COUNCIL OPENING ON MARCH 8TH, 1926.

The special session of the Assembly and the ordinary session of the Council opened on the same day—March 8th, 1926.

The examination of Germany's application by the Committees of the Assembly does not fall within the scope of this report. We merely reproduce below those questions connected with the Assembly's work which were submitted to the Council during this period¹.

(a) *Opinion of the Permanent Advisory Commission (in Application of Article 9 of the Covenant).*

At its meeting on March 8th, 1926, the Council, on the proposal of the President, adopted, in accordance with precedent, the following resolution :

"The Council, in view of the request of Germany for admission to the League of Nations, asks the Permanent Advisory Commission for Military, Naval and Air Questions to examine the request of Germany for admission from the technical military, naval and air point of view, in fulfilment of Article 1 of the Covenant."

On the same day, the Chairman of the Permanent Advisory Commission forwarded to the Secretary-General, for transmission to the Council, the following reply adopted unanimously by the Commission :

"The question of the status of the military, naval and air forces of Germany is regulated by the Treaty of Versailles of June 28th, 1919, and does not require to be considered by this Commission."

This reply was at once forwarded by the Acting President of the Council to the Chairman of the First Committee of the Assembly.

(b) *Question regarding the Proposals which might be made by the Council to the Assembly (Item 2 on the Agenda of the Special Session of the Assembly).*

It may be worth while to quote again this item, which has already been reproduced above :

"Decisions of the Assembly on the proposals which might be made by the Council in application of Article 4 of the Covenant."

Simultaneously with the question of attributing to Germany a permanent seat on the Council, the Council was called upon to consider the position of a number of States Members of the League — Brazil, China, Poland and Spain — which desired permanent seats on the Council in the event of an increase in its permanent membership.

The Council did not see its way to submit a proposal to the Assembly on this question, and accordingly decided on March 18th, after informing the Assembly of its intention, to appoint a committee "to study the question of the composition of the Council".

¹ For the work of the First Committee of the special Assembly and the report favourable to the admission of Germany to the League, see Records of the Special Session of the Assembly (March 1926), *Official Journal*, Special Supplement No. 42.

Recalling various suggestions which had been made as to the composition of such a committee and its terms of reference, the Rapporteur proposed that it should include representatives of countries not at present Members of the Council and that the different continents of the world should be represented. The appointment of this committee, and its composition on the lines indicated, cannot affect the principle of the Council's competence and responsibility in these matters, inasmuch as it is to the Council that the committee will report.

The Council agreed to these proposals and adopted the following resolution :

“ The Council,

“ Considering that it is desirable that a thorough study should be made of the problems connected with the composition of the Council and the number and the method of election of its Members :

“ Decides to appoint a Committee for the purpose.

“ This Committee shall give particular attention to the claims up to now put forward by or on behalf of any Members of the League, and shall be authorised to invite the Governments of any Members of the League which so desire to lay before it any statement, whether in writing or through an official representative, in support of their case, or containing their views on any of the problems falling within the competence of the committee. It shall bear in mind the various proposals on the subject which have been previously discussed by the Council or the Assembly, and, in particular, the resolution regarding ‘ geographical and other considerations ’ repeatedly adopted by the latter body.

“ The Committee shall consist of representatives of the Members of the Council and of the following States : the Argentine, China, Germany, Poland and Switzerland. The names of these representatives shall be communicated to the Secretary-General as soon as possible.

“ The Committee shall meet on May 10th, 1926, and shall prepare a report to the Council which shall be communicated to the Members of the League for information as soon as possible. In case it is not able to make a unanimous report, it shall make such majority and minority reports as may be necessary in order to acquaint the Members of the League with the full results of its deliberations. ”

The Committee met from May 10th to 17th, 1926. It adopted a provisional report, which, together with the Minutes of the session, was submitted to the Council at its ordinary session held in June ¹.

5.

ADMINISTRATIVE QUESTIONS.

I. SAAR TERRITORY.

During its sessions in September 1925, December 1925 and March 1926, the Council dealt with various questions concerning the Saar Territory, more especially with the appointment of the Chairman and the members of the Governing Commission, the question of French troops and the development of the local gendarmerie, and the question of the provisional measures to be taken in view of the plebiscite. The Italian representative acted as Rapporteur. The Council has been kept informed of the various questions relating to the Saar by periodical reports from the Governing Commission (published in the *Official Journal* of December 1925, March 1926 and May 1926) and by a general report from the Secretary-General for the period from April to December 1925.

GOVERNING COMMISSION.

On March 18th, 1926, the Council appointed the five members and the Chairman of the Governing Commission for a period of one year as from April 1st, 1926.

The Commission now consists of the following members :

M. KOSSMANN (Saar) ;
M. LAMBERT (Belgian) ;
M. MORIZE (French) ;
M. STEPHENS (Canadian), Chairman ;
M. VEZENSKY (Czechoslovak) ;

¹ See also the Supplementary Report to the Assembly, which will be distributed later.

On the same occasion, the Council thanked M. Rault, Chairman of the Governing Commission, who had requested the Council not to renew his appointment, for the services he had rendered to the League of Nations during his six years of office in the Saar.

The Council also decided that the exceptional measures approved on March 15th, 1924, by which the salaries of the members of the Governing Commission and the entertainment allowance of the Chairman of the Commission were increased by 25 per cent during the financial period 1924-1925 and 1925-1926, should remain in force during the period 1926-1927. It was also decided that certain allowances should be granted to the members of the Governing Commission at the expiry of their term of office.

DEVELOPMENT OF THE LOCAL GENDARMERIE AND PRESENCE OF FRENCH TROOPS.

On March 14th, 1925, the Council adopted the following resolution :

“ The Council of the League of Nations,

“ After having heard the Italian representative's report, the observations of the representative of Great Britain, and the explanations of the Chairman of the Governing Commission :

“ (1) Approves the Governing Commission's proposal to increase the local gendarmerie by 250 men during the financial year 1925-26 ;

“ (2) Requests the Governing Commission to submit to it, for consideration, a report on the manner in which it would be possible, in the absence of troops, to carry into effect sub-paragraph 3 of paragraph 30 of the Saar Annex to the Treaty of Versailles, which lays down that it will be the duty of the Governing Commission to provide in all cases for the protection of persons and property in the Saar Basin. In preparing its report, the Governing Commission should take into account the possibility of obtaining the assistance of troops stationed outside the Saar Territory ;

“ (3) Requests the Secretary-General to communicate a copy of this resolution to the German Government in reply to its Note of February 19th, 1925. ”

In response to the Council's request, the Governing Commission, on January 28th, 1926, submitted a report which was examined by the Council at its meeting on March 18th, 1926.

With regard to the first paragraph of the Council resolution, the Governing Commission stated that the programme for the development of the local gendarmerie during the year 1925-1926 would be completely carried out by March 31st, 1926, on which date the strength of the local gendarmerie would be 1,005 men.

As regards the second paragraph, the Governing Commission stated that, although a local gendarmerie of 1,005 men was amply sufficient to ensure the maintenance of order in normal circumstances, it was distinctly inadequate to allow the Governing Commission to “ provide in all cases for the protection of persons and property ” in conformity with the provisions of the Treaty of Versailles. For the protection of persons and property, the League of Nations, which was represented by the Governing Commission, was answerable to the Saar population and the owners of property, particularly to France, the owner of the mines, and to Germany, the owner of the railway system of which the Governing Commission had only the right of user. The Governing Commission therefore stated that it could only assume these grave responsibilities in all cases if the strength of the local gendarmerie were increased to at least 3,000 — an increase which was not possible, mainly for financial reasons. It was therefore essential that the Governing Commission should be entitled at any time and immediately to call upon troops stationed outside the Saar Territory and in the vicinity of its frontiers. Such a possibility had been contemplated by the Council of the League of Nations in its resolution of March 14th, 1925, and the Governing Commission was of opinion that it also resulted from the above-mentioned provisions of the Treaty of Versailles.

Finally, with regard to the presence of French troops in the Territory, the Governing Commission stated that, since the 250 gendarmes recruited during the financial year 1925-1926 would take up their duties on March 31st, 1926, it had requested the French Government to withdraw from the territory a battalion of light infantry (*chasseurs à pied*) stationed at Saarbrück, so that the garrison troops would only consist of one regiment of infantry and one regiment of cavalry.

The French Government confirmed this information and announced that by May 31st, 1926, the battalion of *chasseurs* would have been withdrawn. It further stated that the withdrawal of the remainder of the troops stationed in the Territory would be proceeded with step by step.

The Council noted the report of the Governing Commission and adopted the following conclusions in the report of its Rapporteur :

“ Pending the completion of this withdrawal, the attention of the Governing Commission should be drawn to the fact that it is its duty to ensure, in all cases, freedom of transport and transit over the railways of the Territory, and the measures required for this purpose should be prepared ; in particular a railway committee possessing the necessary powers should be at the disposal of the Governing Commission.

“ The Council will no doubt be of opinion that the Commission should be invited to submit to it proposals on this subject for consideration at its next session. ”

DOCUMENTS PRESERVED WITH A VIEW TO THE PLEBISCITE IN 1935.

(a) *M. de Reynier's Mission.*

In October 1925, the death of M. Bonzon, Provisional Records Commissioner for the Saar Plebiscite, occurred, and at its meeting on December 10th, 1925, the Council asked M. de Reynier (Swiss), formerly President of the Danzig Harbour Board, to proceed to the Saar to complete the work begun by M. Bonzon. M. de Reynier was instructed more especially to ascertain the conditions on which the documents handed over by the German Government to the Governing Commission of the Saar in February 1924 were preserved and to examine what action had been taken on the request which M. Bonzon addressed to the Governing Commission concerning the handing-over by the German Government of certain additional documents. If these documents had been handed over to the Governing Commission, M. de Reynier was to consider what further measures should be taken for the distribution of these documents among the various Saar authorities and for their preservation.

On March 18th, 1926, the Council examined M. de Reynier's report in which he gave an account of his mission. He informed the Council that he had first visited the eight places in which the documents transferred from Germany in February 1924 were deposited. He found that the conditions might, on the whole, be considered satisfactory in all districts except one. In that place, he had suggested that the district archives should be entrusted to the Governing Commission until such time as the district should have at its command a suitable place for their disposal.

With regard to the additional documents which M. Bonzon had desired the German Government to hand over, M. de Reynier informed the Council that they had been delivered in February 1926 to the Saar authorities and that he had entrusted these documents provisionally to the Landrat of the Saarbrück rural district. In order to distribute risks and responsibilities, he proposed that they should in future be entrusted to the Governing Commission and kept at the Government building.

The Council adopted the recommendations made by M. de Reynier and invited him to communicate with the Governing Commission and the competent local authorities in the Saar with a view to a definite settlement of the question.

M. de Reynier re-visited the Saar in April, and in a report dated April 15th, 1926, he informed the Council that the recommendations it had made had been put into execution.

(b) *Changes affecting Documents preserved with a View to the Plebiscite.*

M. Bonzon, Provisional Records Commissioner for the Saar Plebiscite, had, in his report dated October 31st, 1923, made certain recommendations to the effect that the Secretariat of the League of Nations and the Governing Commission should be notified of any change in the position — as indicated in the original returns prepared by him — of documents preserved with a view to the plebiscite.

In pursuance of these recommendations, the seven Landräte of the Territory (and the Bürgermeister of the town of Saarbrück) have sent in periodical reports on the period from April 1st, 1925, to March 31st, 1926, and the Governing Commission has also sent in periodical reports for the year 1925. The local authorities have continued to send in a special notification in the case of every change in the position of documents as was stipulated in the recommendations referred to above.

PETITIONS FROM INHABITANTS OF THE SAAR TERRITORY.

Several petitions from organisations or private individuals established in the Saar Territory have been submitted to the Council for its information by the Governing Commission, in pursuance of the Council's resolution dated May 17th, 1920. These petitions were accompanied by the observations which the Commission thought it desirable to make in each case. They deal principally with the position of officials who have passed from the service of the German Reich, Prussia and Bavaria to the service of the Governing Commission, and also with social insurance, labour legislation, and the administration of the Saar Territory.

GENERAL QUESTIONS.

On May 17th, 1920, the Council approved an arrangement by which the Governing Commission should furnish the League of Nations with detailed information on all political, economic, financial, social and other questions of interest to the League of Nations, together with all the official publications of the Governing Commission.

In accordance with this arrangement, the Governing Commission addressed to the League of Nations its Twenty-third, Twenty-fourth and Twenty-fifth Periodical Reports on the third and fourth quarters of the year 1925 and the first quarter of 1926. Some of the questions dealt with in these reports are given below.

1. *Political Situation.*

The Advisory Council and the Technical Committee of the Saar held their usual sessions during the period from July 1st, 1925, to March 31st, 1926. The chief subject of their discussions was legislation concerning housing and fiscal questions.

2. *Economic and Social Situation.*

In July 1925, a miners' strike broke out in the Saar in consequence of demands for increased wages. The Governing Commission applied to the French Minister for Foreign Affairs, and the miners' representatives had conversations with the French Ministers of Public Works and Labour. As a result of these negotiations, an agreement was reached which put an end to the strike a week after it had begun. No serious incident occurred during the strike. According to the Commission's report, the strike had a two-fold effect on the economic situation of the Territory. In the first place, coal production was greatly reduced during July, and the coal consumers in the Territory, particularly the great metallurgical industry, were obliged to obtain coal at a high price. Secondly, in consequence of the rise in wages, the price of Saar coal was raised on August 1st, 1925. To facilitate the importation of foreign coal and, as far as possible, to prevent unemployment in the metallurgical industry during the strike, the Governing Commission suspended the partial tax on coal coming from outside the Territory. It also considered the position of workmen affected by the strike.

The fluctuations in the foreign-exchange market having brought about a considerable rise in the cost of living, wages disputes arose in the wood industry and building trade during the last quarter of 1925, and the number of unemployed, which in October was 1,331, rose in December 1925 to 5,900. During the first quarter of 1926, the labour situation improved considerably. The lock-out in the building trade, which affected nearly 3,000 workers, was ended on January 15th, 1926, by an agreement which granted higher wages.

3. *Customs Régime.*

One consequence of the coming into force on January 10th, 1925, of the French Customs régime on the frontier between the Saar and Germany was the complete removal on October 1st, 1925, of the Customs barrier which since 1920 had been maintained on the frontier between the Saar and France. Although the negotiations undertaken with a view to the conclusion of a commercial treaty between Germany and France had not yet proved successful, the delegations of the two countries decided to conclude an agreement regarding the Customs régime of the Saar Basin. This agreement, signed on July 11th, 1925, at Paris, provided for the importation into the Saar of certain products originating in and coming from Germany, either duty-free or at the minimum tariff rate, within the limits of fixed quotas, and, further, for the importation into Germany of products originating in and coming from the Saar Territory, duty-free and within the limit of fixed quotas. Although the agreement has been ratified by the German and French Parliaments, it has not yet come into force, because the understanding between the French and Saar metallurgical industries necessary for its coming into force has not yet been reached.

In order to facilitate the application of the French Customs régime in the Saar Territory, the competent service of the Commission, during the first quarter of 1926, entered into various negotiations with the French Customs authorities, chiefly concerning the importation of animals for slaughter coming from Germany, the importation under certain conditions of Belgian horses, made-up medicaments of German origin, etc.

4. *The Creation of a Chamber of Labour.*

After consulting the parties concerned (workers' and employers' organisations, the Advisory Council and the Technical Committee), the Governing Commission definitely settled in September 1925 the terms of a decree for the creation of a Chamber of Labour. This Chamber is intended to lessen the number and violence of disputes between workers and employers and to ensure uninterrupted co-operation between the Saar Territory and the International Labour Organisation of the League. The Chamber of Labour held its first session in March 1926. It appointed as President a worker-member of the Chamber, and, as Vice-President, an employer.

5. *Negotiations with the German Government.*

In October and December 1925 negotiations took place between the Governing Commission and the German Government at Baden-Baden with regard to the position and the pensions of German officials placed at the disposal of the Governing Commission, and also various administrative questions. An agreement was signed on December 21st, 1925, on the questions relating to the officials. With regard to administrative questions, an agreement was concluded on October 27th, 1925, dealing in particular with the maintenance of disabled service men, public relief, measures to prevent the duplication of German and Saar taxes, co-operation in collecting taxes, the drawing-up of documents of nationality, formalities in connection with the repayment of German public loans, etc.

As a result of the Baden-Baden negotiations, an agreement was also concluded with regard to the application in the Saar Territory of the procedure of compensation for the settlement of pre-war debts and claims.

In January 1926, discussions took place at Frankfort-on-Main between the representatives of the Reich Ministry of Labour and the Department of Social Insurance of the Saar Territory, on mutual agreements concerning social insurance in the two countries.

6. *Administrative Activity of the Commission.*

The periodical reports of the Governing Commission contain detailed information on various questions concerning the administrative activity of the Commission, more especially in regard to the development of the local gendarmerie, the financial situation of the Territory (a series of decrees has been drawn up with a view to stabilising the budget), measures in favour of State officials and workmen, public works, justice and education, industry and labour, public relief, social hygiene and agriculture,

II. FREE CITY OF DANZIG.

During its sessions in September and December 1925, the Council dealt with various questions concerning the Free City of Danzig and, in particular, with the appointment of a new High Commissioner, questions relating to the Polish postal services in the territory of the Free City, and the Polish depot for munitions in transit in the Port of Danzig. Certain questions concerning the financial situation of the Free City are set forth in the chapter of the present report dealing with the work of the Financial Committee.

The Spanish representative acted as Rapporteur, except for financial questions.

The President of the Danzig Senate and the Polish diplomatic representative at Danzig (both accompanied by experts), the League High Commissioner at Danzig and the President of the Harbour Board were present at the Council meetings when questions concerning Danzig were discussed.

The Secretary-General submitted to the Council a general report on Danzig questions for the period March to December 1925.

HIGH COMMISSIONER.

At the Council meeting held on December 12th, 1925, the President expressed to Mr. MacDonnell, High Commissioner of the League of Nations at Danzig, whose term of office was about to expire, the Council's thanks for the services he had rendered to the League of Nations during his three years of office at Danzig.

On the same occasion, Dr. van Hamel (Dutch), Director of the Legal Section of the Secretariat of the League, was appointed High Commissioner for a period of three years as from February 22nd, 1926. His salary was to remain at 80,000 gold francs per annum. The cost of maintaining the High Commissioner's office is borne in equal parts by the Danzig and Polish Governments.

POLISH POSTAL SERVICES IN DANZIG TERRITORY.

During its session in June 1925, the Council instructed a Committee of Experts to submit to it, through the intermediary of the High Commissioner of the League of Nations at Danzig, proposals concerning the delimitation of the Port of Danzig for the purposes of the Polish postal services. This opinion was to take into account the statement of reasons contained in the advisory opinion given by the Permanent Court of International Justice.

On September 19th, 1925, the Council examined the conclusions set out in the report of the Committee of Experts which was forwarded to it by the High Commissioner, together with certain observations made by the latter and by the Danzig and Polish Governments. The Council adopted the conclusions of the report by the representative of Spain. In the terms of these conclusions, and in conformity with the opinion of the experts, the Council decided that the Port of Danzig, for the purposes of the Polish postal service, should include not only the portion of the territory of the Free City on which the technical constituents of the harbour were situated but also that portion of the Territory on which the economic constituents of the harbour were grouped. The Council approved the proposed boundaries of the harbour as traced by the experts. In order to make allowance for possible changes in the position of the technical and economic constituents of the harbour, the delimitation is subject to revision, at the request of either of the parties, after a period of five years.

The Council further invited the parties to enter into negotiations for the conclusion of an agreement concerning the distribution of postal matter addressed to the Polish authorities established outside the harbour, and also the possibility of addressees dwelling outside the harbour having their communications sent to any address they might choose within the harbour. Pending the conclusion of the agreements which were to result from these negotiations, the Free City of Danzig was asked to grant provisionally to Poland all the necessary facilities in this matter.

The Council also invited the two Governments to come to an agreement regarding a series of secondary questions.

DEPOT FOR POLISH MUNITIONS IN TRANSIT IN THE PORT OF DANZIG.

(a) Delimitation of the Polish Munitions Depot on the Westerplatte.

In June 1925, the Council postponed the consideration of a request from the President of the Danzig Harbour Board, which had been transmitted to it by the High Commissioner and which related to the application of a Council resolution dated March 14th, 1924. In accordance with this resolution, the Westerplatte peninsula in the Harbour of Danzig had been placed at the disposal of the Polish Government for the discharge, storage and despatch to Poland of war material and explosives in transit. The President of the Harbour Board had proposed, for technical reasons, that the Westerplatte should be so delimited as to enable the Harbour Board to carry out the duties incumbent upon it with regard to the maintenance and administration of the Harbour. At the request of the High Commissioner, this question was considered by the Council during its session in September 1925.

On September 19th, 1925, the Council decided that the Harbour Board should proceed to the delimitation of the Westerplatte peninsula and that there should be no appeal against the decision of the Board. The question of risk of accidents having been raised by the Polish Government, the Harbour Board, before giving its decision, was to take the advice of one or two experts chosen in agreement with the Secretary-General. The Council also decided that the peninsula of Westerplatte should be placed at the disposal of Poland not later than November 1st, 1925. Count Gravina (Italian) was appointed as expert by the Danzig Harbour Board in agreement with the Secretary-General of the League of Nations, and the Westerplatte area, as defined by the decision of the President of the Harbour Board, was handed over to the Polish authorities on October 31st, 1925.

(b) Establishment of a Detachment of Guards for the Polish Munitions Depot on the Westerplatte.

In pursuance of the agreement concluded between Danzig and Poland on June 21st, 1921, the Polish Government had requested the High Commissioner to give his consent to the proposed arrangement concerning the permanent establishment of a detachment of Polish guards for the Polish Munitions Depot on the Westerplatte. The High Commissioner, before giving his consent, requested the Council in September 1925 to examine the question from the point of view of Article 5 of the Danzig Constitution, in virtue of which no military or naval base may be established in Danzig without the previous consent of the League of Nations.

The Council, which on September 28th, 1925, had postponed the consideration of the question, decided on December 9th, 1925, that the establishment of the detachment in question would not amount to the creation of a military base. The Council also decided that the detachment of the Polish guard, in conformity with the agreement which had already been arrived at, should not wear uniform outside the reserved areas, that this staff should only carry firearms strictly within the limits required to enable it to exercise the necessary supervision over the site in question, that this site should not be fortified, and that Polish warships should not anchor in the Polish basin of the Westerplatte.

RELATIONS BETWEEN DANZIG AND POLAND : GENERAL SITUATION AT DANZIG.

Since the last Assembly, the High Commissioner has given no decision under Article 39 of the Treaty between Danzig and Poland concluded at Paris on November 9th, 1920, in accordance with which any differences arising between Poland and the Free City shall be submitted to the decision of the High Commissioner. A certain number of questions have been settled by means of direct agreements between the Danzig and Polish Governments.

In a general report dated February 20th, 1926, Mr. MacDonnell, on relinquishing his appointment, communicated to the Council a summary of the relations between Danzig and Poland and of the general situation at Danzig.

At that date there were no Danzig-Polish questions pending before the Council under the terms of Article 39 of the Paris Treaty, and there were only one or two small matters formally before the High Commissioner which, in his opinion, could be settled by means of agreements. There were two important questions upon which direct negotiations were in course between the two Governments : the adaptation of Danzig legislation as far as possible to Polish legislation on monopolies, and the fixing of the percentage of the net Customs receipts to be allocated to Danzig in accordance with Article 15 of the Paris Treaty. Other questions upon which negotiations were being pursued or were shortly to begin were the Polish Marine Office in Danzig, the Treaty regarding the judicial relations between Danzig and Germany and Polish schools in the Free City. The following questions, already settled by decision or agreement, had still to be put into effect : the division of the property of the Vistula Administration, a financial convention for fixing the profits and losses of the Harbour Board between Poland and Danzig, the Polish postal services in Danzig, the provision of a steam ferry for the Holm, consular questions, the drawing-up of regulations for the transport of Polish material of war through the Territory of the Free City, and the Polish railway direction in Danzig.

With regard to the general situation of Danzig, the High Commissioner drew the attention of the Council to the difficult economic and financial condition of affairs in the Free City. In his opinion, the situation was due primarily to the difficult period through which Polish finance, industry and trade were passing. He added that the Senate of the Free City was giving serious consideration to the problem of reducing the expenditure and increasing resources so as to master adverse circumstances and balance its budget.

III. EXCHANGE OF POPULATIONS BETWEEN GREECE AND TURKEY.

RESIGNATION OF M. EKSTRAND FROM THE MIXED COMMISSION AND APPOINTMENT OF HIS SUCCESSOR.

Under the Greco-Turkish Convention of January 30th, 1923, the exchange of populations between the two countries is supervised by a Mixed Commission consisting of four representatives of each of the High Contracting Parties with three members chosen by the Council of the League of Nations from among nationals of Powers which did not take part in the war of 1914-18.

At its meeting on September 17th, 1923, the Council proceeded to appoint the three neutral members. At its meeting on March 18th, 1926, the Council was informed by the Mixed Commission that M. Ekstrand (Swedish) had resigned his seat on the Commission. The Council has appointed M. Hans Holstad (Norwegian) to be a member of the Mixed Commission in the place of M. Ekstrand.

6.

PROTECTION OF MINORITIES.

I. GENERAL QUESTIONS.

At its meeting on September 22nd, 1925, the sixth Assembly adopted the following resolution :

“ The Assembly approves that part of the report on the work of the Council, the work of the Secretariat and on the measures taken to execute the decisions of the Assembly, dealing with the procedure followed with regard to the protection of minorities. The Lithuanian representative having withdrawn the proposal submitted by him on September 14th, 1925, the Assembly requests the Secretary-General to communicate to the Council the discussion which has taken place in the Sixth Committee in this connection. ”

In the proposal mentioned in this resolution, the Lithuanian representative had suggested that the Assembly should “ set up a special committee to prepare a draft general convention, to include all the States Members of the League of Nations, and setting forth their common rights and duties in regard to minorities ”. This proposal was referred to the Sixth Committee of the Assembly. The discussion which took place in the Committee on September 16th, 1925, is summarised in its report as follows :

“ On the one hand, the attention of the Committee was drawn to the fact that the treaties and declarations for the protection of minorities of race, language or religion are only the concern of certain States, while other States are exempt from such obligations, and this would not be in conformity with the principle of equality between States. On the other hand, several delegates pointed out that this way of looking at the question was not correct, since the special position of States bound by certain treaties or declarations was the result of circumstances prevailing in those States. ”

The discussion also led to an exchange of views on the procedure followed by the Council and the Secretariat for dealing with concrete questions relating to the protection of minorities. At the end of the discussion, it was proposed that the Committee should recommend the Assembly to give its formal approval to that part of the report on the work of the Council, etc., which dealt with this subject. This proposal was favourably received.

At the meeting of the Council on December 9th, 1925, a report on this question was presented by the Brazilian representative. The Rapporteur said that he did not feel called upon to do more than suggest that the Council should take note of the Assembly's resolution, both in as far as it concerned the discussion on the Lithuanian representative's proposal in the Sixth Committee and in regard to that part of the resolution which approved the existing procedure in respect of the protection of minorities. The Brazilian representative's proposal was accepted by the Council.

At the same meeting, the Brazilian representative, in his personal capacity as Rapporteur, also made a statement on minorities questions. He recalled the origin of the rights of minorities and their historical development and concluded that the question of racial and religious minorities was only raised on certain historic occasions, such as that of the incorporation of the territory of one State with that of another, or of territorial changes resulting from a war, or of the constitution of new States, or in the course of struggles on the part of certain States against oppression. Accordingly, he added : “ the mere co-existence of groups of persons form-

ing collective entities, racially different, in the territory or under the jurisdiction of a State, is not sufficient to create the obligation to recognise the existence in that State, side by side with the majority of its population, of a minority requiring a protection entrusted to the League of Nations. In order that a minority, according to the meaning of the present treaties, should exist, it must be the outcome of struggles going back for centuries or perhaps for shorter periods, between certain nationalities, and of the transference of certain territories from one sovereignty to another through successive historic phases. These factors, however, are not constant in all the States Members of the League of Nations."

He therefore considered that the idea of a general convention for the protection of minorities applicable to all the Members of the League of Nations was impracticable.

He then went on to deal with the procedure followed by the Council to ensure the application of the minorities treaties. In this connection, he examined certain suggestions for the amendment of this procedure, presented to the Assembly by Count Apponyi on September 14th, 1925. He did not see his way to accept the Hungarian delegate's opinion on the question, and submitted political and legal arguments in favour of his own view. He urged that those who had conceived the system of protection instituted by the minorities treaties had not dreamed of creating within certain States a group of inhabitants who would regard themselves as permanently foreign to the general organisation of the country. On the contrary, they had wished to ensure respect for the inviolability of the person and to prepare the way for conditions necessary for the establishment of national unity. "In order to attain the desired ideal", he observed, "it would suffice that the Governments should never depart from the rules of good faith and that the League of Nations should exercise its legitimate supervision; also that the persons belonging to the minorities should willingly fulfil their duties to co-operate, as loyal citizens, with the State whose nationals they have become".

Following upon this speech, the British representative drew attention to the importance of the definition which the Brazilian representative had given of the purpose of the minority treaties.

The Czechoslovak representative observed that the Brazilian representative's account of the origin of the minorities treaties corresponded exactly with the reality and that his declaration gave an exact idea of the development of the discussions which had taken place on this question during the successive Assemblies of the League of Nations. He himself had reached the same conclusions as the Brazilian representative: namely, that nations possessing minorities must respect the rights of those minorities but that minorities must realise that, if they went too far, the consequences might be deplorable and quite contrary to the wishes of those who had produced the minorities treaties.

The Belgian representative, after stating that the ideas put forward by the Brazilian representative were exactly in agreement with his own, recalled the fact that he had observed in the Sixth Committee of the Assembly that, if it were proposed to extend to all States the system of the protection of minorities, such a policy, instead of ensuring the peace of the world, would create internal conflicts in a great number of countries, in addition to the international conflicts which could not fail to arise.

II. GREEK MINORITY IN CONSTANTINOPLE AND TURKISH MINORITY IN WESTERN THRACE.

At the extraordinary session of the Council held at Brussels in October 1924, the Greek and Turkish Governments brought before the Council the question of the position of the Greek minority in Constantinople and the Turkish minority in Western Thrace. At its meeting on March 13th, 1925, the Council invited the neutral members of the Mixed Commission for the exchange of Greek and Turkish populations to make an enquiry into the situation of these minorities with regard to the rights granted to them under Article 16 of the Convention concerning the exchange of populations.

The Council was obliged several times to postpone consideration of the question, being informed by the neutral members that they were unable to complete the preliminary work necessary for drawing up their report. In a joint letter dated December 10th, 1925, the Greek and Turkish representatives informed the Secretary-General that the two Governments were engaged in negotiations for the settlement of the questions on which they had appealed to the Council, and that they were agreed in requesting the Council to suspend the procedure until they again made application. At its meeting on December 11th, 1925, the Council took note of this letter and decided to suspend the procedure in course.

III. MOSLEMS OF ALBANIAN ORIGIN IN GREECE.

In August 1924 the Albanian Government brought before the Council, by virtue of Article 11, paragraph 2, of the Covenant, the question whether the Greek Government was loyally carrying out the undertaking entered into at the Conference of Lausanne not to include in the compulsory exchange of populations between Greece and Turkey Moslems of Albanian origin in Greece. On September 30th, 1924, the Council decided to treat this matter as a question

concerning the application of the Greek Minorities Treaty, and in December 1924 it appointed the three neutral members of the Mixed Commission for the Exchange of Populations as the Council's mandatories for the protection of that minority.

In view of the relation between the duties of the neutral members of the Commission in connection with the execution of the Convention for the Exchange of Populations and their special duties as mandatories of the League of Nations to see that the Moslems of Albanian origin in Greece are exempt from exchange, the Council obtained an assurance of the consent of the Greek and Turkish Governments to this arrangement.

In November 1925 the Albanian Government informed the Secretary-General that the Greek and Turkish delegates to the Mixed Commission had decided to exchange 5,000 Albanians of the Chamuria district in Epirus for 5,000 Greeks from Constantinople, in contravention of the undertaking given by Greece at the Lausanne Conference. At its meeting on December 10th, 1925, the Council decided to treat the question as one concerning the Mixed Commission, and more particularly the neutral members, who were the Council's mandatories. The Chairman of the Commission — M. de Lara — was present at the Council meeting. The discussion referred particularly to the situation of 800 Albanian inhabitants of the villages of Gardiki and Dragumi. M. de Lara stated that of these 800 persons only those who were of Turkish origin would be exchanged. At its meeting on March 16th, 1926, the Council had before it an additional report from the mandatories, together with certain statements by the Greek Minister for Foreign Affairs, to the effect that the Greek Government considered that the exchange was now at an end and had decided not to demand the departure of the 800 persons in question. The Greek Government further stated that the population of Chamuria that had not been exchanged would enjoy the same treatment in law and in fact as other Greek citizens and that all exceptional measures which the Greek Government might have applied to this population, because it regarded it as subject to exchange, would be abrogated.

IV. MINORITIES IN UPPER SILESIA.

1. PETITION FROM M. KARL MICHALIK.

In pursuance of Article 157 of the Convention of May 15th, 1922, between Germany and Poland regarding Upper Silesia, the German Government communicated to the Secretary-General of the League of Nations a petition addressed to the Council by M. Karl Michalik appealing against the decision taken by the administrative authorities of German Upper Silesia in respect of his claim for compensation and for the allotment to him of a domicile at his former place of residence in German Upper Silesia. An Opinion had been expressed on this case by the President of the Upper Silesian Mixed Commission in conformity with Article 153 of the above-mentioned Convention.

The Council considered this case at its meeting on March 17th, 1926. The Rapporteur — the Brazilian representative — pointed out that the question of substance could not be profitably examined as long as any doubt persisted as to the petitioner's nationality. In this connection he drew the Council's attention to Article 55 *et seq.* of the Convention on Upper Silesia, which lays down the proper procedure for the solution of problems relating to nationality. This was the procedure the President of the Mixed Commission had had in mind when, in his Opinion of February 17th, 1925, he referred the petitioner to the competent authorities in accordance with the Convention. On the proposal of the Rapporteur, the Council decided not to pronounce at that juncture on the preliminary question of the petitioner's nationality nor on the merits of his case but to request the Secretary-General to draw the petitioner's attention to those Articles in the Convention.

2. PETITION FROM THE "ASSOCIATION OF POLES IN GERMANY".

In virtue of Article 147 of the Convention between Germany and Poland of May 15th, 1922, on Upper Silesia, the Board of the "Association of Poles in Germany" addressed to the Council a petition dated May 26th, 1925, with regard to the payment by the German Government of compensation in Upper Silesia. The Secretary-General communicated this petition to the German Government for its observations. On November 21st, 1925, the German Minister for Foreign Affairs forwarded to the Secretary-General his Government's observations on this petition.

According to the petition, certain laws promulgated by the German Government concerning compensation for damage caused by riots, by the occupation of territory, and by acts of violence, tended to injure the interests of the Polish minority. In practice they were alleged to have led to the systematic rejection of the claims put forward by Poles in respect of damage sustained during the disturbances which took place at the time of the partition of Upper Silesia.

In its observations the German Government explained the legal basis for the laws referred to in the petition, particularly as regards the principle of the division of responsibilities, under which it was to be considered in each particular case how far the claimant himself contributed to causing the injury of which he was a victim. As regards the decisions annexed to the petition, with the exception of two cases which in no way affected the matter under dispute, the German Government stated that they all referred to persons who had actively contributed by their actions and words towards provoking the disturbances from which they had afterwards suffered.

At its meeting on March 17th, 1926, the Council, on the proposal of the Rapporteur — the Brazilian representative — decided to refer this question to its Rapporteur, assisted by the Spanish and Swedish representatives, for examination. It would depend on the outcome of this examination whether the subject should again be placed on the Council's agenda.

V. MINORITIES IN HUNGARY.

In connection with two petitions submitted respectively by the " Joint Foreign Committee of the Jewish Board of Deputies and the Anglo-Jewish Association ", and the " Alliance Israélite Universelle ", the Council had already considered, at its session in September 1922, the question of the Hungarian Law XXV of 1920 on the *numerus clausus*¹. This law lays down that, in granting authorisation for inscription on the rolls of universities and other institutions for higher education in Hungary, care shall be taken (among other considerations) that the number of students of different races and nationalities shall be in proportion to the number of inhabitants of such races and nationalities in the country, and that each race or nationality shall be represented in a proportion of at least nine-tenths of its respective proportion in the country.

The Council then decided that it ought primarily to obtain information as to the manner in which the law was applied, and whether, in practice, the rights of minorities were disregarded. For this purpose, it requested the Hungarian Government to supply it with the necessary information in order that it might be in a position to make a detailed study, within a reasonable time, of the application of Law XXV of 1920. In compliance with this request, the Hungarian Government on several occasions furnished the Council with statistics.

On January 1st, 1925, the Joint Foreign Committee of the Jewish Board of Deputies and the Anglo-Jewish Association forwarded a further petition to the League of Nations regarding the question of the *numerus clausus* in Hungary. This communication expressed the hope that the Council would see fit to submit the question of the validity of the Hungarian Law XXV of 1920 to the Permanent Court of International Justice for an advisory opinion. The petitioners pressed the arguments already submitted in their first petition, endeavouring to show that the law in question was in direct conflict with Articles 56, 57 and 58 of the Treaty of Trianon, which declare that all Hungarian nationals shall be equal before the law and shall enjoy the same civil and political rights, without distinction as to race, language or religion.

This further petition was communicated to the Hungarian Government, which, in its observations forwarded on May 19th, 1925, presented various new statistical tables giving the number of students at the universities and colleges in Hungary, together with the number and proportion of Jewish students. The Hungarian Government would not admit that the law in question constituted an infringement of Articles 56, 57 and 58 of the Treaty of Trianon. It considered that the principal question was whether the Jews were treated on an equal footing with other citizens of the country as regards admission to higher studies; and it maintained that here the reply must be in the affirmative, since not only was there no distinction drawn which was specially applicable to Jews but, in actual fact, it was the Jews alone who showed a higher percentage of students in the educational institutions in question than their percentage of the population of the country as a whole.

In accordance with the Council resolution of October 25th, 1920, the question was submitted to a Committee of the Council consisting of the representatives of Spain, Belgium and Japan. This Committee, after examining the additional information furnished at its request by the Hungarian Government, was of opinion that the time had come for the Council to reconsider the question in the light of the new information received.

The Council dealt with the question at its meetings held on December 10th and 12th, 1925. At the first of these meetings it heard a report by the Brazilian representative and a statement by the representative of the Hungarian Government. At the meeting on December 12th, in view of the fact that the Hungarian representative had stated at the meeting on December 10th that his Government regarded the *numerus clausus* as an exceptional and temporary measure necessitated by an abnormal social situation and had decided to amend the law directly that situation changed, the Council decided, on the proposal of its Rapporteur, not to touch on the question of law and to take no action in the matter at the moment but simply to take note of the statements of the Hungarian Government and await the amendment of the law in the near future.

The Hungarian representative accepted these conclusions and said that the Hungarian Government would do its utmost to act in conformity with the declaration which its representative had already made before the Council.

VI. MINORITIES IN LITHUANIA².

At its meeting on June 10th, 1925, the Council decided to postpone to its next session further consideration of the question of the position of minorities in Lithuania. At its meeting on September 5th, 1925, the Council heard a further report on this question by the Brazilian

¹ See Report to the Fourth Assembly on the Work of the Council and the Work of the Secretariat, *Official Journal*, Special Supplement No. 13, page 225.

² See Supplementary Report to the Sixth Assembly on the Work of the Council and the Work of the Secretariat, *Official Journal*, Special Supplement No. 33, page 306.

representative. In this report he communicated to the Council the information he had received from the Lithuanian Government on the various points on which he had thought it desirable to ask that Government for further particulars. This information may be summarised as follows :

The legislation regarding the participation of the various Parliamentary groups in the Commissions of the Diet concerns Parliamentary minorities and not racial, linguistic or religious minorities. The question which is a child's " own language " is decided in each case according to the parents' wishes. The decrees concerning the language to be employed on signs, inscriptions, etc. were annulled on July 23rd, 1925. The law does not, in principle, forbid the use of any particular language in account books ; it is for purely fiscal purposes that the ledger, the day-book and the cash-book have to be kept in the official language. The expropriated forests become the property of the Government which administers them in the public interest. The fundamental principle of the agrarian reform in Lithuania is that the first to benefit by the reform should be the agricultural workers living actually on or in the neighbourhood of the land expropriated. Minorities are allowed to take advantage of the agrarian reform. The question of the mortgages and other charges and liens attaching to estates taken over in virtue of the law on agrarian reform has not been settled by legislation. A bill is, however, before the Diet settling the question in accordance with the general principles of mortgage law applying to the partition or seizure of estates which are encumbered with such debts.

On the proposal of the Rapporteur, the Council, after having taken note of the information furnished by the Lithuanian Government and of the further explanations given by the Rapporteur himself, decided to rely upon the wisdom of the Lithuanian Government and expressed the hope that the latter would succeed in dissipating any apprehensions which might still exist among the minorities in the country, and in persuading them that the Government was firmly determined to apply the provisions of the Declaration of May 12th, 1922, relating to the protection of minorities.

At the same meeting the Council was informed that certain petitions from minorities in Lithuania had been received by the Secretariat and handed to the Rapporteur after he had prepared his report. On the Rapporteur's proposal, the Council decided to ask the Secretary-General to submit copies of these documents to all the members of the Council in order that they might be in a position to take action regarding any new questions which might be raised therein, and in order to enable the representative of Lithuania to make any observations he desired. The Lithuanian Government made certain observations in a memorandum which was distributed for the information of the Members of the Council on December 3rd, 1925.

VII. MINORITIES IN ROUMANIA.

In the supplementary report to the sixth Assembly it was stated that the Council, at its meeting on June 11th, 1925, had decided to defer to its next session consideration of the question raised by a petition dated February 18th, 1925, from farmers of Hungarian race in a number of villages in the Banat and Transylvania (Roumania).

During the three months which elapsed before the session of September 1925, this question was submitted to an exhaustive study by the Rapporteur (the Brazilian representative) and the representatives of the British Empire and Sweden, who formed with him a Committee of the Council to examine the question. The Roumanian Government, on its side, placed at the Committee's disposal an immense quantity of information. In particular, the Government caused a statement to be drawn up in respect of each colonist, showing the actual position of his property and the manner in which he had discharged his obligations under his colonisation contract. The principal particulars thus obtained were collated in a general statistical table.

The petitioners referred principally in their statement to two provisions of Roumanian law ; Article 10 of the Law for Agrarian Reform in Transylvania, the Banat, Crisana and Maramures of July 23rd, 1921, and Article 2, paragraph 1, of the Law of October 25th, 1921. Article 10 provides that " the holdings of colonist farmers who settled subsequently to January 1st, 1885, shall be expropriated in so far as they exceed the maximum area of land granted in the district to beneficiaries under Article 92 ". According to Article 97 of the Agrarian Law, the maximum area of these holdings is 7 jugars. The petitioners alleged that the system of expropriation whereby the maximum area retained by the owner was 7 jugars constituted an exception to the general rule applied to other farmers cultivating their own land, and an exception which only affected persons belonging to the Hungarian minority. According to this general rule, estates cultivated by their owners were to be expropriated in such a manner as to leave the owners considerably larger areas.

Article 2, paragraph 1, of the Law of October 25th, 1921, declares null and void any acts relating to State lands carried out after December 1st, 1918, by the Hungarian Government or its representatives in respect of territory transferred from Hungarian to Roumanian sovereignty. The petitioners asserted that their holdings had been formed out of land belonging to the Hungarian State ; that a certain number of holdings had not been entered in the land register, in consequence of administrative delay, until the spring of 1919, and consequently that those entries could be regarded, under the Roumanian Law of October 25th, 1921, as null and void in law and in fact. They said that their right of ownership, which had been acquired years before, could in this way be annulled without any compensation.

The question which the Council had to decide in connection with this petition was whether the application to the colonists of the provisions of Article 10 of the Agrarian Law for Transyl-

vania and of Article 2, paragraph 1, of the Law of October 25th, 1921, was consistent with the Roumanian Minorities Treaty, and especially with the clause whereby Roumanian nationals belonging to racial, religious or linguistic minorities should enjoy the same treatment and the same *de jure* and *de facto* guarantees as other Roumanian nationals.

In reply to the colonists' complaints, the Roumanian Government observed that such colonisation as took place after 1885 had no economic purpose and merely deprived of the possibility of acquiring land a large agricultural population which possessed no cultivable land at all. The result of these measures of colonisation had been that, when the Roumanian Agrarian Reform was introduced in the districts where colonisation had taken place, there were, on the one hand, large numbers of peasants with holdings of from 15 to 25 jugars (holdings distributed under the Agrarian Reform have a maximum area of 7 jugars), and, on the other, native peasants who were landless and living in direct poverty. Despite the expropriation of the large estates, there was still insufficient land in the district in which the colonies were situated to meet the claims of all those entitled to benefit by the agrarian reform. The stipulation contained in Article 10 of the Agrarian Law for Transylvania had therefore been necessary. The Roumanian Government added that, in the distribution of the allotments formed out of land expropriated, either from large land-owners or from colonist farmers, no distinction was made on the ground of the nationality of the beneficiaries.

In regard to the law concerning the cancellation of acts relating to land in the territory united to Roumania, the Government declared that it had in no way affected the position of the farmers who obtained their land by the regular procedure and could prove that they had paid their annual instalments to the proper authorities. The only entries revised or cancelled under the above-mentioned law had been those irregularly entered. Those cancellations had not involved any dispossession between 1918 and 1925, when the petitioners had submitted their complaints.

The question was discussed at the Council meeting on September 5th, 1925, when the Brazilian representative, after consultation with the British and Swedish representatives, submitted a report in which, after surveying the history of the case, he examined the statistics and other information furnished by the Roumanian Government. In particular, he drew attention to the following points: the number of farmers concerned was about 2,300. The total area of their farms was 42,000 jugars. Of this area, 25,000 jugars, or about 60 per cent of the total area, had been expropriated or was about to be expropriated in virtue of Article 10 of the Law on Agrarian Reform. The contracts dated on an average from about 1900. The farmers were required to pay for fifty years, starting with the third year (in some cases sooner), an annual sum for the amortisation of the capital and interest charges. During the first years these annual sums had consisted mainly of interest, and only a comparatively small amount represented amortisation of capital. The application of Article 10 of the Agrarian Law left the expropriated farmers with an amount of ground exceeding, and in some cases far exceeding, the standard holding for the district — that was to say, the portion of ground allotted by the Agrarian Reform authorities even to Roumanian farmers occupying the twenty-six village settlements. The expropriated farmers were left in possession of their houses, plantations and all installations on their farms. A considerable number (1,519 out of a total of 5,416) of the interested parties between whom the expropriated land was divided was made up of persons belonging to the families of the farmers.

The Rapporteur then informed the Council of the fact that the Roumanian Government had caused an examination to be made of the position of each farmer in regard to the fulfilment of all his contract obligations, and to the possibility of exercising the right of free purchase reserved to the Government by the contract in the event of the non-fulfilment of its clauses. The Rapporteur stated that in all probability a considerable number of farmers could be completely deprived of their holdings (including houses and other fixtures) if the Government were to make against them a strict application of all the clauses in their contracts. These contracts, which had been drawn up by the former Hungarian Government with the object of retaining a very comprehensive control over the farmers for fifty years, contained some stipulations which were extremely hard upon the farmers and would offer the Government many opportunities of exercising against the farmers a right of repurchase which, under existing circumstances, would deprive the farmers of their homes in exchange for a practically negligible compensation. The Roumanian representative had, however, strongly insisted upon the point that his Government had no intention of availing itself of this right of redemption at the expense of the farmers provided that there was no infringement of Article 10 of the Agrarian Law.

The Rapporteur then explained that the Roumanian representative had proposed to the Committee of the Council that a practical solution should be sought which should take into account the interests of the farmers in question without, however, relinquishing the legal standpoint adopted by his Government. The Roumanian representative had recognised that farmers subject to these measures of expropriation were in a special position on account of their geographical situation, and he had suggested that this situation should be taken into account and that the farmers should be offered compensation on humanitarian grounds, irrespective of the expropriation price fixed by the Agrarian Law. He had informed the Committee that his Government was willing to agree to such a settlement, and that the sum which it proposed to set aside for that purpose amounted to 700,000 gold francs. This arrangement was naturally understood to imply that the right of redemption would not be exercised by reason of failure in the past to fulfil any clause in the contracts, and that Article 2, paragraph 1, of the Law of October 25th, 1921, would not, as the Roumanian Government had already explained in a Note dated May 1st, 1925, be put into effect against the farmers. In regard to the distribution to the

farmers of the sum in question, the Roumanian representative had proposed that the necessary arrangements should be made after consultation with the Roumanian Government.

The Rapporteur suggested that the Council should accept the Roumanian Government's offer, which seemed to him better calculated to meet the interests of the farmers and to pacify the inhabitants directly concerned than a legal decision cancelling Article 10 of the Agrarian Law.

After hearing a detailed statement by the Roumanian representative at the same meeting (September 5th, 1925), the Council approved the Brazilian representative's report.

The necessary arrangements for the distribution of the sum of 700,000 gold francs among the farmers formed the subject of further negotiations between the Rapporteur, assisted by the British and Swedish representatives and the Roumanian representative. At its meeting on December 11th, 1925, the Council, on the proposal of the Rapporteur, accepted certain arrangements as the outcome of the negotiations. These arrangements are explained in detail in the Brazilian representative's report. They involved the appointment, for each colony, of delegates elected by the farmers themselves, to draw up, under the supervision of the Roumanian Government, schedules containing the particulars in regard to each farmer for the purpose of the allotment. A right of appeal was allowed. As soon as all the allotments and payments have been carried out, the Roumanian Government will notify the League of Nations and will forward at the same time the list of payments made to each farmer showing whether disputes have arisen, and, if so, how they have been settled.

VIII. MINORITIES IN TURKEY.

On February 27th, 1925, the Secretary-General received a petition signed by an Armenian refugee at Athens with regard to the return to Armenian refugees of their deposits in certain foreign banks in Smyrna and their property in Asia Minor.

In accordance with the usual procedure in minority questions, this petition was communicated to the Turkish Government on March 10th, 1925, for observations. The Turkish Government not having sent any observations within the time-limit fixed by the Council's resolutions, the Secretary-General circulated a copy of this petition for the information of the Council, and, in conformity with the Council resolution of October 25th, 1920, the document in question was submitted for consideration to a Council Committee composed of the representatives of Spain (Chairman), Italy and Sweden.

These members of the Council, after examining the question at several meetings, decided that, as the Turkish Government had not yet seen fit to make a statement on the matter, the facts referred to in the petition should be considered by the Council. They accordingly requested the Secretary-General, in a note dated September 26th, 1925, to take the necessary steps to place the question on the agenda of the Council session of December 1925.

Meanwhile, the Turkish Government, in a note dated October 20th, 1925, forwarded to the Secretariat its observations on the question. In this note, it referred, as regards the position of Armenians who had left Turkish territory before the signature of the Treaty of Lausanne, to the statements made by Ismet Pasha at the Lausanne Conference, recorded in Minute 13 of the meeting of July 17th, 1923. As regards the deposits in the Smyrna banks, the Turkish Government informed the League that it had already decided to raise the embargo on these deposits.

The Council dealt with this question at its meeting on December 14th, 1925. The Brazilian representative, acting as Rapporteur, observed that it appeared from the note in which the representatives of Spain, Italy and Sweden had brought this matter to the notice of the Council that they had done so in the absence of any observations on the part of the Turkish Government, and that, after the question had been placed on the agenda of the Council, the Turkish note of October 20th, 1925, had been received. In these circumstances, the Council decided, on the Rapporteur's proposal, to refer the question to the Committee composed of the representatives mentioned above so as to enable them to examine it again. It would depend on this examination whether the question would again come before the Council. The representative of the Turkish Government agreed to this proposal and reserved the right to state the point of view of his Government before the Committee and, if necessary, before the Council, should the question be laid before it.

7.

MANDATES.

I. IRAQ.

APPLICATION OF THE PRINCIPLES OF ARTICLE 22 OF THE COVENANT TO IRAQ, AND THE ADMINISTRATION OF THE KURDISH DISTRICTS IN IRAQ.

As stated above ¹ the British Government, by a letter dated March 2nd, 1926, communicated to the Council a Treaty between Great Britain and Iraq concluded on January 13th, 1926.

In examining this Treaty and the covering letter from the British Government from the standpoint of the requirements of Article 22 of the Covenant, the Rapporteur recalled that, by its decision of September 27th, 1924, the Council had approved, as giving effect to the provisions of Article 22 as regards Iraq, the terms of the communication which was then made to the Council by the British Government.

In this communication it was explained that it was the purpose of the Treaty of Alliance between Great Britain and Iraq to ensure the complete observance and execution in Iraq of the principles which the acceptance of the mandate was intended to secure ; and by the same communication the British Government agreed to a series of undertakings vis-à-vis the League of Nations. One of these undertakings was to the effect that no modification of the terms of the Treaty of Alliance would be agreed to by His Britannic Majesty's Government without the consent of the Council of the League.

By the provisions of the new Treaty, which constitute such a modification, the Treaty of Alliance of October 10th, 1922, and the various agreements subsidiary thereto are to remain in force for a period of twenty-five years from December 16th, 1925, unless before the expiration of that period Iraq shall have become a Member of the League of Nations.

The new Treaty further provides for the possible revision during this period of the agreements referred to in Articles 7, 10 and 15 of the Treaty of Alliance (concerning respectively military assistance, execution of certain treaties and certain financial questions) and also for the periodical review of the question whether it is possible for the British Government to press for the admission of Iraq to the League of Nations.

These are the only points dealt with in the Treaty.

The British Government having declared in its letter of March 2nd, 1926, that so long as the Treaty of Alliance remains in force it would regard as binding the undertakings given by it to the Council in September 1924, and would continue to act in conformity therewith ; and that it would not, without the consent of the Council of the League, agree to any modification of the new Treaty nor, as a result of its provisions, of the agreements subsidiary to the Treaty of October 10th, 1922, the Rapporteur proposed, and the Council adopted, the following resolution :

“ The Council of the League of Nations, supplementing its decision of September 27th, 1924, approves the terms of the letter from the British Government dated March 2nd, 1926, to which the text of the Treaty between Great Britain and Iraq dated January 13th, 1926, is annexed, as giving effect to the provisions of Article 22 of the Covenant.”

At the same time the Council decided to forward to the Permanent Mandates Commission a memorandum from the British Government dealing with the administration of the Kurdish districts in Iraq, which was annexed to the letter of March 2nd, 1926, mentioned above. The Mandates Commission was requested to submit to the Council such observations upon this matter as it might deem desirable in view of the Council resolution of December 16th, 1925, paragraph 3 ², and of the recommendations on this subject made by the Commission of Enquiry on the frontier between Turkey and Iraq.

Finally, the Council decided to communicate to the Permanent Mandates Commission a copy of paragraph 4 of its resolution of December 16th, 1925, inviting the British Government to act, as far as possible, in accordance with the other suggestions of the Commission of Enquiry as regards measures likely to ensure pacification and to afford equal protection to all the elements of the population, and also as regards the commercial measures indicated in the special recommendations of the Commission's report. The Mandates Commission was requested to take the provisions of that resolution into consideration when the annual reports concerning Iraq are examined.

In accordance with the decision of the Council, certified copies of the letter of March 2nd, 1926, from the British Government, the Treaty annexed thereto and the report and resolutions adopted by the Council in this connection have been forwarded by the Secretary-General to

¹ See page 28.

² See the chapter on Political Questions, page 26.

all Members of the League. To facilitate reference, these documents, as well as the previous decision of the Council dated September 27th, 1924, and other relevant documents, have been published together as document C. 216.M.77. 1926. VI.

II. WORK OF THE SIXTH SESSION OF THE PERMANENT MANDATES COMMISSION¹.

The documents relating to the proceedings of the sixth session of the Permanent Mandates Commission were considered by the Council on September 15th, 1925. In bringing the question to the attention of the Council the Rapporteur, representative of Sweden, outlined the work done by the Commission, called attention to the value of the Minutes of its meetings and to the collaboration of accredited representatives who had had direct experience with the situation in the territories, and suggested some drafting alterations in some of the proposed resolutions on general questions. Mr. J. Smit, representative of the Union of South Africa; Sir Joseph Cook, representative of Australia; Sir James Allen, representative of New Zealand; and M. de Vasconcellos, representative of Portugal, were present at this meeting of the Council, the latter for the question of the frontier zone between Angola and South-West Africa.

(1) As regards the special observations of the Commission on the administration of the various territories under mandate considered at its sixth session, the Council decided to forward these observations to the Government of the mandatory Power concerned in each case and to request it to take the requisite action. The Council further approved the conclusions of the Commission on the petitions examined, and instructed the Secretary-General to bring them to the knowledge of the petitioners and of the mandatory Powers.

(2) As regards the various questions of general interest arising out of Article 22 of the Covenant with which the Commission had dealt during the sixth session, the Council took the following action :

A. Loans, Advances and Investments of Public and Private Capital.

The Council, after an exchange of views between Sir Joseph Cook, Viscount Cecil and the Rapporteur, the representative of Sweden, adopted the following resolution :

“ The Council,

“ In view of the discussion of the Permanent Mandates Commission, in the course of its sixth session, on the subject of loans, advances and investments of public and private capital in mandated territories, and in view of the earlier discussions and enquiries and of the statements of the mandatory Powers on this subject :

“ (1) Declares that the validity of financial obligations assumed by a mandatory Power on behalf of a mandated territory in conformity with the provisions of the mandate and all rights regularly acquired under the mandatory regime are in no way impaired by the fact that the territory is administered under mandate ;

“ (2) Agrees on the following principles :

“ (a) That the cessation or transfer of a mandate cannot take place unless the Council has been assured in advance that the financial obligations regularly assumed by the former mandatory Power will be carried out and that all rights regularly acquired under the administration of the former mandatory Power shall be respected ; and

“ (b) That, when this change has been effected, the Council will continue to use all its influence to ensure the fulfilment of these obligations. ”

B. Extension of special International Conventions to Mandated Territories.

The Council, after remarks by Mr. J. Smit, Viscount Cecil and the Rapporteur, adopted the following resolution :

“ The Council approves the proposal of the Commission.

“ The Council therefore :

“ (1) Recommends that the mandatory Powers and also all States, whether Members or not of the League of Nations, which have concluded special treaties or conventions with the mandatory Powers should agree to extend the benefits of such treaties or conventions to mandated territories if circumstances render such extension possible and expedient and if the provisions of these international agreements are consistent with the stipulations of the Covenant and the mandate ;

“ (2) Requests the mandatory Powers, subject to the above reservations, to insert in any special treaties or conventions they may conclude hereafter a clause providing for the possibility of their application to mandated territories ;

¹ See Supplementary Report to the sixth Assembly, *Official Journal*, Special Supplement No. 33, page 310.

“ (3) Requests the mandatory Powers to indicate in their annual reports, if possible and expedient, the reasons and circumstances which have prevented the application to mandated territories of the special treaties or conventions which they may have concluded with other Powers during the period under review ;

“ (4) Instructs the Secretary-General to bring this resolution to the attention of the mandatory Powers and all States Members of the League. ”

C. *Frontier Zone between Angola and South-West Africa.*

The Council, after an exchange of views between M. de Vasconcellos, Mr. J. Smit, Viscount Cecil and the Rapporteur, decided to invite the Governments of Portugal and of the Union of South Africa to hasten the conclusion of an agreement to remove any differences concerning the territory situated between Angola and the mandated territory of South-West Africa. It also decided to request these Governments to keep the Council informed of the progress which may be made towards the conclusion of this agreement.

D. *Presentation of Annual Reports.*

In accordance with the proposals of the Permanent Mandates Commission, the Council, after remarks by Viscount Ishii, Sir James Allen, Sir Joseph Cook and M. Paul-Boncour, who pointed out practical difficulties which might arise in certain cases, decided to request the mandatory Powers to make every effort to communicate their annual reports to the Secretariat before May 20th of each year in order to facilitate the work of the Mandates Commission. It also decided to request all the mandatory Powers to insert in the titles of their annual reports the explicit statement that they are addressed to the Council of the League of Nations in conformity with Article 22 of the Covenant.

E. *Communication of Legislative Texts.*

The Council decided to ask the mandatory Powers to forward to the Secretariat the legislative texts applicable to mandated territories in accordance with one of the two methods suggested by the Commission, i.e., either in a bound annual volume or as an annex to the annual report.

F. *Communication of Mandates Documents to Officials in Mandated Territories.*

The Council, after remarks by Mr. J. Smit, Sir James Allen, Sir Joseph Cook and the Rapporteur, endorsed the proposal made by the Commission with regard to the communication of mandates documents to officials in mandated territories whom these documents may concern and called the attention of the mandatory Powers to this proposal.

III. SEVENTH SESSION OF THE PERMANENT MANDATES COMMISSION.

A. *WORK OF THE COMMISSION.*

The Permanent Mandates Commission met at Geneva from October 19th to 30th, 1925, and examined the annual reports on the administration of the following territories : Palestine and Trans-Jordan ; British Cameroons ; Ruanda-Urundi ; South Sea Islands under Japanese mandate ; Western Samoa ; Caprivi Zipfel (part of the mandated Territory of South-West Africa). All these reports, with the exception of the last, were examined in the presence of accredited representatives of the mandatory Powers.

The Commission further considered several petitions and certain questions of a general character arising out of the application of Article 22 of the Covenant and of the mandates. The report of the Commission and the Minutes of its meetings have been distributed to all the Members of the League.

At the beginning of the session, the Commission as usual heard a statement by its Chairman, the Marquis Theodoli, on the work of the Assembly and the Council in connection with the mandates question. The Chief of the Mandates Section, M. Catastini, gave an account of the work of the Section and the communications received since the last session of the Commission.

Iraq.

Mr. Ormsby-Gore, Under-Secretary of State for the Colonies, explained the reasons for a proposal by the British Government that the examination of the report on Iraq, which covered the period from April 1923 to December 1924, should be adjourned.

The Commission, in view of the fact that the effects of the frontier dispute which concerned about a quarter of the territory were being felt throughout the territory and among all the

inhabitants, and desiring not to appear to anticipate a decision which must be pronounced in entire independence and impartiality by the League, decided to adjourn the examination of the report concerning Iraq until these obstacles had been removed.

Syria and Lebanon.

The Commission decided, in view of the crisis in Syria, to postpone the examination of the report for 1924 which was submitted by the mandatory Power. It considered that, in order to form an opinion in regard to the situation, detailed information was necessary with regard to the events of 1925.

The Commission accordingly decided to examine, at an extraordinary session in February 1926, the report for 1924 and a supplementary report on the present situation which the French representative, Count Clauzel, on behalf of his Government, agreed to supply.

The Commission assured the French representative that, while refraining for the time being from any discussion of the situation, it was following most attentively the position in Syria. It hoped that the supplementary report to be examined in February would furnish full explanations as to the causes of the present disturbances and the remedial measures proposed by the Mandatory. The Commission expressed the hope that peace might shortly be restored within the territory.

Observations of the Commission on the Reports Examined.

The observations of the Commission on the reports which it examined may be summarised as follows.

Territories under "A" Mandate.

Palestine and Trans-Jordan.

(Representative of the mandatory Power : the Hon. W. Ormsby-Gore, Under-Secretary of State for the Colonies).

The Commission recorded its special appreciation of the valuable report of the former High Commissioner, Sir Herbert Samuel, on the administration of Palestine for 1920-25.

At its fifth session, the Commission had laid special emphasis on the problems with which the Mandatory for Palestine had to cope in view of its duty not only to safeguard the civil and religious rights of all inhabitants irrespective of race and religion but also to place Palestine under such political, administrative and economic conditions as would secure the establishment of a National Home for the Jewish people.

The Commission was impressed with the broad-minded view of the relations between the different racial and religious groups presented by the Mandatory. It expressed its regret that certain elements of the population did not appear to recognise that the essential principles embodied in the mandate provided the only substantial basis for the economic and political development of the country. On the other hand, it was glad to learn from the accredited representative that political agitation had decreased, and it trusted that, in the near future, an extension of co-operation between individuals of the various religious groups might be found possible, particularly in municipal and district affairs.

The Commission was glad to know that, in the opinion of the accredited representative, the enactment of the Palestine Citizenship Order in Council should do much to strengthen a sense of Palestinian nationality.

The Commission also recorded its satisfaction that the population, both Jewish and Arab, was increasing and that there was no unemployment of any account in the country. It seemed evident that these favourable conditions, so far as the Jewish element was concerned, were depending for the present in large measure on funds from abroad, but the Commission expressed the hope that they would still continue when these funds were no longer available.

With regard to Jewish immigration, it noted that measures had been adopted by the British Administration so that Palestine might readily absorb all immigrants admitted and offer them suitable employment. The Commission noted also that the Mandatory was ready to pay special attention to any requests made by or on behalf of such settlers for the acquisition of State or waste land, without prejudice to the rights of other sections of the population. It expressed a desire to be kept informed of the progress made in carrying out the survey of the country which is considered by the Mandatory as a necessary preliminary to the allocation of Government lands, and asked for information on the exact methods used or contemplated by the Government for disposing of any of these lands.

The Commission requested that future reports should contain fuller information concerning labour conditions in Palestine. In view of the increase in industrial activity, it asked for details of legislative and administrative action for the protection of workers and particularly for the regulation and control of child labour.

Particular interest was attached to the development of educational facilities in Palestine. The Commission expressed the hope that, when the financial situation improved, the Govern-

ment would be able to devote larger funds to the opening of village schools in Arab communities, and also that more substantial assistance might be given to Jewish schools in view of the constantly increasing number of pupils.

The Commission noted with satisfaction that the peace and order prevailing in Palestine had enabled the Mandatory to maintain only a very small armed force in the territory. Health conditions, it noted, were improving, and the Jewish Hadassah medical organisation had rendered important services to all sections of the population.

The Commission asked to be kept informed of any progress made in the delimitation of the frontiers of Trans-Jordan, and requested that the next annual report should contain much fuller information on this territory. It also asked for further data concerning public finance.

Territories under " B " Mandate.

British Cameroons.

(Representative of the mandatory Power : Major Ruxton, Lieutenant-Governor of the Southern Provinces of Nigeria.)

While appreciating the information contained in the report concerning the part played by the natives in the administration of the country, the Commission asked for explanations which would enable it to form a clear view of the programme which guided the mandatory Power in developing the territory in the interests of the inhabitants, particularly in the moral and economic fields. It also requested information as to the measures contemplated to improve health conditions in the territory, as well as on certain points with regard to labour conditions, slavery, liquor traffic, education and public finance.

Ruanda-Urundi.

(Representative of the mandatory Power : M. Halewyck, Director-General in the Belgian Colonial Ministry.)

The Commission examined the text of the law on the administration of Ruanda-Urundi promulgated by the Belgian Government on August 21st, 1925, which had called forth adverse comment in certain quarters. It noted the explanations of the accredited representative of the mandatory Power as furnishing an authoritative interpretation of the text.

The accredited representative stated that his Government, conforming strictly to the terms of the mandate, was, in framing the law, in no wise influenced by any desire for annexation. He declared that no provision of the law was intended to confer upon the inhabitants of Ruanda-Urundi the status of Belgian subjects — a measure which would have been contrary to the decision taken by the Council at the suggestion of the Permanent Mandates Commission. He added that the Belgian Government wished neither to change its policy of indirect administration, which had so far been attended with happy results, nor to diminish the prestige of the two native chiefs.

The Commission noted these statements as well as explanations given with regard to the text of certain articles of the new law upon which, in the Commission's opinion, an unfortunate construction might be placed.

Information was requested by the Commission as to the intentions of the Mandatory with regard to the development of means of communication to Ruanda-Urundi from the Congo and from the Indian Ocean ; the circumstances in which forced labour was exacted ; the importation and consumption of spirits ; native administration ; the police forces of the territory ; and the general educational policy of the Administration.

Satisfaction was expressed that the credits for the extension of the public health services had been increased. The attention of the Mandatory's representative was, however, drawn to the very high death rate in the Urundi prisons.

The Commission noted that the system of collection of the native tribute by native tax-collectors — which led to abuse — had been abolished, and asked for further data on certain financial questions.

Territories under " C " Mandate.

Caprivi Zipfel. (Part of the Mandated Territory of South-West Africa).

The Commission asked that the next report on the Caprivi Zipfel should contain fuller information on the population, the administrative staff, tribal organisations, public health work, the budget, and, in particular, on the administrative relations between the Caprivi Zipfel and the mandatory Power.

Pacific Islands under Japanese Mandate.

(Representative of the mandatory Power : Mr. Y. Sugimura, Assistant Director of the Japanese League of Nations Office in Paris.)

The Commission recorded its appreciation of the improvement in the form of the report, of the detailed information it contained, and also of the courtesy of the Mandatory in having, by means of a film, enabled the members of the Commission to obtain an impression of life

in the Pacific Islands. It expressed the hope that the next report would contain a clear statement with regard to the powers and activities of the native chiefs and the general policy of the mandatory Power of associating natives in the administration, and information as regards the measures taken to encourage officials of the mandatory Power to learn the native languages.

The Commission noted the explanation of the accredited representative that the Convention on the Traffic in Women and Children had not been made applicable to the mandated territories because no traffic in women and children existed in the territories.

The liberal public health measures adopted by the Mandatory and the fulness of the part of the report on education were noted.

The Commission requested further particulars on the production and sale of sugar-cane and on expenditure for the direct benefit of the natives, and expressed its desire to learn the results of the enquiry regarding native rights in land.

Western Samoa.

(Representative of the mandatory Power: the Hon. Sir James Allen, High Commissioner for New Zealand in London, assisted by Mr. J. D. Gray, Secretary of the External Affairs Department of New Zealand.)

The Commission, after hearing a statement by Mr. J. D. Gray, said that the information furnished enabled it to grasp the broad-minded policy which guided the Mandatory in its efforts to promote the welfare of the natives without neglecting the legitimate interests of the other inhabitants of the territory.

The Commission noted the constant attention paid both by the Administration and by the missions to the education of the natives. It also expressed its interest in the efforts of the Mandatory to obtain the adoption of a system of tenure for native land which would facilitate the transition from communal to individual ownership, and requested that the next report should furnish information on the application in Western Samoa of the provisions of the International Labour Conventions and Recommendations and of the New Zealand labour laws and regulations. The Commission also asked for additional information on the working and number of the district councils and village committees; and on the revenue and expenditure of the territory.

* * *

Under the rules of procedure of the Permanent Mandates Commission, the accredited representatives of the mandatory Powers are entitled to comment upon the observations of the Commission. These comments are forwarded to the Council together with the report of the Commission.

The Belgian representative gave certain explanations with regard to the death rate in the prisons of Urundi. The other representatives intimated that they had no comments to submit.

Petitions.

The Commission considered a certain number of petitions from individuals and communities in mandated territories. These petitions had been forwarded through the mandatory Powers, whose observations upon them were in most cases also transmitted.

(1) Petition from the Ashkenasic Community in Jerusalem.

This petition was directed against certain administrative regulations now in force by which the Ashkenasic Community is affected, and also against a draft ordinance for the organisation of the Jewish communities in Palestine.

The Commission regretted that the Mandatory had not furnished it with any explanations which would enable it to consider the complaints of the petitioners with regard to certain administrative regulations concerning in particular the slaughter of animals, the tax on unleavened bread and the refusal officially to recognise the community. The Commission noted the intention expressed by the Mandatory not to interfere in any way with the religious freedom and liberty of conscience of the various religious sects and requested that the complaints of the Ashkenasic Community might be promptly examined by the responsible authorities.

As regards the proposed ordinance concerning the future legal status of Jewish communities in Palestine, the Commission noted a statement of the Mandatory that it was prepared to consider the wishes of the Ashkenasic Community.

(2) Two Petitions from the Executive Committee of the Palestine Arab Congress.

The first petition, contesting the very principle of the Palestine mandate, was not taken into consideration by the Commission. As regards the second, the Commission doubted whether

it could make an adequate recommendation on the sole basis of the written documents, even if these were examined with the assistance of the accredited representative of the Mandatory against which the petitioners felt they had cause for complaint.

In view of this difficulty and of information to the effect that further petitions from the same source would be forthcoming, the Commission postponed its decision.

(3) *Letter and Memoranda from the Zionist Organisation on the Development of the Jewish National Home.*

These documents contained certain definite complaints in addition to a considerable amount of useful information.

One complaint was to the effect that Article 6 of the Palestine mandate, providing for the intensive settlement of Jews on the land, including State and waste land not required for public purposes, had not so far been effectively applied. Although the Commission stated that it could not recommend the allocation to Jewish immigrants of land already held by the native population, it expressed its conviction that the Mandatory would do its utmost, but without prejudicing the rights of other sections of the population, to give full effect to Article 6 if lands were available after the completion of the present survey.

With regard to a complaint that only 3 per cent. of the sum set aside from funds appropriated by the Administration for education had been used to subsidise Jewish schools in Palestine, the Commission was of opinion that the explanation given on this subject by the Mandatory was sufficient.

* * *

On two other petitions the Commission decided to take no action.

General Questions.

Ex-Enemy Property in Mandated Territories.

In view of their importance from the standpoint of a full comprehension of economic conditions in the territories, the Commission requested information on a certain number of points with regard to the present situation of the estates which were formerly the private property of ex-enemy nationals and which had been liquidated under the Treaty of Versailles.

Petitions.

The Commission, in view of the fact that the mandatory Powers had not always, when communicating petitions to the Permanent Mandates Commission, forwarded their comments on these documents, suggested that, to avoid any misunderstanding, the mandatory Powers should be asked to indicate, with reference to all points raised in such petitions, whether they agreed with the petitioners or took some other view of the matter.

Despatch of Reports.

The Commission emphasised the fact that it had again been seriously handicapped in its work because several of the annual reports only arrived on the eve of its session. In order to remedy this situation, it proposed that a definite date, which could actually be observed, should be fixed by the Council for the receipt of each report.

B. ACTION TAKEN BY THE COUNCIL.

The work of the Permanent Mandates Commission at its October session was examined by the Council on December 9th, 1925. The Chairman of the Permanent Mandates Commission, Marquis Theodoli, attended the meeting.

The Rapporteur, the Swedish representative, in his report referred to the observations of the Commission as regards Palestine and Trans-Jordan, Ruanda-Urundi, Iraq and Syria. He further noted that a legal opinion on the status of the Caprivi Zipfel had been received from the South African Government after the close of the session. As regards the receipt of the annual reports, he trusted that, in the future, the Council might confidently expect the reports to arrive at the times indicated, or that, if in any case this should be impossible for some exceptional reason, the mandatory Power would inform the Secretary-General, for the information of the Mandates Commission, well in advance.

As regards the communications from the Executive Committee of the Palestine Arab Congress, the Rapporteur recognised the limitations under which the Commission was acting, but expressed the conviction that, under the circumstances, the Council would only ask the Commission to give a statement of the best judgment it could form from the information placed at its disposal.

On the proposal of the Rapporteur, the Council called the attention of the mandatory Powers to the proposals of the Commission in regard to petitions and information concerning the present situation of ex-enemy property. It also approved definite dates for the despatch of the annual reports of the Mandatories.

The Council associated itself with the strong desire expressed by the Commission for a prompt and satisfactory re-establishment of order in Syria. It approved the convocation of an extraordinary session of the Commission at Rome in February 1926 to consider the special report of the French Government.

With regard to Iraq, the Council noted the reasons which led the Commission to postpone the examination of the report of the British Government.

The Council decided to forward to the mandatory Powers for the requisite action the Commission's observations on the annual reports examined, together with its conclusions regarding the different petitions, which were approved by the Council. The Secretary-General was also requested to bring these conclusions to the knowledge of the petitioners.

IV. EIGHTH (EXTRAORDINARY) SESSION OF THE PERMANENT MANDATES COMMISSION : SYRIA AND THE LEBANON.

A. WORK OF THE COMMISSION.

The Permanent Mandates Commission held an extraordinary session in Rome from February 16th to March 6th, 1926, to examine the report of the French Government on the situation in Syria and the Lebanon in 1924, a provisional report for 1925 and a certain number of petitions. M. Robert de Caix, former Secretary-General of the High Commissariat in Syria, attended the session as accredited representative of the mandatory Power.

(a) *Observations of the Commission on the Report for 1924.*

After hearing the accredited representative of the Mandatory and asking for explanations with regard to certain points in the report for 1924, the Commission requested the Mandatory to furnish supplementary information, in particular, on the national status of the inhabitants in the different parts of the mandated territory, the number of French officials and the posts they occupy, distinguishing those in the pay of the Mandatory and those employed by the native Governments ; the relations between army officers and the civil Government ; regulations concerning the appointment of native officials ; the success of the system of introducing French judges into the native courts of Great Lebanon ; adherence to various international conventions ; progress in the training of teachers for primary and secondary schools ; granting of concessions ; settlement of Armenian refugees ; the regulation of prostitution ; the antiquities law ; the legal status and financial condition of the Hedjaz Railway ; the treatment by the Customs officials of the imports from various countries ; the substitution of a fixed tax for the farming of tithes ; and demographic statistics. Satisfaction was expressed with the efforts made in the interest of public health, but further data were requested concerning infant mortality.

The Commission further requested the Mandatory to embody in its next report a complete account of all legislative or administrative decrees applying to forced labour, paid or unpaid ; of the number of workers so employed and of the number of days of work during the year. In regard to the plans of the mandatory Power for the general improvement of economic conditions, particularly by the development of public works, industry and agriculture, the Commission expressed the hope that they would not prove too onerous for the possibilities of the country and that the full collaboration of the local authorities would be obtained.

Recalling the terms of Article 17 of the mandate, according to which copies of all laws and regulations promulgated during the year should be attached to the annual report, the Commission voiced its regret that the texts in question had not been communicated to it with any of the reports of the Mandatory.

In the course of the session, one copy of the administrative Acts of the High Commissioner during the period 1920-24 was received from the accredited representative, but no similar texts were communicated for 1925.

(b) *Observations of the Commission resulting from the Examination of the Provisional Report for 1925 and of certain Petitions.*

Before submitting its observations to the Council on the report for 1925, the Commission made a point of stating the conception it had formed of its mission. It recalled that, by the last paragraph of Article 22 of the Covenant, it was instructed " to receive and examine the annual reports of the mandatory Powers and to advise the Council on all matters relating to the observance of the mandates ". Basing its opinion also on its Constitution, adopted by the Council, the Commission considered that it possessed two salient characteristics : the Commis-

sion is a purely advisory organ and its deliberations are simply the result of the sum of the individual convictions of its members.

The Commission considered that its task was at the same time one of supervision and of co-operation.

“ It is its duty, when carefully examining the reports of the mandatory Powers, to determine how far the principles of the Covenant and of the mandates have been truly applied in the administration of the different territories. But, at the same time, it is its duty to do the utmost that lies in its power to assist the mandatory Governments in carrying out the important and difficult tasks which they are accomplishing on behalf of the League of Nations, and on which they render reports to the Council.

“ The procedure followed by the Commission and the character of the observations which it has the honour to submit to the Council have been dictated by its desire to carry out, so far as the circumstances enable it to do so, this double mission of supervision and co-operation. As it is anxious not to make the task of France in Syria and the Lebanon impossible of performance, it does not in the present instance recommend the Council to set up a commission of enquiry independent of the mandatory Power. Nevertheless, recognising its duty of supervision, it has not felt able to abstain from expressing certain criticisms. ”

From the outset, the Commission refrained from examining petitions claiming complete independence for Syria and also those protesting against the administration of that country being assigned to France, for the reason that this mandate was assigned to France at San Remo, in 1920, in virtue of a decision of the Supreme Council. In this connection it observed that any attempt to infer from this circumstance that these claims and protests had encountered tacit or indirect approval from the Commission would be singularly ill-inspired.

The Commission noted that the provisional report of the Mandatory, which it expected to constitute its principal source of information, contained lacunae not only in its statement of the immediate causes of the recent risings but also in regard to the underlying causes of an unrest which had in no way been brought out in previous reports. This document, it added, was not accompanied by any reports of enquiries into the general situation, nor on the extent to which the various representatives of the Mandatory in Syria might have incurred responsibility. No observations had been received from the Mandatory on the petitions, which, in conformity with the procedure approved by the Council, had been communicated to the French Government. The Commission noted that this inadequacy of the written documentation had had the effect of prolonging its debates. It pointed out, however, that the accredited representative had, on many points, supplied information which made up for the deficiencies in the report.

The Commission explained that its report only set forth such conclusions as affected the essential points examined during the session and that the Minutes must be regarded as an amplification of the report.

Before examining the provisional report, the Commission considered it desirable to afford the accredited representative of the Mandatory an opportunity of explaining the conception formed by his Government of its mission in Syria.

M. de Caix spoke as follows :

“ The idea which has governed, if not the whole exercise of the mandate, at any rate all the efforts made to organise it, is the following : The mandate is a provisional system designed to enable populations which, politically speaking, are still minors to educate themselves so as to arrive one day at full self-government. This presupposes that the mandatory Power will gradually create native organisations in the mandated territory such as may, when complete, be able to ensure entirely the government of the country and such as may, if they carry out their duties in a proper manner, render the intervention of the Mandatory unnecessary. It appears from this that there should not be any intervention on the part of the organs of the mandatory Power in the internal affairs of the native governments. ”

The Commission heard this declaration with very great satisfaction. It considered that the conception of the mandate, as thus defined, was in strict harmony both with the letter and the spirit of Article 22 of the Covenant and also of the mandate for Syria and the Lebanon ; it pointed out that the more unmistakably the mandatory Power gave evidence, by every act of its administration, that it remained true to this doctrine, and the more generally the inhabitants of the mandated territory were imbued with that doctrine, the more speedily and completely would peace be established.

The Commission then considered whether Syria presented a favourable field for applying the doctrine of the mandate as above defined.

It was admitted, in the first place, that the proclamation of the right of peoples to determine their own destiny, the war-time declarations of the French and British Governments and the text of the Covenant itself may have led the Syrians to expect complete and immediate independence. Furthermore, although it was the intention as early as 1919 that Syria should be placed under a French mandate, the authority of France was not established in the interior of the country for some time, and an incessant campaign was being waged there against France. Thus from the time when the mandate was first introduced, there had been in Syria, side by side with parties favourable to France, other parties which were hostile to French influence and to the mandatory system itself. The environment amid which France, as the Mandatory of the League of Nations, had to establish an efficiently conducted native government and organise the machinery of representative institutions consisted, in fact, of an upper class composed of

elements some of whom clung to a policy of systematic opposition and the remainder of whom were insufficiently prepared to play an effective part in the working of a modern State, and a majority which, for the most part, was passive and in a state of dependency.

In addition, the Commission noted that, within a population of only 2½ millions, the Mandatory had to deal with various races and with no fewer than eighteen different creeds more or less mutually antagonistic.

While rendering this tribute to facts, the Mandates Commission was far from aiming any reproach at peoples who, submissive during centuries to a regime which had never prepared them, to quote the words of the Covenant, "to stand by themselves under the strenuous conditions of the modern world", and who, in virtue of the sufferings they had endured and of the justice of some of their present aspirations, were deserving both of interest and of sympathy.

After thus reviewing the principal difficulties inherent in the administration of Syria, the Commission proceeded to examine the methods applied by the Mandatory.

On this occasion, it examined some of the grievances voiced by various petitioners.

As regards *the external policy* followed by France on behalf of the mandated territories, the Commission considered that the Mandatory, in virtue of Article 3 of the mandate, was alone responsible for the foreign relations of the mandated territories, and that, in consequence, the complaints of the petitioners that the inhabitants of Syria and the Lebanon had not been more closely associated with the action taken in this field were devoid of any legal foundation. It noted with satisfaction that representatives of the local authorities had several times been called upon to co-operate in international negotiations of a technical character.

As regards the political agreements concluded by the Mandatory, the Commission was not of the opinion that they had unjustifiably affected the territorial integrity of Syria and the Lebanon. The Commission noted with satisfaction M. de Caix's statement to the effect that the conventions recently concluded by M. de Jouvenel and the Angora Government would be communicated to the League for approval, so far as they affected the boundaries of the mandated territory, before being put into force.

Complaints had also been received with regard to *the territorial organisation* of Syria and the Lebanon. The Commission pointed out that Article 1 of the mandate provided that the Mandatory should enact measures to facilitate the progressive development of Syria and the Lebanon as independent States and should, as far as circumstances permitted, encourage local autonomy.

In the opinion of the Commission, it was clear that this passage, far from forbidding the Mandatory to set up a system of the widest local self-government, actually required it to do so, and the statements of the accredited representative showed that it was not the intention of the Mandatory to encourage a separatist policy. It nevertheless observed that disadvantages might have resulted, during the last few years, from the various alterations effected in the territorial organisation; and that a stable and definitive regime would be advantageous both for the Mandatory and the inhabitants of the mandated territories.

As regards the organisation of *the judicial system*, the Commission came to the conclusion that some degree of uncertainty and confusion had been created in the minds of the population owing to the multiplicity of civil, penal, administrative and military courts — native and French — and that it would be in the interest of good administrative order that the competence of the different courts should be clearly defined.

With regard to *the Moslem Wakfs*, the Commission took note of declarations of the accredited representative to the effect that the administration was conducted by the Mandatory in complete accordance with religious law and the dispositions of the founders as required by the mandate. It also noted with interest that a scheme was being considered under which the members of the Councils of the Wakfs would be appointed by a Moslem electoral college which would have the right to choose the general comptroller.

Certain petitioners — in particular, the Executive Committee of the Syro-Palestinian Congress — having criticised the operations of the Bank of Syria, as tending to extract and export the greater part of the gold of the country, the Commission pointed out that considerable quantities of gold still remained in the country, although the Bank had been at work for several years. As there were no regulations or statistics which gave colour to the idea that its operations had resulted in an appreciable export of gold, the Commission felt that it should not attach any weight to the complaint of the petitioners on the last point.

The Commission further considered that the allegation that the Mandatory was attempting to drain Syria of its gold currency was without foundation. It felt, however, that a *monetary system* based on the parity of the Syrian and French currencies had a twofold disadvantage for the mandated territories. In the first place, the fluctuations of the French franc might produce unfortunate effects on economic conditions in Syria and the Lebanon. In the second place, the Mandatory, by bringing the Syrian pound into close relations with a foreign currency, would run the risk of impeding the development of its own policy, which aims at preparing the mandated territory for the full exercise of its independence.

Complaints regarding the disbandment of *the old Syrian Army* did not form the subject of any recommendation to the Council, the Commission being of the opinion that the Mandatory, by disbanding an army which was animated by a spirit clearly hostile to its authority, had in no wise violated the terms of the mandate.

Finally, the Commission noted a declaration of M. de Caix to the effect that the present High Commissioner in Syria had been instructed by the French Government to institute a searching enquiry into the causes of the present situation in the territory considered in all its aspects, and to extend this enquiry to all the facts alleged in the petitions received by the Permanent Mandates Commission in regard to which it had not been in a position to form an opinion.

* * *

The events which had their origin in the Jebel Druse received special consideration by the Commission.

The fact that nothing in the previous reports of the Mandatory gave any grounds for anticipating the revolt which broke out in July 1925 led the Commission to conclude that the occurrence was due to immediate causes of recent origin. At the same time, it considered that, in order to gain an intelligent view of this insurrection, account must be taken of the very peculiar environment in which it broke out.

The Druse mountaineers are profoundly attached to their independence, a characteristic which was so clearly recognised by the representatives of the Mandatory that, as early as March 1921, a special agreement was concluded with the Druse chiefs, according to their country a very large measure of autonomy.

The Commission considered that one of the causes of the revolt was the failure of certain representatives of the Mandatory in the Jebel Druse to understand the peculiar conditions which led to the agreement of 1921, as illustrated in the too hasty pursuit of far-reaching reforms in regard to land tenure and public works.

The Commission considered that there was no doubt that such circumstances might have given rise in the minds of the Druses, who had been disturbed in their traditional habits and subjected to demands in the form of forced labour, to a deep feeling of resentment.

The Commission was impressed by the gathering discontent, the repeated and disregarded warnings, growing more intense, which culminated, after the dismissal of a Druse delegation, in the arrest, on July 11th, of a delegation of notables who had been summoned on the pretext of hearing their complaints. These proceedings had resulted in the recall—perhaps too long deferred—of General Sarrail, and the Commission did not think it should dwell any further upon them.

The spread of the disorders to Damascus and other parts of Syria appeared to have been due to the failure of the first attempts at repression ; the intervention of unruly bands, eager for plunder ; the propaganda carried on by inhabitants hostile to the mandate, assisted by the social influences at their disposal ; and, above all, the unrest and latent discontent prevailing in different parts of Syria—more particularly at Damascus.

The Commission reserved its opinion on the measures of repression till able to examine them in the light of a report on the investigation to be conducted by the High Commissioner.

It confined itself to pointing out that it was part of the duty of the Mandatory to maintain order in the mandated territories, the governing consideration in such circumstances being to preserve its moral authority free from all blemish and to do nothing which might compromise the future success of its policy.

* * *

The Commission then endeavoured to form an opinion on the extent to which mistakes in policy might have contributed to the unrest and discontent which had developed in Syria.

Although realising that abrupt changes in policy could be accounted for by a conscientious endeavour to arrive at the best possible adjustment, the Commission was particularly struck by the lack of continuity which appeared to have marked the policy followed by the mandatory Administration in certain questions of primary importance, characteristic examples being the successive changes which had taken place within a period of five years in the territorial organisation of the country ; in the internal administration of the different States ; in the number of judicial bodies ; and in the competence and composition of the courts.

From 1919 to 1925, there had been five High Commissioners — exclusive of acting High Commissioners. In the opinion of the Commission, inconsistency in the higher direction prevented continuity of policy and inevitably produced instability throughout all grades of the organisation. In this connection, the Commission queried whether the conception of the mandate as defined by M. de Caix had invariably guided the French Administration in Syria. It recognised the various difficulties inherent in the application of a political system so novel as that of the mandate ; it considered, nevertheless, that the spirit of this institution emerged with sufficient clearness from the Covenant and from the mandate itself, which says :

“ Pending the coming into force of the Organic Law, the Government of Syria and the Lebanon should be conducted in accordance with the spirit of this mandate. ”

The preamble of the mandate indicated that the Mandatory “ shall be charged with the duty of rendering advice and assistance ” and alluded to “ the degree of authority, control or administration to be exercised by the Mandatory ”. According to Article 11, the latter may impose taxes and Customs duties. These provisions obviously assigned to the Mandatory an active rôle in the administration, and it is natural that it should have been led to intervene with particular energy in the earlier years of the mandate ; but it seems clear that the French advisers had shown a too pronounced tendency to take the place of the native authorities.

In this way the mandate appeared to the Syrians to be gradually transforming itself into a system of direct administration.

The Commission, nevertheless, pointed out that the apathy and inefficiency of the native organisations accounted in a large measure for this departure of the French advisers from the rôle assigned to them. It expressed its regret that the staff which was at the disposal of the Mandatory for the most delicate and highest duties, even for those of State governors, did not constitute, owing to the diversity of its origin, a sufficiently coherent and experienced body of officials.

The Commission noted that the condition of public opinion had led the authorities to maintain a military intelligence service whose officials might in certain cases have been beyond the control of the local authorities. Further, the proclamation at intervals of martial law, with all that it implied, was bound to impede both the action of the civil power and the regular establishment of the mandatory régime. The result, the Commission considered, had been a certain degree of confusion, the evidence of which was particularly apparent when the duties of High Commissioner and Commander of the occupying troops were vested in one and the same person.

If the present events appeared to be attributable in a certain measure to the representatives of the mandatory Power in Syria, the Commission pointed out that but for the sacrifices made by France, amounting to thousands of human lives and milliards of francs, the inhabitants of the mandated territories would probably have long since fallen again under a foreign yoke, from which their unaided efforts would never have sufficed to free them. Their protests would, it added, have had more weight if they had appeared to be more aware of this elementary truth.

The Commission concluded as follows :

“ France proclaims that she is not pursuing in Syria and the Lebanon any other aim beyond that of assisting nations, which from henceforth are recognised as sovereign, to acquire the capacity to exercise this sovereignty themselves. It must be admitted that a refusal to collaborate in carrying out the mandate, far from hastening the day of complete emancipation, can only postpone it. The impatience of the Syrian patriots, which sometimes takes the form of an attitude indifferent and even hostile to the mandate, should henceforth find expression in a loyal and trustful collaboration. The Commission ventures to hope that the energy hitherto shown by certain Syrian parties in preventing the success of the policy of the mandatory Power within the country and in denouncing this policy outside will henceforth be devoted to supporting it.

“ Since the mandatory Power affirms solemnly and quite clearly that its policy has no other aim beyond the establishment of a free Government in Syria and the Lebanon, and since the new High Commissioner, Senator de Jouvenel, has conspicuously shown by his declarations and acts that he entirely adheres to this policy, it will be easy for those living under its administration, by associating themselves with the mandatory Power, to show proof of their wisdom and their maturity ; and, since their ideal is bound up with that of the country which is provisionally exercising a political guardianship over them, their efforts should tend to encourage and to hasten the realisation of this ideal. Henceforth, persistence in rebellion must be deprecated, not only by the mandatory Power and by the League of Nations, but by all those in Syria, in the Lebanon, or outside, who desire to see peace, prosperity and freedom prevailing in a country which is now divided by sterile bloodshed and strife. ”

(c) *Comments submitted by the Accredited Representative of the Mandatory Power.*

M. de Caix, after expressing his appreciation of the conscientious work of the Commission, replied to certain criticisms formulated with regard to the French administration.

Referring to a passage of the Commission's report concerning the “ deeper causes of an unrest which had in no way been brought out in the reports for preceding years ”, M. de Caix observed that the silence of the previous reports on this point was due to the fact that no unrest had existed to which they could draw attention, nor had there been anything to point to the existence of deeper causes which might have led up to, and given warning of, the events of 1925. To the accredited representative, these events appeared to be the result much less of fundamental causes of discontent denounced by the petitioners than of the purely incidental cause of the Druse rebellion, which the systematic opponents of the mandate had endeavoured to exploit by extending a disturbance which nevertheless had remained comparatively restricted.

As regards international relations, the accredited representative pointed out that he could not have declared that the conventions which had been concluded or which were to be concluded by the mandatory Power with Turkey, and which make purely local modifications in territorial boundaries, would be communicated “ for approval ” to the League of Nations. Such a communication, which was not provided for in Article 3 of the mandate, could only be the communication stipulated in Article 18 of the Covenant of the League.

He said that the report very rightly drew attention to the moderating influence to be exercised on group rivalries and personal ambitions by a permanent and stable régime, particularly as regards the territorial organisation of the mandated countries. He pointed out, however, that the delay in the establishment of such a régime could hardly be imputed to vacillation or lack of continuity in the policy of the Mandatory. In his opinion, there appeared to be little evidence of sudden reversals or changes of policy ; rather had there been gradual

development and the adaptation, with due regard to the wishes of the parties concerned, of an organisation which — as the High Commissioner had been careful to point out — was, during the whole of the first period, of a provisional character and subject to subsequent amendment.

Similarly, M. de Caix drew attention to the fact that the necessary modifications introduced in the judicial organisation of the mandated countries were not the outcome of changes of policy but of the necessity of providing for the transition of Syria and the Lebanon from a regime of capitulations to a regime of sovereignty in judicial affairs. He considered that these countries now possessed a judicial organisation which was much simpler than that of the Ottoman regime or of the period immediately following the war, and one which was beginning to afford them much surer guarantees than those given by the courts to which they could formerly apply.

While abstaining from dealing with all criticisms, the accredited representative felt bound to point out that the sequence of events did not justify the statement that the mandate appeared in the eyes of the Syrians to be gradually changing into a system of direct administration. The evolution that was taking place — characterised as it was by the steady growth in the organisation of native powers and the gradual transference to the national Governments of the services common to all which were at first administered by the High Commissioner — was moving rather in the opposite direction.

Moreover, although it might be true that the officials appointed to execute the mandate had not always held that community of traditions and of policy which would have helped them in their task, yet it should be remembered how new that task was and how little time there had been for the function to create the organ.

To conclude, M. de Caix declared that the Commission had shown that in its work a spirit of supervision went hand in hand with one of co-operation, on which, as it had stated, its work should in part be based. It was this spirit of co-operation, he said, which inspired the mandatory Power itself in its relations with the League.

B. ACTION TAKEN BY THE COUNCIL.

The Council, on March 17th, 1926, took note of the observations of the Permanent Mandates Commission, of the comments of the accredited representative and of a report which the Swedish representative submitted on the subject. The Chairman of the Mandates Commission was present at the meeting.

The Swedish representative outlined in his report the work of the Commission, drawing special attention to the Minutes of the session. He expressed the hope that the observations which the Commission had unanimously adopted would serve to enlighten public opinion on the recent happenings in Syria and assist the Mandatory in solving the problems which lay before it.

The Rapporteur added that the Council would appreciate the future efforts of the Mandatory to keep the Commission fully informed with regard to developments in the mandated territory by forwarding promptly all possible material, including the results of the enquiry undertaken by the present High Commissioner.

Referring to observations of the accredited representative in respect of the communication to the League of the Convention recently concluded by M. de Jouvenel, the Rapporteur thought that the Commission must certainly have had in mind not only Article 3 of the mandate but also Article 4, which reads :

“ The Mandatory shall be responsible for seeing that no part of the territory of Syria and the Lebanon is ceded or leased or in any way placed under the control of a foreign Power. ”

The Rapporteur considered that the powers vested in the Mandatory by Article 3 of the mandate did not include the right to cede or lease on its sole authority any part, however small, of the territory.

He pointed out that the insurrectionary movement was still going on, and that the Council could only regard the situation with grave concern and trust that it might soon be brought to an end by the efforts of all concerned.

He agreed with the Permanent Mandates Commission that the only possible and proper solution was the loyal co-operation of all the groups with the mandatory Power in the re-establishment of peace and normal administration on the basis of the policy which had recently been proclaimed by M. de Caix and M. de Jouvenel as representatives of the French Government, and which had been emphatically endorsed by the Mandates Commission.

In conclusion, the Rapporteur quoted the last two paragraphs of the Commission's report, which have been given in full above, and stated that he felt sure that the sentiments expressed in these paragraphs would find the ready support of all those who, whether as inhabitants of the country or as agents of the mandatory Power, were actively and directly concerned in the successful fulfilment of the programme for Syria which is laid down in Article 22 of the Covenant and in the mandate itself.

The Rapporteur asked the mandatory Power, if it thought it desirable, to distribute these two paragraphs widely throughout the mandated territory as an indication of the views of the competent organs of the League of Nations on the policy which they most wholeheartedly supported.

The French representative, M. Paul-Boncour, in his remarks, explained that the recent agreements with Turkey in respect of frontiers concerned only the final settlement on the spot

of the boundaries fixed by the agreements of 1921 and confirmed by the Treaty of Lausanne. He thanked the League of Nations and the Rapporteur for having invited the Syrian population to enter into a loyal co-operation with the High Commissioner, who had defined the duties of the mandatory Power in terms which the Permanent Mandates Commission had approved, and he thought that this would be the most effective conclusion of the report — a conclusion to be given by the League itself.

The Rapporteur, the representatives of the British Empire, France, Czechoslovakia and Italy, and the Chairman of the Permanent Mandates Commission then proceeded to an exchange of views on the replies to be made to petitioners. The Council postponed its decision in the matter.

On this occasion, the British representative made reservations in respect of that part of the Commission's report in which it explained its method and the spirit in which it interpreted its duty. The British representative said that he proposed to consider the matter further and, if necessary, to bring it before the Council at some later stage.

The Council then decided, according to the usual procedure, to forward the report of the Commission and the report of the Rapporteur to the mandatory Power with a request that it take the requisite action.

V. VIEWS OF THE MANDATORY POWERS ON GENERAL QUESTIONS.

In view of the fact that replies had not been received from some of the mandatory Powers to the request made by the Council in August 1924 for their views in respect of certain general questions to which the application of Article 22 of the Covenant had given rise (military recruiting of inhabitants of mandated territories outside such territories; State domain; definition of terms concerning the liquor traffic), the Council on December 9th, 1925, instructed the Secretary-General to ask these Powers to forward their observations for the consideration of the Council at its session in March 1926. As not all of the replies desired had been received at that time, the Council again decided to postpone the matter until its June session.

At the December session, the Swedish representative called attention to the fact that confusion occasionally arose in view of the different methods used by the mandatory Powers in replying to the requests by the Council for information or for observations on general or on special questions concerning the mandates, and expressed the view that the work of the Council and the Mandates Commission would be facilitated if the different Governments would follow the practice of dealing at as early a date as possible, and in a separate communication, at least with any general question to which their attention was drawn by resolution of the Council. The Council adopted a resolution in this sense.

VI. BOUNDARY BETWEEN KENYA COLONY AND THE MANDATED TERRITORY OF TANGANYIKA.

On September 25th, 1925, the British Government communicated to the Secretary-General a copy of the English text of the draft agreement between the British and the German Governments which had been prepared in 1914 to define the boundary between British and German East Africa. The British Government explained that the Acting-Governor of Kenya Colony had reported that certain minor difficulties had been experienced in connection with the exact representation of the boundary between that colony and Tanganyika Territory, and had requested that he might be furnished with a copy of the instrument defining the boundary. The British Government assumed that the boundary envisaged by the mandate was that defined in the above-mentioned agreement and accordingly instructed the Acting-Governor to adopt it as the correct boundary between the two territories.

The Council, at its meeting on December 9th, 1925, took note of the communication from the British Government.

VII. THE BELGIAN LAW OF AUGUST 21st, 1925, CONCERNING THE ADMINISTRATION OF RUANDA-URUNDI.

In a memorandum dated September 16th, 1925, the German Government called the attention of the Council to a law, dated August 21st, 1925, providing for the future administration of the mandated territory of Ruanda-Urundi, and, in its capacity as a signatory of the Treaty of Versailles, raised certain objections to that law, maintaining that it is not in conformity with Article 22 of the Covenant.

The Belgian Government, in a note dated October 16th, 1925, contested the right of Germany to intervene in questions relating to the application of Article 22 of the Covenant as long as she is not a Member of the League of Nations. On the other hand, in the same note, the Belgian Government expressed its intention to initiate through its accredited representative, at the seventh session of the Mandates Commission, a discussion on the legality of the status given to Ruanda-Urundi by the law in question.

After thus referring to the communications from the two Governments, the Rapporteur summarised the observations made by the Mandates Commission as the result of its careful examination of the law in question (see above under III) and expressed the following opinion :

“ Although it seems to me that the drafting of certain articles of the law might give rise to doubt, I have, after careful consideration, come to the conclusion that the authoritative interpretation furnished by the accredited representative is sufficient to dissipate any fears which may have been felt as to a possible covert annexation of the territory, and that the Council is justified in contenting itself with taking note of the explanations and assurances thus given. ”

The Council adopted the conclusions of the Rapporteur's report.

VIII. COMPOSITION OF THE PERMANENT MANDATES COMMISSION AND QUESTION OF ALLOWANCES TO ITS MEMBERS.

In the course of the eighth session of the Permanent Mandates Commission, the Chairman informed his colleagues of the death of M. Beau (French), recalling his work on the Commission, of which he had been a member from the very beginning, and paying a tribute to his memory.

M. Beau having informed M. Scialoja, Acting-President of the Council, before the eighth session that he would be unable to attend on account of his illness, the latter, in view of the exceptional circumstances of the case, authorised M. Roume, Honorary Governor-General of the Colonies, to sit on the Commission for that session, as substitute for M. Beau.

On March 15th, 1926, the Council associated itself with the regrets expressed by the Mandates Commission at the death of M. Beau and asked the Secretary-General to express the sympathy of the Council with the bereaved family.

On the proposal of the French representative, M. Merlin, former Governor-General of Indo-China, Honorary Governor-General of the Colonies, was appointed member of the Mandates Commission to succeed M. Beau.

* * *

On December 10th, 1925, the Council considered a report by the representative of Sweden concerning the question of granting a fixed annual allowance to the members of the Mandates Commission in addition to the daily allowance of seventy francs usually received by members of League Committees during the sessions.

The Rapporteur pointed out that, according to the constitution of the Commission, its members could not hold any office putting them in a position of direct dependence on their Governments, a restriction which is not imposed in the case of other Committees ; and also that, in so far as it concerned the financial administration of the League, the question fell within the special field of the Assembly. The British representative enquired whether the proposed arrangement would have any effect on other Committees of the League, and the Council decided to refer the matter to the Supervisory Commission for a report.

IX. MANDATES DOCUMENTS.

A. THE REPRINTING AND DISTRIBUTION OF THE ANNUAL REPORTS OF THE MANDATORY POWERS.

In accordance with the resolution of the fifth Assembly¹, and on the basis of a credit of 25,000 francs included in the budgets for 1925 and 1926, the Secretariat has taken steps to make the annual reports of the mandatory Powers available to the Members of the League and to the general public.

All the reports received by the Secretariat during 1925 and considered by the Permanent Mandates Commission at its sixth and seventh sessions have been reprinted, distributed to the Members of the League, and placed on sale by the Secretariat.

On the other hand, the Publications Sales Department of the Secretariat has been able to secure from the mandatory Powers a certain number of copies of those of the annual reports published before 1925 which are still available in the original edition. The Secretariat has begun to reprint the reports which are now out of stock and which the mandatory Powers do not intend to reprint themselves, in order that a complete set of back reports may always be available.

As regards future reports, arrangements are being made by the Publications Sales Department to purchase from the various mandatory Powers a certain number of copies of the original editions of their reports. In the case of the reports on the Pacific Islands under Japanese mandate, the Japanese Government has offered to furnish 300 copies of future reports, free of charge, in addition to the 100 copies already supplied for official distribution.

¹ See report to the sixth Assembly, *Official Journal*, Special Supplement No. 33, page 225.

B. ANALYTICAL TABLES OF THE DOCUMENTS OF THE MANDATES COMMISSION.

The fifth Assembly recommended that analytical tables should be drawn up as an annex to the reports of the Permanent Mandates Commission. In accordance with this recommendation, an index to the records of the Minutes and reports of the first five sessions of the Commission has been prepared by the Indexing Section of the Secretariat and was published in December 1925. It is proposed that this index shall be kept up to date by the publication of an annual supplementary volume.

8.

SLAVERY.

On September 28th, 1925, the Council decided, in accordance with the request of the sixth Assembly, to communicate the draft Convention on the Slave Trade, slavery and other similar conditions which was recommended for approval by the Assembly, as well as the report of its Sixth Committee concerning this Convention, to all the Members of the League and to the following Governments: Afghanistan, Ecuador, Egypt, Germany, Mexico, Russia, the Sudan, Turkey and the United States, requesting them to forward to the Secretary-General not later than June 1st, 1926, any observations they might desire to make regarding the provisions of the draft. These Governments were further urged to make every effort to adopt at once all possible measures in conformity with the draft Convention, and to assist one another forthwith in the abolition of the slave trade, slavery and analogous conditions by all practicable means and, in particular, by the conclusion of special agreements and arrangements.

The sixth Assembly also asked the Council to invite the Governments "to appoint at a later date plenipotentiaries, who will meet at the time of the opening of the seventh Assembly to re-examine, if necessary, the articles of the draft Convention and to sign immediately a text of the Convention which has been agreed upon". As there was no urgency in the matter of determining the exact procedure to be followed for the purpose of concluding the Convention, the Council postponed its decision on the point until its session in June, and in order that it might then be able to act with as full a knowledge as possible of the views of the various Governments on the proposed Convention, the Council in March decided to draw the attention of the States to the desirability of despatching their observations so that they would reach Geneva not later than June 1st, 1926, and even earlier if possible.

Up to the present date, the views of the following Governments have been received: Abyssinia, Australia, Austria, Bulgaria, Cuba, Czechoslovakia, Denmark, Egypt, Esthonia, Finland, Great Britain, India, Japan, Latvia, New Zealand, Norway, Poland, Salvador, Kingdom of the Serbs, Croats and Slovenes, Sudan, Switzerland and the United States of America.

9.

WORK OF THE TECHNICAL ORGANISATIONS.

I. ECONOMIC AND FINANCIAL ORGANISATION

A. WORK OF THE ECONOMIC COMMITTEE.

1. COMMERCIAL ARBITRATION.

The Protocol on Commercial Arbitration¹ has received the following signatures, ratifications and accessions up to date:

Signatures. — Austria, Belgium, Brazil, British Empire (for Great Britain and Northern Ireland), Chile, Denmark, Finland, France, Germany, Greece, Italy, Japan, Latvia, Lithuania,

¹ See *Official Journal*, Special Supplement No. 13, page 342.

Monaco, Netherlands (including the Dutch Indies, Curaçao, and Surinam), New Zealand, Norway, Panama, Paraguay, Poland, Roumania, Salvador, Siam, Spain, Switzerland, Uruguay.

<i>Ratifications.</i>			<i>Accessions.</i>	
Finland	July	10th, 1924	Southern Rhodesia	December 18th, 1924
Italy	July	28th, 1924	Newfoundland	»
Albania	August	29th, 1924	British Guiana	»
Belgium	September	23rd, 1924	Honduras	»
British Empire (for Great Britain and Northern Ireland)	September	27th, 1924	Jamaica	»
Germany	November	5th, 1924	Leeward Islands	»
Roumania	March	12th, 1925	Grenada	»
Denmark	April	6th, 1925	St. Lucia	»
• Netherlands	August	6th, 1925	St. Vincent	March 12th, 1926
			Gambia	»
			Gold Coast	»
			Kenya	»
			Zanzibar	»
			Ceylon	»
			Mauritius	»
			Gibraltar	»
			Malta	»
			Falkland Islands	»
			Iraq and Palestine	»

The Committee has been able repeatedly to observe the value attached by the commercial world to the work already accomplished by the League of Nations towards establishing the validity and facilitating the execution of voluntary contracts for the settlement of commercial differences by arbitration.

At the same time, the Committee has observed a desire on the part of representative commercial organisations that the Protocol should be more generally adopted by States and that the necessity and possibility of some further international action, whether by bilateral agreements or otherwise, directed towards ensuring the execution of awards of arbitral tribunals made in another country should be explored. The Protocol, of course, contains no provision dealing with the execution of arbitral awards made abroad.

As regards the first point, the Economic Committee can only call the attention of the Assembly to the comparatively slow progress made in the ratification of the Protocol. It is glad, however, to observe that in France the measures for ratification are now practically complete and that in Poland the new uniform legislation presents no further obstacles to the ratification by that country of the Protocol, which it has already signed.

As regards the question of the execution of arbitral awards made in another country, the Committee has thought it desirable to make a preliminary study of the existing situation in the various countries with a view to ascertaining how far it may be practicable, by some form of international action, to ensure that better general arrangements shall be made for this purpose.

In its report to the Council on its session in December 1925, the Committee expressed the opinion that any practical action which may eventually be found possible in this matter requires, as an essential preliminary, the adoption of the Protocol on Commercial Arbitration by a much wider circle of States than have so far given effect to it. On the other hand, it has been brought to the Committee's notice that in certain States, notably in Central Europe, the adoption of the Protocol might be materially facilitated if a solution could be also found for the problem of the execution of awards.

The Committee is disposed to think that the study of this problem, difficult and complicated as it must be in any case, in view of the different legal systems and procedures prevailing in the various countries, would only be rendered more difficult by attempting, as was done at the Conference on International Private Law held at The Hague in October 1925, to deal at the same time with the wider question of the mutual enforcement of judicial decisions. But the Hague Conference itself appears to have had in view the question of the execution of arbitral awards independently of the larger question of judgments, apparently in the desire to respond to the wishes of the commercial world, which were strongly expressed at the International Chamber of Commerce.

The Committee proposes for the present, therefore, to confine its attention strictly to the specific question of providing better means for enforcing, within the territories of the other participating States, arbitral awards of a nature falling within the scope of the Protocol on Commercial Arbitration and given in the territory of a State party to that Protocol.

The Committee has already obtained sufficient information to make it clear that there are great variations of law and practice in this matter among the different countries. To begin with, there are wide differences in the legal provisions and procedures applicable to the execution of arbitral awards made within the country itself, and in the next place there are great variations in the extent to which the treatment of foreign awards in this respect is assimilated to, or differs from, the regime applied to awards made within a country. Some of these differences are closely connected with differences of legal system and traditional practice, and much

patient study will doubtless be necessary before any practical scheme can be envisaged for giving effect to the desire so strongly expressed by the commercial world. The Committee proposes to continue its examination of the question.

2. CONVENTION RELATING TO THE SIMPLIFICATION OF CUSTOMS FORMALITIES.

(a) The Committee is pleased to be able to state that, since September last, the Convention has received four further ratifications, viz., those of Roumania, Sweden, Hungary and China, thus making a total of eighteen ratifications and adhesions. In addition, the Committee has received official information that further ratifications can be expected shortly from a number of other States (Brazil, Czechoslovakia, France, Poland, Kingdom of the Serbs, Croats and Slovenes), draft bills to this effect having been laid before the respective Parliaments.

(b) *Application of the Convention (Article 9).*—The obligation provided for in Article 9 of the Convention to furnish the Secretary-General of the League with a summary of the steps which have been taken by the respective States to effect the simplification of Customs formalities referred to in the Convention has been promptly complied with by the first six States which ratified the Convention and whose reports were due at the end of 1925, i.e., one year after the coming into force of the Convention in their case.

In this connection, the Committee is pleased to state that several of the provisions of this Convention have had the indirect result of providing a suitable basis for the settlement, by means of bilateral agreements as well as of internal regulations, of certain important questions connected with the simplification of Customs formalities.

3. ABOLITION OF IMPORT AND EXPORT PROHIBITIONS AND RESTRICTIONS.

(Execution of the Assembly Resolution of September 25th, 1924.)

On the basis of the preliminary investigations of which a summary was given in the report on the work of the Council laid before the Assembly in 1925¹, as also in its report to the Council on its session in September 1925, the Committee, after very careful study of all the information available, has arrived at the unanimous opinion that the best means of determining definitely how far the conclusion of such an agreement as was contemplated by the fifth Assembly is expedient and practicable is to prepare the provisional text of a draft agreement for the purpose, which may form the basis of further consideration by the Committee in consultation with representative commercial organisations and in communication with the various States interested. The text so prepared and recommended as the basis of further discussion is printed below.

It will be seen that the text takes the form of a series of articles of agreement which could equally well be incorporated in an International Convention (following the precedent of the Customs Formalities Convention) or in a Protocol (following the precedent of the Protocol of Commercial Arbitration). The Committee considers that it is premature at present to attempt to decide the precise form of any instrument that may eventually be adopted.

Generally speaking, the articles set out in the draft explain themselves, and no detailed commentary appears necessary. The Committee, however, desires to call attention to Articles 9 and 10, which prescribe the character and number of the States whose admission and participation are regarded as essential before the proposed agreement shall take effect, and the procedure to be followed if, through subsequent denunciation, the parties to the agreement should be diminished below the aforesaid minimum. The form of these articles is a little unusual, but it has been strongly represented to the Committee that the practical possibility of suppressing import and export prohibitions in one country is so vitally dependent on the corresponding action of the countries with which it has important commercial relations that, without some such stipulation, it would probably be impossible to make the agreement generally acceptable.

Finally, the Committee wishes to revert to the observation already made as to the possibility that prohibitions when abolished might, in some cases, be replaced by prohibitive tariffs.

The question whether the apprehension here indicated is sufficiently serious to make it inexpedient to conclude any agreement for the suppression of prohibitions is, of course, a question of high policy for the consideration of the States.

The Council having approved the Committee's proposal, the annexed text has been sent to all the States interested. As, however, the Governments have already had the opportunity of expressing their opinions when the Assembly resolution of 1924 was communicated to them, the Council has expressly requested them on this occasion to transmit to the Economic Committee the opinions and observations of their representative commercial and industrial organisations as regards the text in question. The same request has been made to the International Chamber of Commerce and to the Inter-Parliamentary Union for Commerce.

* * *

¹ See *Official Journal*, Special Supplement No. 33, pages 228 and 316.

Up to the date of its March session, the Committee had received the observations of the International Chamber of Commerce and of the following States :

Australia	Finland	Latvia
Austria	France	Netherlands
Belgium	Germany	Poland
Cuba	Great Britain	Kingdom of the Serbs, Croats and Slovenes
Czechoslovakia	Hungary	Spain
Denmark	Irish Free State	Sweden
Egypt	Italy	Switzerland
Estonia	Japan	

The Economic Committee was now in a position to begin the examination of the criticisms and suggestions made by the interested parties, with a view to determining how far they justified and required any modification of the text of the draft, or in what form they should be brought to the notice of any Conference to which the draft might eventually be referred.

In the course of this examination (which is naturally incomplete), the Committee has been impressed with the keen interest taken by the commercial and industrial world in the question of freeing international commerce from the serious obstacles offered by Customs prohibitions and restrictions. It may be said generally that practically all the replies received were favourable, in principle, to the proposal to make a concerted effort for this purpose, under the auspices of the League of Nations, though some of the replies expressed doubts whether, until certain conditions have been realised, it would be possible to secure the general acceptance and enforcement of an effective International Convention for the purpose. Apart from these replies, most of the criticisms and suggestions offered relate to questions of form, drafting and procedure.

The Committee is continuing this examination, and hopes shortly to be in a position to make a definite recommendation to the Council as to the most appropriate procedure for arriving at a definite solution of the important problem referred to it.

Annex.

DRAFT ARTICLES OF AN INTERNATIONAL AGREEMENT FOR THE SUPPRESSION OF IMPORT AND EXPORT PROHIBITIONS AND RESTRICTIONS.

(To serve as the basis of further consideration in consultation with representative Commercial Organisations and other competent bodies and with the States concerned.)

Article 1. — Subject to the exceptions provided for in the following articles, each contracting State undertakes within a period of six months to abolish all import and export prohibitions and restrictions and not thereafter to impose or maintain any such prohibitions or restrictions.

In the meantime, the contracting States will adopt all practicable measures to reduce existing prohibitions and restrictions to a minimum and to avoid the imposition of any fresh ones.

Further, they undertake to adopt all necessary measures to see that the provisions of the present Agreement are strictly observed by all Governments, central or local authorities, and that no administrative regulation is issued in contravention thereof.

Article 2. — Should the contracting States in pursuance of their general legislation subject the importation or exportation of goods to certain regulations in respect of the manner, form or place of importation or exportation, or the imposition of marks, they undertake that such regulations shall not be made a means of disguised prohibition or arbitrary restriction.

Article 3. — In the case of any prohibitions or restrictions which may be applied within the limits set by the present Agreement, the contracting States shall in the matter of licences comply strictly with the provisions of Article 3 of the International Convention for the Simplification of Customs Formalities signed at Geneva on November 3rd, 1923.

Article 4. — The following classes of prohibitions and restrictions are not prohibited by the provisions of the present Agreement, provided that they are applied equally to all foreign countries where the same conditions prevail and are not applied in such a way as to conceal measures the object of which is purely economic.

1. Prohibitions or restrictions having in view national defence, public safety or order ;
2. Prohibitions or restrictions issued on grounds of public health ;
3. Prohibitions or restrictions having in view the protection of animals and plants against disease, degeneration or extinction ;
4. Prohibitions or restrictions imposed for moral or humanitarian reasons or for the suppression of improper traffic, provided that the manufacture of and trade in the goods to which the prohibitions relate are also prohibited or restricted in the interior of the country ;
5. Export prohibitions or restrictions issued for the protection of national treasures of artistic, historical or archæological value ;
6. Prohibitions or restrictions intended, in conformity with the national legislation or international conventions, to protect industrial, literary and artistic property, and to prevent unfair competition in regard to the false marking or appellation of origin, on condition that an analogous protection or supervision is applied to national products ;
7. Prohibitions or restrictions imposed for the purpose of extending to imported goods measures of control equivalent or analogous to those applying to home products of the same kind ;
8. Prohibitions or restrictions applied to articles which in the interior of the country are subject to State monopoly or to monopolies granted by the States as regards either manufacture or trade ;

9. Prohibitions or restrictions established in pursuance of international conventions regulating the traffic in arms, opium or other forms of trade which give rise to dangers or abuses, or relating to methods of unfair competition.

10. Prohibitions applicable to coins, gold, silver, currency notes or securities.

Article 5. — Nothing in this Agreement shall affect the right of any contracting State to take on importation or exportation all necessary measures to meet extraordinary and abnormal circumstances and to protect the vital economic and financial interests of the State. Nevertheless, in view of the grave inconveniences caused by prohibitions and restrictions, they shall only be imposed in cases of exceptional necessity and shall not be made an arbitrary means of protecting national products or of discriminating against any other contracting State. Their duration shall be restricted to that of the causes or circumstances from which they arise.

Article 6. — Each contracting State agrees not to invoke the provisions of the present Agreement as a ground of objection to measures of prohibition or restriction applied by another contracting State to the products of a third State which imposes on its products prohibitions or restrictions of a kind prohibited by the present Agreement or which subjects its commerce or shipping to measures of exclusion or discrimination or to unfair methods of competition.

*Article 7*¹. — Should a dispute arise between two or more contracting States as to the interpretation or application of the provisions of the present Agreement, and should such dispute not be settled either directly between the parties or by the employment of any other means of reaching agreement, the parties to the dispute may, before resorting to any arbitral or judicial procedure, submit the dispute, with a view to an amicable settlement, to such technical body as the Council of the League of Nations may appoint for this purpose. This body will give an advisory opinion after hearing the parties and effecting a meeting between them if necessary.

The advisory opinion given by the said body will not be binding upon the parties to the dispute unless it is accepted by all of them, and they are free either after resort to such procedure or in lieu thereof to have recourse to any arbitral or judicial procedure which they may select, including reference to the Permanent Court of International Justice as regards any matters which are within the competence of that Court under its Statute.

[If a dispute of the nature referred to in the first paragraph of this article should arise with regard to the interpretation or application of Articles (...) of the present Agreement, the parties shall, at the request of any of them, refer the matter to the decision of the Permanent Court of International Justice, whether or not there has previously been recourse to the procedure prescribed in the first paragraph of this Article.]²

The adoption of the procedure before the body referred to above or the opinion given by it will in no case involve the suspension of the measures complained of; the same will apply in the event of proceedings being taken before the Permanent Court of International Justice, unless the Court decides otherwise under Article 41 of the Statute.

Article 8. — The present Agreement shall be open for signature for a period of twelve months from the present date by any State which is a Member of the League of Nations or to which the Council shall have communicated a copy for this purpose.

Thereafter, any such State may accede to the Agreement by an instrument communicated to the Secretary-General of the League of Nations, who shall at once notify its receipt to the other parties to the Agreement.

Article 9. — The present Agreement shall be ratified and the ratifications deposited at Geneva with the Secretary-General of the League of Nations as soon as possible. It shall come into effect ninety days after the date on which the Secretary-General notifies the parties that it has been ratified or acceded to by (...) States, including those mentioned in Appendix⁴.

As regards a State ratifying or acceding to the Agreement after it has come into force, the Agreement shall come into force ninety days after the notification of such ratification or accession by the Secretary-General of the League of Nations. If within two years from the present date sufficient ratifications and accessions have not been notified to bring the Agreement into force, the States which have ratified or acceded to the Agreement will confer with a view to deciding whether the Agreement should be put into effect as among themselves.

Article 10. — Any contracting State may denounce the Agreement by a notification in writing addressed to the Secretary-General of the League of Nations at any time not less than (four) years from the date when the Agreement comes into force. Such denunciation shall take effect one year after its receipt by the Secretary-General and shall only operate in respect of the denouncing State.

If one of the contracting States named in the preceding article or five other contracting States not so named denounce the present Agreement, any contracting State shall be entitled to request the Council of the League of Nations to summon a Conference to consider the situation thus created.

If the Council declines this request, any contracting State may denounce the present Agreement by six months' notice.

Should the Conference meet under the auspices of the League of Nations, any contracting State which dissents from its decision may similarly denounce the Agreement by six months' notice.

Article 11. — In order to indicate the progress which has been made in regard to the abolition of import and export prohibitions or restrictions, each contracting State shall, within twelve months of the coming into force in its own case of the present Agreement, furnish the Secretary-General of the League of Nations with a statement of the steps which it has taken for the purpose, with a view to the communication of a summary of this information to the various States.

Article 12. — If before the expiration of the period of (four) years mentioned in Article 10 one-third of the contracting States notify the Secretary-General of the League of Nations of their desire that

¹ This article reproduces the provisions of Article 22 of the Customs Formalities Convention, signed at Geneva on November 3rd, 1923.

² This paragraph is put in brackets to indicate that the Economic Committee wishes to leave open the question of its eventual inclusion or omission.

³ Number to be inserted.

⁴ The list of States to be set out in Appendix will include the principal States of Europe whose participation in the Agreement is of greatest importance, having regard to the magnitude of their trade or their geographical position.

the present Agreement should be revised, the other contracting States undertake to participate in any consultation that may take place with a view to the revision or maintenance of the Agreement.

Note.—The Agreement, if it takes the form of a Convention, will need to be completed by the usual Articles which have become "common form", dealing with such matters as the position of colonies and overseas possessions or of countries which form part of the same sovereign State, the relation of the Convention to the rights and duties of States as Members of the League of Nations, etc.

4. THE ECONOMIC SITUATION OF AUSTRIA.

In September 1925 the Council invited the Economic Committee to examine the report on the economic situation of Austria submitted by Mr. E. T. Layton and Professor Charles Rist.

The Economic Committee devoted the greater part of its seventeenth session, held at Geneva from November 30th to December 4th, 1925, to the study of this document, and submitted for the approval of the Council a detailed report on the improvement of the agricultural output and, in particular, on the appropriate measures for the establishment of a proper balance between Austria's industrial output and her opportunities of exporting sufficient of her products to meet the special needs of her national economy.

In order that all details dealing with the work of the League of Nations on behalf of Austria may be collected in one place, the conclusions of the Economic Committee have been summarised in the section of this report dealing with the financial and economic situation of Austria¹.

5. STATISTICS.

The Economic Committee has been struck by the fact that, in the ordinary course of League business, a very considerable volume of statistics of great interest to Governments and business men has been published, but that these statistics are scattered through a number of different publications.

The Committee is convinced that it would be of great advantage to publish a summary of these statistics in a single volume and has therefore recommended the Council to instruct the Secretariat to prepare a small Statistical Year-Book in which the information available should be collected.

6. FALSE DECLARATIONS IN CUSTOMS MATTERS.

In the last report on the work of the Council², the Committee stated that it had found it necessary, before examining this problem, to undertake, with the help of the Legal and Economic Sections of the Secretariat, certain investigations on legal and administrative points.

The Committee has now obtained this information and, in the light of a series of amendments to the former plan, due to the collaboration of M. Barboza Carneiro and Senator Di Nola, it has concluded that it is essential, if international undertakings in this matter are to be fully effective, to pass national laws imposing civil and penal sanctions both for the presentation, under certain circumstances, of a false declaration in respect of a Customs operation and for the drawing up of a false document which is used for this purpose.

The Committee decided that this suggestion would be borne in mind when it examined both the substance and the wording of the texts which are before it, and it will decide later whether the Council should be asked to submit a definite proposal to the various Governments.

7. ECONOMIC CRISES AND UNEMPLOYMENT.

The two special reports mentioned in paragraphs 3 and 4 of the conclusions given in the last report on the work of the Council³ were laid before the Joint Crises Committee⁴ which met for the third time on March 4th of this year.

The Joint Committee again pointed out how much importance it attaches to the different States compiling the necessary statistical material for determining the index numbers of production, exchanges and prices of products, together with various financial index numbers, from which some idea may be gained of the economic position either of a particular country or of the world in general and on which may be based those forecasts of trade movements which are usually known as economic barometers.

For a long time past, the study of the methods of making use of this material has engaged the attention both of the International Labour Office and of the Economic Committee of the League of Nations. Although these methods have not yet taken the form of a recognised doctrine, certain countries have already had recourse to economic barometers either to gauge or forecast changes in economic conditions or to adjust their credit policy and, in general, to adapt the financial assistance they give to trade and industry to the conclusions they are able to draw from these figures. There can be no doubt, however, that the results of these experiments are uncertain, and cannot provide a sufficient basis for a programme of stabilisation or economic reconstruction on a large scale as long as a proper statistical foundation is lacking.

¹ See page 75.

² See *Official Journal*, Special Supplement No. 33, page 227.

³ See *Official Journal*, Special Supplement No. 33, pages 230 and 231.

⁴ The Joint Crises Committee is composed of members of the Economic and Financial Committees, and of experts appointed by the International Labour Office.

It must be recognised that, in the course of the last few years, considerable progress has been made in the compilation and circulation of financial and commercial statistics and of price index numbers. But in the majority of countries data compiled at regular intervals regarding mining or industrial output are still lacking. The Committee considers it to be most desirable that producing States should make a serious effort to fill this gap. Of all the indications from which an estimate or forecast of the movements of trade and industry can be made, the index number of production is undoubtedly the most essential, and, as long as it is not accurately established in the various countries, there can be no question of using trade barometers as a basis for policy.

The Committee is aware of the fact that even the index number of production requires checking, and that production can go on even when the demand has fallen off, but in this case the corrective is supplied by statistics of stocks to which the Economic Committee, in its report to the Council in May 1924, drew attention as one of the secondary objectives to be aimed at.

Owing to the initiative displayed by the International Institute of Agriculture at Rome, the statistics of agricultural production will henceforward be accessible to all, and from these it will be comparatively easy to calculate the balance of stocks. Governments might therefore confine their attention to establishing index numbers with regard to the output or the stocks of mining and industrial products.

In view of the foregoing considerations, the Joint Committee has adopted the following resolutions :

I. "In order to enable the business world, and especially those responsible for the guidance of economic and credit policy, to base their action on full and correct indices permitting fluctuations of economic activity to be measured and diagnosed, and, further, to ensure that any public or private action that may be taken towards diminishing the violence of such fluctuations should be based on adequate knowledge, it is highly desirable that Governments should collect and publish at intervals as short and regular as possible adequate statistical data to serve as the basis of such indices."

II. "Among the data most essential for this purpose but which are at present most defective in many countries are statistics of industrial output, not only those which result from a periodic census of production but also current figures with regard to the principal industries which should be collected monthly to serve for the compilation of a continuous series of indices of production, for use in conjunction with the results of enquiries made at longer intervals."

III. "The Joint Committee therefore requests the Council to address a strong representation to the various States calling their attention to the great importance attached, especially for the above reasons, to the collection of statistics of production."

IV. "At the same time, the Committee reaffirms its opinion, already expressed in the report of May 1924, that it is of the greatest importance to supplement statistics of production by more complete data as to stocks. It would be glad if its views on this point could be communicated to the special Preparatory Committee on statistical methods which is now engaged in studying this question."

V. "The Joint Committee considers that a Committee of Experts could with advantage be convened to advise as to the scientific and technical aspects of the compilation of indices and economic barometers and the elucidation of the economic criteria resulting from their methodical study."

* * *

Side by side with the study of methods of recording and forecasting economic movements, the Joint Committee considers it important to pursue by all suitable means the study of periodically recurring crises, which the economists of the principal producing countries have long recognised as being an essential factor in any attempt to regulate economic activity and to moderate the effects of those alternating periods of apparent depression and prosperity which hamper the continuity of work and the stability of the conditions under which it is carried on.

The Joint Committee proposes to collect data which will enable it to form a more accurate idea of the laws governing periodic crises and of the methods of mitigating their consequences.

* * *

The movements and crises of economic activity resulting from the free play of private enterprise are not the only phenomena which the Joint Committee has considered deserving of its attention.

Clearly, the economic activity of nations is also influenced by the limitations and disturbances caused by the intervention of Governments and by the variety of the theories and policies which characterise the economic life of each nation.

The Committee also wishes to point out that the precarious nature of the commercial agreements which certain countries conclude for short periods is liable to give rise to crises either in their own economic activities or in their relations with other countries.

In this matter the Joint Committee has been obliged to recognise that, among the factors which contribute most to the economic difficulties of the present moment and to the excessive fluctuations of price which accompany them, the following are deserving of special attention :

(1) The excessive and artificial development of certain industries which were created to meet war needs and which are incompatible with the proper organisation of economic life in time of peace, as well as the establishment under the influence of economic nationalism of certain industries, which present a character of artificiality on the one hand, because they aggravate world over-production, and, on the other, because they bear no relation to the resources and traditions or even to the requirements of the countries which have created them.

(2) The confusion into which international trade has been thrown by excessive Customs protection. On this point, the Committee wishes to draw special attention to the practice of so-called "bargaining" tariffs which have been carried to an unprecedented pitch and are intended to provide bargaining power in commercial negotiations, and which, contrary to pre-war practice, are put into force before they have been reduced by treaty to normal dimensions, and also to the system of the so-called "expansion duties", whose high rates are designed to allow the necessary profits to be obtained from the internal consumer, to compensate for the advantageous prices offered to foreigners.

(3) The serious disabilities under which both the producer and the consumer are placed by the unstable or exaggerated character of fiscal systems, whose effects on national industry are often impossible to foresee and which may be found by experience to be disturbing factors in the national economy or in certain of its branches.

The Joint Committee has also reserved for closer study the variations in the system of prices and the economic disturbances produced, particularly in countries with unstable currencies, by the excessive scale of commercial profits, which are sometimes calculated not only to cover in advance normal business risks but also to compensate for problematical fluctuations, and by the defective distribution of goods at prices which, owing to the profits of middlemen, who are very numerous in some countries, and to the undue cost of distribution, are often excessive.

The Joint Committee believes that considerations similar to those which have thus been outlined in the latter part of its report will have to engage the attention of the forthcoming Economic Conference, the results of which the Council will no doubt await before determining the task to be assigned to the Economic Committee in this matter.

8. UNFAIR COMPETITION.

On the invitation of the Government of the Netherlands, the Economic Committee was represented at the Conference for the Revision of the Convention for the Protection of Industrial Property, which met at The Hague in October last, by M. Brunet and M. Barboza Carneiro, who, thanks to the welcome extended to them by the official delegations of the different Governments, were able to collaborate to a large extent in the discussions of the Conference and helped to bring about the adoption, in the new text of the revised Convention, of the majority of the proposals submitted by the Committee regarding unfair competition.

B. WORK OF THE FINANCIAL COMMITTEE.

1. FINANCIAL RECONSTRUCTION OF AUSTRIA¹.

I. MODIFICATION OF CONTROL.

In its report on the work of its nineteenth session, held at Geneva from September 2nd to 9th, 1925², communicated to the delegates at the Assembly, the Financial Committee submitted to the Council of the League of Nations the following proposals for the gradual modification of the control of the Austrian budget :

- (a) The Council of the League of Nations should take note of the introduction, on August 11th, 1925, of the modified control contemplated in the September (1924) Agreement. The effect of this modification is that the Commissioner-General no longer intervenes in the details of the budget or in expenditure on specific items, but limits himself to the supervision of the general budget position.
- (b) The Council of the League should authorise the Financial Committee to discuss at its next session in December 1925, with the Austrian Government and the other authorities concerned, the precise modalities under which, after control has ceased, the provisions of the Protocols of 1922 should be carried out as regards :
 - (i) The management of the assigned revenue account ;

¹ For the sake of simplicity, the work of the Financial Committee on the Austrian question is described in this part of the report on the work of the Council.

² See *Official Journal*, October 1925, page 1499.

- (ii) The control of the expenditure of the remainder of the Reconstruction Loan, which, under Protocols II and III, devolves upon the Commissioner-General ;
 - (iii) The mode of communication between the Government and the Committee of Control (which, during the period of control, takes place through the intermediary of the Commissioner-General).
- (c) Having regard to the statement of the Austrian Government concerning the previous and the anticipated results for 1925, the control of the Commissioner-General should be limited, as from January 1st, 1926, to a control over the assigned revenues and over the expenditure of the remainder of the Reconstruction Loan, without prejudice to the powers of the Commissioner-General to obtain, as in the past, the information, accounts and figures which he may deem necessary. From this date the Commissioner-General is released from the obligation to reside permanently in Vienna.
- (d) After the passing of the 1926 budget within the limits of the present estimates and the submission of the closed accounts for 1925, as prepared by the Audit Office, the control exercised by the Commissioner-General under the Geneva Protocol should be terminated.

All these proposals were subject to the acceptance by the Austrian Government of the following conditions :

- (i) That the Adviser to the National Bank should remain in office for three years after the definitive termination of control ; and
- (ii) That the Council of the League should, by a three-quarters majority vote — Austria abstaining — within a period of ten years, again re-establish control in the unlikely event of the proceeds from the assigned revenue being insufficient to cover the service of the loan or of the equilibrium of the budget being seriously endangered.

The Financial Committee's object in suggesting these two new conditions was to maintain confidence in the Austrian National Bank and in the general Austrian economic situation even after the termination of the control, in order to facilitate the obtaining of long-term credits. The Financial Committee's proposals were adopted by the Council on September 10th, 1925.

The period since September 1925 has been marked by the progressive execution of the programme outlined in the resolution of September 10th.

Retention of the Adviser to the Bank.

Upon the proposal of the Austrian Government, the National Council voted a resolution on October 14th, 1925, inviting the Federal Government to submit a Bill for the retention of the Adviser to the National Bank for a further period of three years as from the termination of control.

The Board of Directors laid before the general meeting of the Bank a proposal amending certain provisions of the Statutes regarding the foreign Adviser, and in particular Article 130. This proposal was approved by the General Meeting of the Bank on November 4th, 1925.

On December 1st, the National Council passed a law sanctioning the amendments to the Statutes of the Bank of Issue, which law was ratified by the Federal Council on December 3rd. In accordance with this law, the Federal Chancellor stated before the Council of the League, on December 9th, that the Adviser to the National Bank would remain in office for three years after the date of the definitive termination of control by the Commissioner-General. The Council of the League noted this declaration.

The new text of Article 124 of the Statutes of the National Bank of Austria laid down that the Federal President should appoint the Adviser to the Bank on the proposal of the Austrian Government, and that it should be laid down by agreement between the Federal Government and the Council of the League of Nations, to what extent the Federal Government, in putting forward its proposal, should be bound to obtain the agreement of other parties.

Upon the proposal of the Financial Committee, the Council on December 9th, 1925, decided, in agreement with the Austrian Government, that, upon the termination of the functions of the Commissioner-General, the Adviser to the Bank should be appointed by the President of the Federal Republic on a proposal of the Austrian Government in accordance with a nomination made by the Council of the League of Nations by a three-quarters majority vote, Austria abstaining.

This appointment being at the discretion of the Commissioner-General whilst in office, Dr. Van Gyn, Adviser to the Bank, who resigned, was replaced in December 1925, upon the proposal of the Commissioner-General, by Mr. Kay, late Manager of the London Branch of the National Bank of Turkey.

Right of the Council to re-establish Control by a Commissioner-General.

On October 4th, 1925, on the proposal of the Austrian Government, the National Council adopted a resolution noting the Federal Chancellor's report on the negotiations which had taken place between the Austrian Government and the Council of the League of Nations in September 1925, including, in particular, the recommendation relative to the possibility of re-establishing control under certain circumstances. The National Council passed this resolution, including the above recommendation, on the understanding that, as from January 1st,

1926, the control of the Commissioner-General should be limited to the management of the assigned revenue account and to the control of the expenditure of the remainder of the Reconstruction Loan, and that further, after the budget for 1926 had been passed and after the submission of the closed accounts for 1925, duly verified by the Audit Office, the control of the Commissioner-General should be terminated.

On December 9th, 1925, the Federal Chancellor made a declaration to the Council that, during the period of ten years after the date on which the control of the Commissioner-General shall have been brought definitely to an end, the Council of the League of Nations should, by a three-quarters majority vote — Austria abstaining — have the right again to re-establish control by a Commissioner-General if the proceeds from the assigned revenues were insufficient to cover the service of the loan or if the equilibrium of the budget were seriously endangered. In this connection, the Austrian Government would, if it were so requested, give to the Council any information relating to its budget. The Council on the same day noted this declaration made on behalf of the Austrian Government by its duly authorised representative.

Modalities for carrying out the Provisions of the Protocols of 1922 after the Termination of the Commissioner-General's Control.

The two conditions imposed by the decision of the Council on September 10th, 1925, concerning the retention of the Financial Adviser to the Bank and the right of the Council to re-establish control under certain conditions, being thus fulfilled, the Financial Committee was able, during its session held at Geneva from December 3rd to 8th, 1925, to continue with the Austrian Government, the Committee of Control, and the Trustees, the negotiations entrusted to it by the Council concerning the precise modalities under which, after control has ceased, the provisions of the Protocols of 1922 should be carried out as regards :

- (i) The management of the assigned revenue account ;
- (ii) The control of the expenditure of the remainder of the Reconstruction Loan ;
- (iii) The mode of communication between the Austrian Government and the Committee of Control.

The outcome of these negotiations is contained in the resolution adopted by the Council of the League on December 9th, 1925, upon the proposal of the Financial Committee, which comprises the following provisions :

“ (a) The Committee of Control, in the exercise of the powers given to it by Protocol II, may, after the termination of the functions of the Commissioner-General, make any communications direct to the Austrian Government. The Austrian Government will be represented at the meetings of the Committee of Control.

“ (b) The Council, in agreement with the Committee of Control, decides that the special account into which the yield of the gross revenues designed as security shall continue to be paid, in accordance with Article 5 of Protocol III and Clause 8 of the General Bond of the loan, shall be under the management of the Trustees, who shall draw from such special account the sums which, under the terms of the General Bond, are to be provided therefrom for the service of the loan, and shall exercise with regard to the said account the powers which the General Bond contemplates that they shall exercise in control thereof, and, subject to the preceding provisions, shall place the balance of the account at the disposal of the Austrian Government. For purposes of the application of the provisions of the General Bond, the Trustees are substituted for the Commissioner-General in accordance with the stipulation of Clause 23 of the Bond.

“ The management of the special account, as specified above, shall, in conjunction with the powers of the Committee of Control remaining under Protocol II, constitute the ‘ special control ’ which, under paragraph 4 of Protocol III, is to be established when the Commissioner-General's functions have been terminated, and the additional duties and responsibilities of the Trustees are restricted to those defined in the present paragraph and the General Bond.

“ (c) In order to secure the above collaboration between the two bodies, the trustees will, after the termination of the functions of the Commissioner-General, be present, or will be represented, at meetings of the Committee of Control.

“ The Trustees will furnish the Committee of Control with such information as it may request as to the accounts under their control and will warn it if in their view the situation is such as to indicate a danger of default ; in the event of default by the Austrian Government, the Trustees shall forthwith intimate the nature and extent of the default to the Committee of Control.

“ (d) The Austrian Government undertakes to furnish the Committee of Control and the Trustees with such information as they may require in connection with the exercise of their respective functions.

“ The Council observes that, except as provided in the decisions above and the connected declaration of the Austrian Government, the provisions of the Protocols signed on October 4th, 1922, continue to apply.

“ The balance of the loan contemplated by Article 1 of Protocol II shall be retained in liquid form in a separate account managed by a person to be appointed by the Financial Committee, except in so far as it is released for expenditure within the budget for such purposes as the Financial Committee may from time to time approve, and the Austrian Government shall furnish such evidence of the expenditure on purposes so approved as the Committee may desire.”

The significance of these provisions is thrown into relief in the preamble of the Council's resolution, in which, after adopting the recommendations of the Financial Committee regarding the various points as to which it had been asked to make proposals (control of the expenditure of the remainder of the Reconstruction Loan, management of the assigned revenue account, mode of communication between the Government and Committee of Control), the Council :

“ Observes that, at the time when the Council contemplates exercising in the near future its right under Article 4 of Protocol III to bring to an end the functions of the Commissioner-General, a substantial portion of the international loan is still available, the deficits during the reconstruction period having been less than had been originally contemplated ;

“ Notes that this balance will be progressively applied for the benefit of Austrian economic life, and that, as from the beginning of 1926, a substantial part will be devoted to the electrification of the railways and to productive investments ;

“ Is glad that the system contemplated by the Financial Committee for the administration of the balance of the loan has been so devised as to eliminate every element of general financial control and to leave Austria in complete control of her own budget ;

“ Remarks with satisfaction that, under the plan adopted, the special control of the assets assigned for the service of the loan, which, in pursuance of Article 4 of Protocol III, it is the duty of the Council to determine when the functions of the Commissioner-General are brought to an end, can in no case infringe upon the entire political and economic independence of Austria ;

“ Congratulates the Austrian Government and the Austrian people upon its success in the work of reconstruction and earnestly hopes that no effort will be spared to maintain the country's permanent financial stability. ”

The control of the Austrian budget terminated on December 31st, 1925, in accordance with the decisions taken in September and December 1925.

The other functions of the Commissioner-General — in particular, the management of the assigned revenue account and the release of sums out of the remainder of the Reconstruction Loan for approved purposes — have been maintained until the closed accounts of 1925 shall have been placed at his disposition and audited. The Committee of Control of the Guarantor States and the Trustees have signified their assent to the decisions which have been taken, and the control of the assigned revenues, which, according to Article 4, paragraph 5, of Protocol III, is to be maintained after the Council shall have terminated the functions of the Commissioner-General, has been clearly defined.

II. BUDGET AND TREASURY SITUATION. BALANCE OF THE RECONSTRUCTION LOAN.

Budget.

The closed accounts for 1924, as finally drawn up by the Audit Office, show the following results :

	Millions of Gold Crowns
Current expenditure	562.5
Capital expenditure	72.0
Receipts	625.4
Deficit	9.1

To this deficit must be added the sum of 23 million gold crowns, being the deficit on current account administration relative to cash operations, which only temporarily decrease or increase the funds in hand in the Treasury and have consequently no permanent effect on the financial situation of the State.

The budget administration for 1924 would even have shown a surplus — the whole of the capital expenditure being covered by the normal receipts — if it had not been decided, in accordance with a clause in the Agreement of September 1924, to exclude from the budget receipts payments made in the form of payment of taxation bills. For this reason the Treasury receipts suffered, as from October 1st, 1924, an apparent reduction of 20.5 million gold crowns.

The provisional closed accounts for 1925 show the following results :

	Millions of Gold Crowns
Current expenditure	528
Capital expenditure	53
Receipts	594
Surplus	13

Whilst the 1925 budget was not voted till March, the budget for 1926 was passed by Parliament on December 19th, 1925, and it was thus possible to avoid provisional monthly estimates. The budget for 1926 shows the following figures :

	Millions of Gold Crowns
Current expenditure	502.66
Investments	83.95
Receipts	527.92
Deficit ¹	58.69

These figures include all the investment expenditure, as also that entailed by the electrification programme.

The Austrian Government has continued its efforts to reduce the number of officials. From the beginning of the financial reconstruction until the end of the first half-year of 1925, the total number of dismissals was 76,287, and had reached 84,162 by the end of February 1926.

During December 1925, the officials demanded an increase of salary ; the Government agreed to make all officials on the active and retired lists an extraordinary grant equivalent to 28 per cent of a month's salary in January 1926. This extraordinary grant involves an expenditure of 15 million schillings. In order not to exceed budget estimates, the Government stated that the cost of this bonus to the officials would be covered by economies in other directions. The Financial Committee in December 1925 noted this undertaking given by the Austrian Government. In March 1926 the Financial Committee was informed that the Government had not yet been able to make arrangements which will secure more than a portion of the necessary saving ; it received, however, an assurance that the Government was confident that it would be able to effect further economies during the year which would secure the promised result.

During the same month the Government granted a further bonus to the officials, equal to about 22 per cent of one month's pay. In the Preamble of the Bill sanctioning this measure, the Government again affirmed its intention of meeting the additional expenses by means of economies in other directions.

Balance of the Reconstruction Loan. Releases made by the Commissioner-General.

A release of 10 million gold crowns from the Reconstruction Loan was made in 1924. A sum of 42 million dollars from the Reconstruction Loan remained on December 31st, 1924, to the credit of the Austrian Government. Further, there remained intact 20 million gold crowns, being the Swiss issue.

The Commissioner-General released the following sums during 1925 :

	Millions of Gold Crowns
June	9
July	3.1
December	3.4
Total . . .	15.5

This sum is far below the expenditure on productive investments effected by the Austrian Government during the year. The balance of the loan available for the Austrian Government on December 31st, 1925, amounted to 39,400,000 dollars, of which about 32 million dollars was in foreign currencies, together with 53,300,000 Austrian schillings.

It has, nevertheless, already been decided to devote part of this sum to the following purposes :

(i) In agreement with the Financial Committee, an allocation from the loan of a maximum sum of 30.2 million gold crowns may be made for productive investments to be carried out in the budget of 1926.

(ii) In virtue of a resolution adopted by the Council of the League of Nations in June 1925, an allocation from the loan of a maximum sum of 88 million gold crowns, of which 3.5 million gold crowns were released in 1925, may be made for continuing the Federal Railways electrification scheme ; 34.5 million gold crowns will be released during 1926, and the remainder during the following two years.

In virtue of the declarations of the Financial Committee and of the Commissioner-General on December 8th and 9th, 1925, annexed to the report of the Financial Committee to the Council on its session held in December, the Commissioner-General undertook to place at the disposal of the Austrian Government the sums required for the cost of electrification and for capital expenditure the nature and amount of which shall have been approved, irrespective of the budget or Treasury situation.

Furthermore, the Financial Committee stated that it had no objection to advances being made monthly for the electrification scheme or other capital expenditure the nature and amount of which had been approved, immediately the Austrian Minister of Finance should have to effect payments, on condition that the entry of these advances shall be corrected at the end of the month in accordance with the vouchers of the payments made. These conditions are the result of the suppression of the budget control properly so called as from January 1st.

¹ The results for the first few months show a more favourable situation than the budget estimates.

Full responsibility for Treasury administration is given back to the Austrian Government, which need not prove that it is incapable of meeting this expenditure from other resources in order to obtain releases from the balance of the loan within the limits of its agreements with the Commissioner-General. It is in accordance with this new procedure that the Commissioner-General advanced the Austrian Government 29.5 million schillings during the first quarter of 1926 for various investment operations.

On the other hand, the Commissioner-General was led, during 1924 and 1925, to make to the Austrian Government periodical grants of temporary advances out of the balance of the loan, in order to ease the cash situation of the tobacco monopoly and of the Federal Railways, and to facilitate Treasury payments at the end of the month.

Among these advances may be noted :

(a) Advances to the tobacco monopoly and to the railways, amounting respectively to 10.5 and 8 million schillings (repaid to the Commissioner-General during the second half of 1925) ;

(b) Various advances to the Treasury ;

(c) An advance of 30 million schillings at the end of every month to the Post Office Savings Bank, repaid regularly to the Commissioner-General at the beginning of the following month.

During the December session of the Financial Committee, when the modalities for the abolition of budget control as from January 1926 were settled, as also the system which would enter into force with the termination of the functions of the Commissioner-General, it was decided that this system of temporary advances should be continued on the following lines :

The Commissioner-General undertook to continue the system applied heretofore as regards the monthly advances to the Post Office Savings Bank, and to grant the Austrian Government, upon receipt of a simple request, advances up to a total which shall never at any moment exceed the maximum of 10 million gold crowns.

The Financial Committee, on the other hand, declared, with regard to the period during which the administration of the unused portion will be entrusted to a person appointed by it, that the general system whereby the Austrian Government receives temporary advances from time to time out of the available funds of the loan shall be continued — the Austrian Government being able, upon a simple request, to obtain advances from the resident agent in Vienna up to a total which shall never at any moment exceed a maximum of 10 million gold crowns.

Release of a Portion of the Balance of the Reconstruction Loan for the Purpose of developing the Dairy Industry.

Apart from that portion of the balance of the Reconstruction Loan which is employed for various investment expenditure and for railway electrification, and that portion which is reserved, under the form of temporary advances, for the necessary working expenses of the Austrian Treasury, the balance of the loan must be used, in virtue of the resolution of the Council of December 9th, 1925, for such budget expenditure as the Financial Committee may from time to time approve.

The first occasion on which this provision was applied was in the case of the Austrian Government's request, submitted to the Financial Committee during its session of March 1926, for permission to vote a certain sum for the development of the dairy industry. The scheme was to finance the erection of dairies by local co-operative societies. It was understood, in the discussion between the Austrian representative and the Financial Committee :

(a) That the money would be lent by the Government to certain agricultural organisations on conditions which would secure that it was utilised in conjunction with supplementary funds expended by the interested persons themselves ;

(b) That the interest charged would approximate to that payable by the Government on the Reconstruction Loan, with suitable amortisation charges ;

(c) That no financial responsibility for the loan would rest on the National Bank, and that the precise method by which the advances would be handled would be further discussed ;

(d) That the accounts of these operations would be audited by the " Cour des Comptes " and published.

On these understandings, the Financial Committee, in agreement with the Commissioner-General, decided to recommend that the Commissioner-General should be authorised, subject to a satisfactory arrangement of details, to release 6 million schillings from the balance of the loan for the scheme in question.

Temporary Investments of the Balance of the Reconstruction Loan.

The unused portion of the Reconstruction Loan is placed on deposit with the National Bank of Austria to an account called " Account B ", which can only be drawn against on the signature of the Commissioner-General.

During the financial crisis of 1924, the National Bank granted credits in foreign currencies to Austrian private banking establishments, for which purpose it employed part of the funds which remained available from the Reconstruction Loan. At the request of the Commissioner-General, the advances in foreign currencies were reduced in the first half of 1925 to no more

than 27 million schillings out of the League of Nations Loan. The Bank had therefore to keep the greater part of the loan funds invested abroad at a low rate of interest. The Austrian Government has repeatedly pointed out to the Financial Committee that, in its opinion, it was possible to find a better investment for the funds in the Treasury without prejudice to their ready availability and in a manner which would increase the capital resources of Austria. The Government was of opinion that it would be better to leave the investment of the loan funds to the discretion of the National Bank.

After the December session of the Financial Committee, the Commissioner-General agreed to increase from 27 to 35 million schillings that portion of the foreign currencies in "Account B" which could be invested in Austria.

During its March session, the Financial Committee received a further request from the Austrian Government, but preferred, as the system to be approved by the Committee would only come into operation after the termination of the Commissioner-General's control, to reserve its decision on this question until the June session.

III. MONETARY SITUATION. THE BANK OF ISSUE.

Austrian currency has remained perfectly stable since September 1925, and the rate of exchange has shown only very slight variations without once touching the gold-points.

From a comparison of the balance-sheets of the National Bank of Austria on August 31st, 1925, and March 31st, 1926, it will be seen that the principal assets and the liabilities of the Bank show only slight changes. The increase in circulation which occurred owing to end-of-year settlements was rapidly re-absorbed. As regards assets, the reserve (gold and foreign currencies) fell from 516 to 506 million schillings¹. Forward exchange fell from 87 millions to 58 millions, while holdings of bills increased from 73 to 92 millions. The State Debt to the Bank, on the other hand, decreased from 198 to 183 millions.

As regards liabilities, the circulation decreased from 835 to 816 millions (of this latter sum more than 95 per cent was already in the new schilling notes). The total circulation (including current accounts and other sight liabilities) decreased from 875 to 842 millions. On March 31st, 60 per cent of this total was covered by the reserves (gold and foreign currencies). To the note circulation must be added the circulation of metallic currency, which increased from 39 millions at the end of August to 71 millions at the end of March.

The stability of the Bank's balance-sheet is all the more significant in that the National Bank of Austria has continually reduced its official discount rate, which now stands at half the maximum rate (15 per cent) fixed in August 1924. Since then the discount rate has been reduced to 13 per cent (November 6th, 1924); 11 per cent (April 24th, 1925); 10 per cent (July 23rd, 1925); 9 per cent (September 2nd, 1925); 8 per cent (January 28th, 1926); and finally 7½ per cent on March 31st, 1926.

The free exportation and importation of gold have been allowed in Austria since September 1925.

IV. ECONOMIC SITUATION.

In June 1925, the Council of the League of Nations decided to entrust Mr. W. T. Layton, editor of *The Economist*, and Professor C. Rist with a mission of investigation into the economic conditions of Austria. The aim of this enquiry was to ascertain the relations which might exist between these conditions and the work of financial reconstruction undertaken by the League of Nations. Messrs. Rist and Layton submitted their conclusions to the Council in the form of a report (Document C. 440(1). M. 162(1). 1925. II).

Part 1 of the report contains the general conclusions arrived at by the experts; Part 2 contains documentary annexes concerning Austrian industries, agriculture, foreign trade, social conditions, monetary situation, banks, etc.

The experts state that Austria, like all other European countries, has not as yet succeeded in healing the wounds caused by the war, but that, side by side with the process of financial reconstruction, very great progress has also been made in the economic sphere. The financial crisis which, following a period of speculation in 1924, led to the failure of one large bank and many smaller institutions, and to a period of restricted credit and high interest rates, gradually cleared away during the winter of 1924-25, and just as Vienna appeared to be recovering from this financial crisis, unemployment began to increase rapidly.

This increase in unemployment was thought in some quarters to mean that Austrian industry had been seriously hit by the financial crisis and that Austria would not be able to cope with the economic conditions in which she had been placed. The experts are of the opinion that these fears are unjustified. The unemployment is partly explained by the general endeavour made by Austrian industry to reduce costs of production and to eliminate superfluous labour; this reconstruction movement is the counterpart of what has been done in the sphere of public finance.

As regards plant, efficiency of labour, wages level, and social charges, the experts are of opinion that industry has no heavier burden to bear in Austria than in the neighbouring countries.

Whatever results may be expected in the way of improving local agricultural production, or reducing the importation of fuel by developing the hydraulic resources of the country, the

¹ 1 Schilling = 0.2117 gramme of fine gold = 0.694 gold crown = 10,000 paper crowns.

very size of the country within its new frontiers will form a permanent obstacle to Austria's absolute independence of foreign countries. Industrial reorganisation in Austria cannot be confined to the adaptation of production to the home markets ; it is essential that foreign trade should be aimed at also. The question whether Austria will be able to find the necessary markets depends partly upon her own production, but principally upon the tariff policies of those countries with which she is obliged to trade.

It is also a matter of extreme importance for Austria that she should be able to obtain capital at relatively moderate rates of interest. Inflation has determined the diminution of the capital accumulated in the country, and the working capital of the industries has been greatly reduced. At the beginning of 1923, the deposits in the banks were reduced to an insignificant sum. They have continually increased since then, but they still only amount to a small fraction of the 1913 figure.

It is of supreme importance to Austria that her foreign credits should not be withdrawn. This is not merely a question of the rates of interest. It also depends on the confidence of foreign money markets in the stability of Austria's currency, the policy of the National Bank, and the internal political stability of the country.

Finally, the report points out that there are numerous favourable symptoms. The economic revival of Austria is, nevertheless, being accompanied by a very serious increase in unemployment. This crisis would not appear to be the result of an inherent defect in the economic constitution of Austria.

The level of Austrian prosperity will be raised if she can obtain wider markets and if she has the necessary capital available for the period of adaptation in which her industries find themselves engaged.

In order that Austrian reconstruction may be brought to a successful conclusion, two conditions are indispensable :

“ The first of these is obviously the maintenance of a financial policy of strict budgetary equilibrium and monetary stability. This policy, which was inaugurated in 1922 with the help of the League of Nations, has been and still is the indispensable foundation of any permanent improvement.

“ A second condition is the continuation of the work already begun in the direction of reducing cost prices throughout industry. The reduction in purchasing power all over the world means that in every country competition is keener than before the war, and that the reward will go only to those who can succeed in cutting their costs to the minimum by a combination of economy, efficient administration, and scientific development.

“ Austria was the first country in Europe to carry through a really successful programme of monetary stabilisation, and later reforms in other countries have been largely based on the model thus set. She could to-day perform a service which would be at least as full of hope for the future by initiating a new commercial policy based on the ideal of economic co-operation rather than that of narrow self-interest. If this policy were indeed realised, its beneficial results would not be limited to the Danubian States alone but would soon make themselves felt throughout the length and breadth of the European continent. ”

The Economic Committee, invited by the Council to examine the conclusions of the Layton-Rist report, proceeded, at its seventeenth session, held at Geneva from November 30th to December 4th, 1925, to investigate in detail the most effective means for removing the obstacles which the tariff policies of the Cession and Succession States of the old Austro-Hungarian Empire offer to their commercial relations amongst themselves. It recognised that among the methods which had been considered as appropriate for this purpose was a system of preferential tariffs between Austria and all or some of these States, but that this idea had not taken the form of a concrete proposal. In consequence, it submitted to the Council the following recommendations, which were approved by the Council on December 9th, 1925 :

“ (1) The improvement of Austria's agricultural output would seem to be the most essential remedy for the shortage in her food supply, and should be promoted by a suitable system of long-term credits.

“ (2) In order to extend those further markets which Austria requires, notably in her relations with the States which were formed out of or have received part of the former Austro-Hungarian territories, Austria and the States in question should be invited to conclude among themselves commercial agreements of the closest possible character which would by suitable means satisfy the needs of each State without affecting any obligations which it may have assumed towards other States.

“ (3) As regards other States, the Committee is of opinion that they should be invited to seek means — either when their commercial conventions with Austria come to be renewed, or by readjusting those conventions before that date, or by other methods — of completing the economic reconstruction of Austria by extending the outlets for Austrian production and trade.

“ (4) The Committee is further of opinion that the attention of those of the Central European States which have not yet ratified the Convention of 1923 on Customs Formalities be drawn to the urgent necessity of expediting ratification, in view especially of the prejudice caused to their commercial relations with Austria by a continuance of the present state of instability. ”

The decisions taken by the Financial Committee during its March session 1926, with the collaboration of the Economic Committee, regarding the employment of a sum of money to be taken from the balance of the Reconstruction Loan for the purposes of developing the dairy industry, constituted a first attempt at the practical application of the first of the above resolutions.

Commercial Treaties. — In accordance with paragraph 3 of the Economic Committee's recommendation, Austria has actively continued commercial negotiations with the neighbouring countries. These negotiations have had important results.

A commercial treaty came into force on September 16th, 1925, between Austria and the Kingdom of the Serbs, Croats and Slovenes. This treaty included the most-favoured-nation clause. On January 1st, 1926, the special tariff for Austrian goods in Belgium was suppressed, and Austrian goods henceforth receive the full benefit of the most-favoured-nation clause. A commercial treaty was signed with Switzerland on January 6th, 1926. Lastly, commercial negotiations between Austria and Hungary terminated on February 27th in the signature of a treaty under which Hungary grants Austria a reduction in the duties on industrial products and manufactured goods, whilst Austria grants Hungary reductions of duty on agricultural produce and certain industrial goods. Thanks to the most-favoured-nation clause, Austria will also receive, as from February 21st, 1926, the benefit in the Hungarian market of the tariff reductions stipulated in the Austro-Hungarian commercial treaty.

Trade Balance. — The table below shows the movement of Austrian foreign trade during the second half of 1924 and the first and second halves of 1925:

	Imports.	Exports.	Deficit on Trade Balance.
	Millions of Schillings.		
Second half 1924	1,635	897	738
First half 1925	1,247	897	350
Second half 1925	1,606	1,026	580

The deficit on the trade balance shows a remarkable decrease for 1925 as compared with the previous year. Nevertheless, the second half of 1925 was less successful in this regard than the first half. Exports show a fair degree of stability with a regular tendency to increase.

The Labour Market : Level of Prices. — The number of unemployed, which was 111,000 on September 1st, 1925, rapidly increased during the autumn and winter until it reached the figure of 226,000. After that date, seasonal influences led to a decrease in unemployment, and on March 15th the number was 207,000.

Wholesale prices show an appreciable reduction, the index figure for August 1925 being 18,817, and for March 1926, 17,090.

Deposits in the Vienna savings banks and credit institutions continue to show a regular increase. In June 1925, they reached a total of 296 million gold crowns; in December, 392 millions; and in February, 445 millions.

It is noteworthy that the economic crisis has not as yet affected the Treasury revenue.

2. FINANCIAL RECONSTRUCTION OF HUNGARY.

The Report and Supplementary Report to the Sixth Assembly on the Work of the Council¹ include an account of this part of the League's work up to June 1925. The present report covers the period July 1925 to March 1926 inclusive. The following three months will be dealt with in the supplementary report for this year.

PUBLIC FINANCE.

It will be remembered that the first complete financial year of the reconstruction period, July 1924 to June 1925, instead of showing a deficit of about 100 million gold crowns contemplated for this period in the reconstruction programme, ended in fact with a surplus of approximately 63 million gold crowns. There remained in addition a sum of 185 million gold crowns out of the Reconstruction Loan.

The returns of the last nine months show that an equally favourable result may be expected in the present financial year, by the end of which (on June 30th) the Protocol contemplated the attainment of budget equilibrium on a sound and durable basis.

In the gross budget for the financial year 1925-1926, the gross expenditure had been estimated at 603.6 million gold crowns and the gross receipts at 607 million gold crowns, thus leaving a surplus of 3.4 million gold crowns.

The actual results of the first half-year show: gross expenditure 300.2 million gold crowns; gross receipts 357.6 million gold crowns; and surplus 57.4 million gold crowns.

Expenditure during this period had not exceeded the budget estimates, while revenue was about 17 per cent higher, although the turnover tax, one of the chief sources of revenue, was reduced from 3 to 2 per cent.

¹ See *Official Journal*, Special Supplement No. 33, pages 238 and 320.

The Commissioner-General stated in his twentieth report that, on the whole, the results of this period confirmed the opinion which had been frequently expressed in his reports : that the possibility of permanent equilibrium of the budget could be anticipated with confidence.

The next three months show a further surplus of 5.8 million gold crowns in receipts over the actual expenses of the Treasury.

On the revenue side, the most striking fact is the gradual and steady increase in the percentage of direct taxes collected, which amounted during the first half of this year to 83.1 million gold crowns, only 10 millions less than the amount collected from this source during the entire fiscal year 1924-1925. This is partly due to improved conditions, partly to better methods of administration and collection. Meanwhile, the turnover tax, which amounted to 36.5 per cent of the chief sources of revenue in 1923, has fallen to 18.9 per cent and this change in the relative importance of two of the chief sources of revenue indicates a much healthier and more normal state of affairs.

The returns from the pledged revenues converted into gold crowns at average monthly rates of exchange have been as follows :

1925	July	16.6
	August	20.4
	September	23.7
	October	23.9
	November	24.1
	December	25.—
1926	January	20.6
	February	20.3
	March	21.8

The average of these (21.9) is equivalent on an annual basis to 260 million gold crowns, or eight times the amount required to meet the service of the Reconstruction Loan.

The Commissioner-General points out that the average receipts during the first six months of this period were about 17 per cent larger than the same period of the fiscal year 1924-1925, and considers that they have become stabilised at the figure given above. Perhaps a further improvement in financial and economic conditions, which is proceeding slowly but steadily, may result in an increase, but this will probably be offset by some reduction in the Customs, due to the negotiation of commercial treaties.

The draft budget for the year 1926-1927, which was submitted to the Financial Committee and approved by the Council, estimates gross receipts at 619.1 million gold crowns; net receipts, 692.2 million gold crowns; gross expenditure at 618.6 million gold crowns; net expenditure, 692.1 million gold crowns.

This budget has been adopted by the Hungarian National Assembly without substantial modifications.

The Financial Committee commented upon it as follows, in a report adopted by the Council :

“ The budget balances, after allowing for a reduction in the turnover tax from 3 to 2 per cent, for the progressive elimination of the State's participation in rents and for the suppression of certain minor indirect taxes. The level of this budget (after allowance for differences in the basis of calculation) is some 25 per cent higher than the level originally contemplated in the Reconstruction Plan, but, in view of the experience of last year and the Commissioner-General's opinion that the estimates are conservative and that the present total yield of taxation can be permanently maintained, the Financial Committee consider that this budget should be accepted as satisfactory.”

In December of last year, an extensive plot was discovered at Budapest for the forgery of French banknotes. The leaders have been arrested and are on trial. The Commissioner-General, in his twenty-first report, commented upon this incident as follows :

“ The situation was aggravated during January by the disclosures relating to the forgeries of French francs which originated in Hungary and produced a certain effect on the political situation, both internal and external. There is always a certain small section of the business community who are not ashamed to make the most of any trouble that arises and to attempt to turn it to their personal advantage. This section was in evidence for a short time during January and attempted to attack the stability of the currency. They were promptly met by the National Bank, which was in a position to offer foreign exchange, without limit, at the rates of the day; and the movement came abruptly to an end, with the only result that the speculators against the Hungarian currency succeeded in burning their fingers. The currency position in Hungary is sound, and this is due chiefly to the able and conservative policy followed by the Hungarian National Bank during the last eighteen months, the wisdom of which must now be apparent even to those who have criticised the management of the Bank for undue caution and conservatism. The credit position, as a whole, is sound; and local lenders should be prepared, with due discrimination,

to do business with sound borrowers, so that business will not be hampered by undue restriction of credit.”

At the end of the first year of reconstruction 185 million gold crowns remained from the Reconstruction Loan. The Council gave authority that 50 million gold crowns out of this sum should be expended during the present financial year, subject to the agreement of the Commissioner-General, on such commitments for capital investments as the Government might propose and he might approve, and a further sum of 50 million gold crowns was allotted for the same purpose and under the same conditions for expenditure during the financial year 1926-1927.

The sums allocated to the present year, together with the realised budget surplus of 1924-1925, amounting in all to approximately 103 million gold crowns, are being expended with the Commissioner-General's consent on the following objects :

- Construction of the Port of Budapest.
- Building of small State dwellings.
- Loans to drainage societies.
- Construction of roads.
- State Railways; Posts, Telegraphs and Telephones; ironworks, forests, agricultural estates.
- Construction of an underground telephone cable to Vienna.
- Capital for an agricultural mortgage bank.
- Capital and reserve for the Geldinstitutzentrale.
- Construction of certain hospitals.

In determining the programme, the following principles have been followed so far as is practicable. The expenditure should be for permanent rather than purely temporary objects. They should not include items which may properly be considered as current maintenance of existing property which may recur annually and therefore ought to be carried in the Government budget as a part of the current expenditure of the State.

The details of these investments are given in the reports of the Commissioner-General.

NATIONAL BANK OF HUNGARY.

During the year 1925, the internal and external value of Hungarian currency was maintained, and the primary function of the National Bank was therefore fulfilled. The reserves in precious metal and foreign exchange, which are the security for the note issue, increased from 2,479 milliards of paper crowns at the beginning of the year to 3,340 milliards on December 31st, 1925. The increase, amounting to some 35 per cent, was practically continuous, and more than kept pace with the expansion of the currency, for the proportion of cover, calculated in the manner laid down by the Statutes of the Bank, rose from 53.8 per cent on December 31st, 1924, to 56.5 per cent a year later. Meanwhile, the note circulation, after rapidly expanding during the first six months of the National Bank's existence, in consequence of the return of confidence in the value of the currency, had established itself at what may perhaps be regarded as a normal level. At the beginning of 1925, it amounted to 4,514 milliards of crowns; at the end of the year, it was fluctuating around 5,000 milliards. This represents an active circulation of roughly 45 gold crowns (say 37 shillings or 9 dollars) per head of the population.

As explained in the last annual report, Hungarian currency was originally stabilised on a sterling basis. At that time, an agreement was concluded with the Bank of England, which advanced 4 million pounds at the time of the issue of the Reconstruction Loan. This advance, as appears from the weekly returns of the National Bank, had been completely repaid by June 15th. Meanwhile, sterling had risen to pre-war gold parity and had been again set on a gold basis. Stabilisation on a sterling basis was therefore abandoned in the autumn, and Hungarian currency was left to fluctuate naturally between gold points. A natural fluctuation according to the demands of the market was rendered possible by the complete abolition of exchange restrictions. Progress had already been made, step by step, towards a free market, and in November 1925 the position was sufficiently secure to justify the repeal of the Exchange Ordinance of June 1924. Since then, no authorisation has been required in Hungary for exchange dealings and the market has been absolutely free.

The policy of the National Bank was to continue with the gradual accumulation of a reserve in actual gold. Purchases on the London market increased the stock of gold, as shown in the returns, from some 500 milliards of paper crowns at the beginning of 1925 to 740 milliards at the end of the year, so that, on December 31st, 14 per cent of the active note circulation was covered by gold, a percentage which, in the course of the following three months, was increased to more than 20 per cent.

The reduction of the State debt to the National Bank has also been a feature of Hungarian monetary policy. The only regular provision for the reduction of this debt is the annual appropriation of the Government's share in the profits of the Bank and the 1/2 per cent per annum paid by the State by way of amortisation. This provision has been supplemented, wherever

possible, by special appropriations, with the result that the debt, which originally stood at 1,980 milliards of paper crowns, was reduced in the course of the first two years of the National Bank's existence by 82 milliards, or 4.1 per cent. The Commissioner-General was able to state in his report for April 1926 that a comprehensive agreement had been concluded between the Government and the National Bank by which, within a short period of years, the debt of the State to the Bank will have been halved.

Further progress was made during the year with the reduction of interest rates to a more normal level. Bank rate, at the beginning of 1925, stood at 12½ per cent. Reductions to 11 and 9 per cent in March and May 1925 respectively were recorded in the last annual report. A further reduction to 7 per cent was made on October 22nd, 1925, and, in general, open market rates may be said to have followed suit. But in spite of an influx of foreign capital into Hungary, open market (and especially provincial) rates remain considerably higher than Bank rate, and the problem of making Bank rate really effective still remains to be solved.

The Protocols provide that Government balances must be concentrated with the National Bank in order that the independent control of the Central Bank over the money market may be assured. In the first stages of the reconstruction period, it proved to be difficult or impossible to arrange a complete concentration of Government balances. It is satisfactory to be able to record that such a concentration has now been effected in Hungary, without disturbance. The rate of interest on the State debt to the Bank has been reduced, provisionally, from 2½ to 1 per cent in order to compensate the State budget for the loss of interest incurred by the transfer of Postal Savings Bank moneys to the National Bank.

In November 1925, an Act was passed by which a new currency will be introduced in Hungary from January 1st, 1927, though even before that date it may, and in the case of the National Bank it must, be used for accounting purposes. The monetary unit eventually selected was named pengö, and 3,800 pengö (or 3,794 after deduction of the charge for minting) are to be coined from one kilogramme of fine gold. The Note Printing Factory has been acquired by the National Bank and the new notes — which will be Bank notes instead of the Treasury notes at present in circulation — will be introduced at the beginning of next year in denominations up to 1,000 pengö. The Mint is engaged on the production of subsidiary coinage. There will be a silver coin of 1 pengö 640 fine; and also coins in nickel and bronze for 50, 20, 10, 2 and 1 filler, the filler being one-hundredth part of one pengö. The pengö will be interchangeable with 12,500 crowns of the existing paper currency.

The report of the National Bank for 1925 is available, as usual, in French, German and English, as well as in Hungarian. After completely writing off the cost of the new Note Printing Factory and its equipment, and after appropriating to the Pensions Fund (under an Act passed during 1925 to modify the Statutes of the National Bank in this respect) a sum of approximately 6 million gold crowns (£250,000), the directors were able to propose an increase of the dividend from 8½ to 10½ per cent.

ADMINISTRATIVE REFORMS.

The question of administrative reforms has always been of great importance in the reconstruction scheme. It will be remembered that, whereas before the war there were 313,000 State employees, there were still 188,000 at the beginning of the reconstruction period and 182,000 at the end of the first year of reconstruction, although Hungary has approximately one-third of the geographical area and 40 per cent of the population as it existed before the war.

The National Commission of Economies has worked through the previous year and the re-classification scheme which it has set up will leave the total establishment, including the administration of State enterprises and including the Army, at about 165,000, or well over 50 per cent of what it was before the war. Under the reconstruction programme, the Hungarian Government undertook to make a reduction of 15,000 posts and this agreement has been carried out, but the Financial Committee made the following comments upon the situation in December 1925 and March 1926, which were adopted by the Council:

“About 25,000 posts have been suppressed under the reconstruction law and a further 3,000 posts will have been suppressed by June 30th, 1927. While this reduction is greater than the minimum requirements of the reconstruction scheme, the Committee considers that the number of posts still remaining (some 165,000) is capable of considerable further reduction. It desires to refer to its previous declaration on this subject and to repeat its view that:

“‘Nothing would so much assist the permanent equilibrium of the budget position as the preparation of a scheme of reformed administration appropriate to the present administrative requirements of Hungary, in accordance with which actual reductions would be gradually effected. The Committee recognises that, in view of pension charges, etc., the immediate effect upon the budget would not be considerable, but such a reform would make a vital difference to the permanent budget position of Hungary.’

“The Financial Committee has noted the proposals made by the National Commission of Economies set up in January 1925 and approved by the Cabinet, and

certain other proposals by the Commission which are still under consideration by the Government.

“ While the measures approved or advocated go beyond the minimum requirements of the reconstruction programme of 1924, the Committee considers that, for the reasons explained in its previous reports, more drastic reductions would be both practicable and of great advantage to the future financial position of Hungary. ”

ECONOMIC LIFE.

The year 1925 was, on the whole, by far the best which Hungarian agriculture has had since the war. The figures make considerable progress towards the normal pre-war production, and indeed for maize and potatoes surpass the average pre-war production for the present territory of Hungary.

As regards the present year, the Department of Agriculture has reported that autumn sowings of wheat and rye have stood the winter successfully and that prospects are good up to the end of May.

Since the middle of last year, some commercial treaties have been completed, including a provisional treaty between Hungary and Italy for one year, based on a partial application of the most-favoured-nation clause. Other agreements have been made with Spain and Greece, with France and Turkey, but the first commercial convention concluded with a country whose commerce has a prime importance to Hungary was signed with Austria on February 27th, 1926.

The Commissioner-General commented upon it in his twenty-second report as follows :

“ It is to remain in force for an indefinite period unless denounced by either party on three months' notice, and, in case it proves to prejudice seriously any vitally important branch of production, may be terminated on one month's notice, in which case the treaty based on the most-favoured-nation clause, negotiated in 1922, will also terminate. Important reductions are made in the tariffs of both countries. From the point of view of the Hungarian export trade, the most important provisions are those for the reduction of Austrian duties on flour and wine imported from Hungary, which are to be reduced by approximately half.

“ Duties are also to be reduced on certain other agricultural products. Hungary has agreed to important reductions on clothing, linen, soap, boots, fancy leather goods and smaller reductions on a long list of other articles, including stationery, certain kinds of fabrics, yarns and threads, machinery and hardware, varying between 20 and 50 per cent. Many of the reductions by Hungary are so limited by close specification as to apply to Austrian goods only, to the exclusion of similar classes in other countries which might benefit by the most-favoured-nation clause. ”

The trade balance improved considerably during the year 1925, the excess of imports over exports being the lowest since the war, as will be seen from the following table :

Year	Imports	Exports Millions of Gold Crowns	Excess of Imports over Exports
1920	417.3	164.3	253.0
1921	520.7	253.9	266.8
1922	539.4	330.1	209.3
1923	423.0	338.1	84.9
1924	702.8	575.0	127.8
1925	742.1	701.3	40.8

The figures for the first two months of this year are the following :

Imports	Exports Millions of Gold Crowns	Difference
53.3	53.4	+ 0.1
62.7	50.3	— 12.4
116.0	103.7	— 12.3

The corresponding figures for January 1925 were :

Imports	Exports Millions of Gold Crowns	Difference
63.4	35.2	— 28.2

As the adverse balance of trade in January 1925 amounted to nearly three-fourths of the total adverse balance during the whole year 1925, it will be seen that a good beginning has been made towards still further improvements during 1926 in Hungary's general trade.

Statistics regarding the movements of the retail and wholesale price indices, the stock exchange index, the number of unemployed and the increase of saving banks deposits are extracted from the twenty-third report and annexed.

Annex IV.

STATISTICS

Figures refer to the end of each month.

**I. RETAIL PRICE INDEX (from the Pester Lloyd)
(July 1914 = 1)**

1924				1925			
June	July	September	December	March	June	September	December
21,817	22,018*	21,299	20,884	19,281	18,776	18,206	17,750
1926							
			January			February	March
			17,658			17,509	17,237

**2. WHOLESALE PRICE INDEX (issued by Hungarian Statistical Office)
(1913 = 1)**

	Price index	Change over preceding month	Comparison with 1913 gold prices
1924			
June	22,078	— 2.7 %	1.33
September	22,366	— 0.2 %	1.42
December	23,466*	+ 1.6 %	1.60*
1925			
March	21,178	— 4.5 %	1.45
June	20,326	+ 0.3 %	1.41
September	19,521	+ 0.9 %	1.35
December	18,832	+ 1.1 %	1.30
1926			
January	18,319	— 2.7 %	1.27
February	18,031	— 1.6 %	1.25
March	17,788	— 1.3 %	1.23

3. STOCK EXCHANGE INDEX

(Ten important securities quoted on the Stock Exchange)
(1914 = 100)

1924				1925			
June	September	December	March	June	September	December	March
21.7	17.4	25.4*	21.7	18.5	19.1	16.5	
1926							
			January			February	March
			17.0			16.5	16.2

4. DEPOSITS IN THE POSTAL SAVINGS BANKS AND IN THIRTEEN OF THE MOST IMPORTANT BANKS IN BUDAPEST

(Current Accounts and Savings Deposits)

	1924			1925			1926			
	June	September	December	March	June	September	December	January	February	March
<i>Savings Deposits:</i>										
(In millions of gold crowns)										
(a) In paper crowns	2.6	7.9	23.8	44.1	68.1	86.5	119.2	118.5	119.2	125.6
(b) In foreign currency	0.4	1.5	2.5	3.0	3.4	4.1	4.2	5.8	7.5	8.4
<i>Current accounts:</i>										
(a) In paper crowns	55.3	114.1	160.6	184.7	211.4	218.0	243.9	233.8	237.9	240.5
(b) In foreign currency	18.2	20.8	44.3	39.1	50.3	68.9	82.6	97.3	90.6	88.0
Total Deposits	76.7	144.4	231.3	271.1	333.2	377.5	449.9	455.4	455.2	462.5

5. UNEMPLOYED

(Figures relate only to members of the Union of Socialist Workers)

Total actual membership: approximately 160,000.

1924				1925			1926		
June	September	December	March	June	September	December	January	February	March
24,598	26,020	33,095	36,873*	34,015	25,488	26,711	28,378	29,135	28,818

* The highest point reached by this index.

3. WORK OF THE GREEK REFUGEE SETTLEMENT COMMISSION.

The following resolution taken by the sixth Assembly will serve to mark the stage reached in this work at the beginning of the period covered by the present report :

“ The Assembly

“ (a) Has learnt with satisfaction that the scheme which was prepared, and partially put into execution through temporary advances last year, for the settlement of Greek refugees has been realised through the successful issue of a loan, yielding an effective sum of £10,000,000 in Athens, London and New York, on the basis of the Protocol signed on September 29th, 1923, and the Additional Act signed on September 19th, 1924 ;

“ (b) Notes that, of the 1,200,000 refugees who, on the estimate of the original scheme, required settlement in productive work, over 700,000 have already been settled in agricultural districts or housed in urban settlements near Athens ;

“ (c) Notes with pleasure the reports received that the refugees form an energetic and industrious class, rapidly taking advantage of the opportunities afforded them, and will put to good use the land and materials which it is the work of the Commission to place at their disposal ;

“ (d) Observes that the Settlement Commission thus instituted under the auspices of the League has been able to effect a piece of work which, apart from the benefit to the refugees themselves, should have far-reaching beneficial results for Greece of both an economic and political character ;

“ (e) Expresses the hope that, through close collaboration between the Greek Government and the Settlement Commission, the work may be successfully pursued and brought to a conclusion. ”

In spite of the hope expressed in the concluding paragraph of this resolution, certain difficulties arose, during the early months of the winter, in the prosecution of the Commission's work. As stated in the seventh quarterly report of the Commission, these difficulties arose out of “ judicial proceedings taken against higher officials of the Commission, the circumstances in which these proceedings have been instituted, and the fact that the judicial authorities consider themselves entitled to carry out enquiries as to the profitable or non-profitable nature of the contracts or agreements concluded by the Refugees Commission ”.

The question was eventually settled by the Council ; the Greek Government promulgated a Decree, dated December 2nd, 1925, under which no judicial proceedings could in future be instituted against persons employed by the Commission except at the instance of the Commission or of the Minister of Justice ; and the Decree applied to all cases then in progress. Early in the present year, the Greek Government agreed to the reinstatement of the Director-General of Colonisation in Macedonia and of his two engineers, whose absence during the winter had hindered the prosecution of the work. With this step the difficulties arising from this incident were happily settled.

The two Greek members of the Commission, M. Delta and M. Eustathopoulos, resigned and were replaced, with the approval of the Council, by M. Alexander Pallis and M. Achille Lambros.

FINANCIAL POSITION.

It will be remembered that the loan floated in 1924 for financing the settlement scheme amounted to £10 millions net. The sums remaining available for expenditure during the current year, without taking into account the balance of £766,567 and the sums to be received during 1926, which are for the moment earmarked for the reserve fund, are as follows :

(1) Sums available	£2,747,630
(2) Recoverable advances (not including interest)	£ 398,222
	<u>£3,145,852</u>
Less commitments	£ 40,571
	<u>£3,105,281</u>

As the average monthly expenditure is about £268,000, the Commission will probably have expended all its money, except the reserve fund, by the end of September 1926, and even earlier if expenditure is increased this spring.

The service of the loan has been regularly met through the International Financial Commission, and the price of the bonds has been well maintained in the financial markets where it is quoted.

AGRICULTURAL SETTLEMENT.

As the financial resources of the Commission hardly suffice to carry out the programme drawn up last year, a considerable number of agricultural refugees cannot be settled. On this point the Commission comments in its ninth report as follows :

“ As regards the refugees for whom the Commission is responsible, it may be stated broadly that, although in most districts the condition of the agricultural colonies in the plains is satisfactory, the future of the refugees installed in the mountainous districts is not yet assured. This is a problem for which we can, in the present circumstances, suggest no solution unless funds are forthcoming. ”

By the end of last year, about 4 ½ million stremmas of cultivated and 2 ½ million stremmas of uncultivable land, or about 7 million stremmas in all, had been handed over to the refugees. There had been settled on agricultural land 147,333 families, comprising 550,635 persons. The number of dwellings constructed was 35,825 and there were 15,225 in course of construction, apart from some 56,000 dwellings abandoned by exchanged Turks and Bulgarians and built by the State. The Commission has also distributed large quantities of live stock, implements and tools, seed grain, fodder, food grain ; it has made miscellaneous cash advances, building loans, and grants of building material.

The health of the refugees, as shown by the vital statistics for 1925, was, with few exceptions, satisfactory.

URBAN SETTLEMENT.

The Commission found it was unable, owing to financial difficulties, to carry out the comprehensive programme which it had drawn up in 1925. With the exception of that portion which applied to Thrace the programme has had to be abandoned, but the construction of two new urban quarters in Macedonia has been decided on and the quarters of Athens and Piræus have been completed and the refugees have taken possession of their dwellings. The Commission proposes to deal with this subject comprehensively in its next quarterly report, which will be summarised in the Supplementary Report to the Assembly.

CONCLUSION.

The work of the Commission up to the present time may be summarised as follows, the figures being approximate as no census has been taken and there are no accurate statistics :

The number of destitute refugees requiring establishment appears to have reached a total of approximately 1,200,000. The Commission has established in agricultural settlement, or has budgeted for similar establishment this year, approximately 600,000 refugees ; it has also housed in permanent quarters about 100,000 urban refugees. After allowing for the agricultural and urban refugees established by the Greek Government itself, without the assistance of the Commission's funds, there still remain between 300,000 and 400,000 refugees awaiting establishment. Of this number, perhaps 80,000 persons (say 20,000 families) are agricultural refugees ; the remainder, or perhaps 300,000 persons (say 75,000 families), are urban refugees, for whom the Government is unable to make housing provision. Some of these people have been in Greece for a considerable time, living in wooden barracks and in tents ; their continuance much longer in such conditions will subject them to great hardships, increase their mortality rate, already high, and diminish appreciably the *moral* upon which their future successful establishment depends.

Apart from the possibility of carrying out further settlement work, which must depend upon whether more funds can be obtained, the main future task of the Commission is the progressive organisation of a system under which repayments of capital by the refugees are to be made.

On the last occasion on which the Council dealt with this subject, on March 15th, 1926, the Greek representative made the following statement :

“ The League of Nations, in establishing the Greek Refugee Settlement Commission, and in taking under its auspices a loan which afforded a fixed basis for the work of the settlement of the refugees, has achieved a great success and has rendered a great service to my country. I would express to the Members of the Council the gratitude of the Greek people for having contributed to the settlement of the refugees, thus successfully carrying out a very charitable and humanitarian work.

“ Since the Council has taken so important a part in the settlement of the refugees, I think that some information which I am in a position to give you will be of interest.

“ Thanks to the systematic and disciplined effort which has been made, and in which the League of Nations, the Greek State, together with foreign organisations and the populations themselves have contributed, and thanks to the deep feeling of national solidarity and the powers of resistance of the Greek people, wonderful results have been achieved. The refugees are gradually becoming productive elements of the population. In the economic field they are providing Greece not only with abundant labour, but with a whole series of new industries, and are giving to the towns and to the countryside a development which is quite unprecedented. By the increase of the productiveness of the country through their labour, they will contribute to a solution of the financial problem and will develop the national wealth which will bring prosperity to the country. They are introducing a new political and economic life throughout Greece.

“ Unfortunately, the funds from the loan will, according to the report of the Refugee Settlement Commission, be exhausted towards the end of next September without it having been possible by that time to settle all the refugees. The greater proportion of the refugees have already been established, but there still remain some 300,000. In order to continue and to complete the settlement, new funds will be necessary. The Greek Government ventures to hope that the Council will at the appropriate moment give the same attention and support to this work, which it will not wish to see left unfinished.”

4. DANZIG MUNICIPAL LOAN.

With the approval of the Council, the Municipality of Danzig issued in the spring of last year a loan of £1,500,000 (nominal) on the London market. The Council appointed one of the members of the Financial Committee, M. ter Meulen, Trustee of this loan. The principal task of the Trustee was to see that the loan was used exclusively for the purposes laid down in a programme of expenditure sanctioned by the Council. Experience having shown that it was desirable to modify the limitations set by this programme, the Council, on the Financial Committee's recommendation, authorised the Trustee to permit transfers between the various items of the programme of expenditure.

The Trustee has recently laid his first annual report before the Council. This document, which contains an analysis of the system of control established by the Trustee, shows that the system has worked satisfactorily.

5. DOUBLE TAXATION AND TAX EVASION.

A Conference of Experts on Double Taxation and Tax Evasion met on May 17th, 1926, and the following countries appointed representatives: Argentine Republic, Belgium, Czechoslovakia, France, Germany, Great Britain, Italy, Japan, Netherlands, Poland, Switzerland, and Venezuela. This Conference examined the possibility of preparing a draft convention based upon the resolutions submitted by the technical experts to the Council last year.

6. STAFF PROVIDENT FUND.

On two occasions the Financial Committee has advised the Board of Management of the Staff Provident Fund of the League as to certain stocks suitable for the investment of the funds available for that purpose.

II. ORGANISATION FOR COMMUNICATIONS AND TRANSIT.

At the time of writing, the Advisory and Technical Committee for Communications and Transit has held no plenary session since the last Assembly. Its next session has been arranged for July 12th. The Communications and Transit Organisation, however, has held a large number of special meetings of Sub-Committees, special Committees and inter-Governmental conferences.

1. RAILWAYS.

The Sub-Committee for Transport by Rail met at Geneva from January 25th to 27th, 1926. At the request of the Acting President of the Council of the League of Nations, it considered the question of placing on the agenda of the Council the application of the Maramarosi-Tarsasag Railway Company, whose system is situated in Roumanian and Czechoslovak territory, that arbitrators be appointed by the Council of the League of Nations, under Article 304 of the Treaty of Trianon, to settle the questions at issue between the Roumanian and Czechoslovak Governments and the Company.

The Sub-Committee believes that there is a possibility of a friendly agreement between the parties before the September session of the Council. If such an agreement is not reached, it will forward a supplementary report to the Council in good time.

A similar question, that of the Arad-Czanad Railway, which was of interest to the Hungarian and Roumanian Governments, was considered by the Council at its March session and was adjourned, for similar reasons, to a later session.

The Sub-Committee further considered the enquiry undertaken in conjunction with the International Chamber of Commerce regarding the various facilities desirable in international trade, with particular reference to the question of international tariffs.

Jointly with the Sub-Committee for Inland Navigation, it decided to entrust to Committees of specialists the consideration of the questions relating to competition between railways and inland navigation, raised in Mr. Hines' reports regarding navigation on the Rhine and Danube, and questions connected with co-operation between railways and other transport undertakings with a view to developing combined traffic.

In pursuance of the last Assembly's resolution regarding unification in various fields connected with the regime of railways, the Sub-Committee adopted the following resolution :

" The Sub-Committee, having noted the report of its Committee of Experts and the resolution of the last Assembly regarding the possible convening of a conference on communications and transit of the European States concerned, with a view to maintaining, preserving and, if necessary, adapting to present circumstances the unification of private law concerning internal transport as applicable to international transport on successive contracts, of the method of presentation of tariffs and of the method of presentation of operating regulations which were all effected before the war between certain railway systems in Central and Eastern Europe ;

" Considering that a regional agreement of this kind would be entirely within the scope of the General Convention on the International Regime of Railways and in harmony with the efforts of the League of Nations to give international traffic the fullest possible facilities :

" Is of opinion that it is for the States concerned to take the first step and confer with a view to considering the advisability and the possibility of carrying out this work and, should it be practicable, to indicate the main lines of the work of such a conference ; and

" Declares its readiness to give all possible assistance to these States should they so desire."

Lastly, the Sub-Committee considered various questions relative to the inspection of passports at frontier stations, the examination of passports in international trains, and railway statistics. It discussed the special traffic facilities with Geneva which it would be desirable to arrange when exceptional circumstances of international importance so require.

2. INLAND NAVIGATION.

A. *Conference on Tonnage Measurement in Inland Navigation.*

The projected Conference on the unification of the system of tonnage measurement for vessels engaged in inland navigation met at Paris, at the Ministry for Foreign Affairs, from November 20th to 27th, 1925.

This meeting led to the conclusion, by the majority of European States, of a Convention establishing, subject to certain provisional arrangements, a uniform system of tonnage measurement for vessels used in inland navigation in Europe, and the reciprocal recognition of tonnage certificates. This agreement provides considerable facilities for navigation, as it will be possible henceforth to dispense with re-measurement at frontiers.

The Convention, which is open for signature until October 1st, 1926, has already been signed by the plenipotentiaries of the following States :

Austria, Belgium, British Empire, Bulgaria, Czechoslovakia, Finland, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Roumania, the Serb-Croat-Slovene Kingdom, Spain and the Union of the Socialist Soviet Republics.

B. *Private Law in Inland Navigation.*

The study of the questions relating to the unification of private law in inland navigation, to the importance of which from the point of view of international traffic attention has already been drawn in previous reports, has assumed more definite shape. A Committee of specialists held its first session at Strasburg, at the headquarters of the Central Commission for Rhine Navigation, from January 11th to 14th, 1926.

M. WINIARSKI (Poland), Member of the Committee for Communications and Transit, was in the Chair.

The other members of the Committee were :

M. HOSTIE, Member of the Legal Committee of the Committee for Communications and Transit ; M. DE JARMAY, Director of the Royal Hungarian Navigation Company ; M. MALININE, Legal Adviser to the River Navigation Board of the Union of Socialist Soviet Republics ; M. MILLOT, Director of the National Office of Inland Navigation, Paris, assisted by M. CHARGUERAUD-HARTMANN, Secretary of the French delegation to the International River Commissions ; Professor MITTELSTEIN, President of the Hamburg Court of Appeal ; M. NAUTA, of the Rotterdam Bar ; M. SITENSKY, Adviser to the Czechoslovak Ministry of Commerce.

The Committee had been requested by the Sub-Committee for Inland Navigation to draw up a programme of work and collect comprehensive information regarding the present status in European countries of private law in inland navigation with a view to achieving as complete a unification as possible of existing legislation.

The Committee began with a general discussion as to what matters of private law should first engage its attention. It decided to include in its programme the question of the nationality of vessels used in inland navigation, a point which concerns both public and private law. It drew up three questionnaires, which were forwarded to European Governments, bearing on questions of nationality ; ownership, mortgages and privileges ; collisions.

The Committee also had before it a draft questionnaire, prepared by M. Malinine, concerning engagements, contracts and labour conditions in inland navigation.

C. Sub-Committee for Inland Navigation : Consideration of Mr. Hines' Reports.

The Sub-Committee considered in detail what action could be taken on Mr. Hines' reports relating to navigation on the Rhine and Danube. In addition to the ordinary members of the Sub-Committee, the representatives of those among the riparian States of the Rhine and Danube which are not already represented on the Committee, and the representatives of the principal River Commissions concerned, attended this session.

The Sub-Committee adopted a number of resolutions designed to put into application those of Mr. Hines' conclusions with which it found itself in agreement. The following resolutions deserve special mention :

“ I. The Sub-Committee considers that it is essential in the interests of navigation that, when it is considered necessary to affix Customs seals, such seals should be affixed in accordance with uniform regulations and should be respected by the different States.

“ II. The Sub-Committee considers that the conclusion by the Danubian States of treaties of commerce would help to re-establish economic conditions favourable to the development of river navigation.

“ III. The Sub-Committee considers that it is extremely desirable to simplify Customs formalities on the frontiers. In particular, it wishes to draw the attention of States to the following points, which it begs them to examine :

“ (1) As regards the recognition of Customs seals, the Sub-Committee would refer to the resolution quoted above.

“ (2) The Sub-Committee considers that convoying should be restricted to cases in which it appears impossible to affix seals, and it would draw the attention of the International Danube Commission to the complaints submitted with regard to the fees charged for convoying.

“ (3) It is of opinion that the Customs offices at the frontiers should be open for carrying out Customs formalities during all the hours of the day when traffic is passing, as is the case at railway frontier-stations.

“ (4) It considers it desirable that, in the case of journeys on duty of the staff of navigation undertakings and the transportation of navigation material, facilities should be granted in respect of circulation and Customs and passport formalities.

“ IV. (1) The Sub-Committee requests the Czechoslovak Government to consider the possibility of abolishing the stoppage at Bratislava of vessels transporting exclusively goods in transit.

(2) “ The Sub-Committee notes with satisfaction the communication by the German temporary member to the effect that the German Government is considering the possibility of liberal treatment in the matter of ship's stores and fuel, and that it is prepared to agree to the settlement of the question on international lines.

(3) “ The Sub-Committee notes with satisfaction the statements made by the competent authorities, as reported by Mr. Hines, to the effect that these authorities are prepared in principle to have the necessary formalities connected with the passage of boats carried out at one single frontier-station.

“ The Sub-Committee would request the States concerned to be good enough to continue the preparatory work necessary for a speedy realisation of this programme, and it holds itself at their disposal to help in putting the programme into effect should its assistance be of value.

“ V. The Sub-Committee notes with satisfaction the statements made which show that the desired agreements will shortly be concluded for ensuring in all Austrian, Hungarian and Czechoslovak ports on the Danube entire equality of treatment for the shipping companies of the various countries as regards the allocation of wharfside and warehouse accommodation. It considers that the same spirit should be shown in settling such questions in the other Danube ports.

“ VI. The Sub-Committee expresses a hope that the Convention for the improvement of telegraphic communications along the Danube will be put into force as soon as possible.

“ VII. The Sub-Committee thinks it would be desirable for States to adopt as far as possible a liberal policy which would enable shipping companies to utilise in a rational and economic manner both the international system and national waterways, including ports.

“ VIII. The Sub-Committee, having completed its examination of the report submitted by Mr. Hines, and after hearing the various members appointed by the States specially concerned, having indicated the steps which still remain to be taken in the interests of navigation, desires to place on record, in conformity with Mr. Hines' observations, the considerable progress which has already been realised in the last few years. The Sub-Committee is convinced that such efforts, if continued, will enable it soon to assure itself of further progress which will contribute to the development and prosperity of Danube navigation.”

A number of questions were referred to the Central Commission for Rhine Navigation and to the International Danube Commission.

As stated above in connection with the work of the Sub-Committee for Transport by Rail, the questions arising out of relations between railways and navigation were submitted to Committees of specialists for consideration.

The Sub-Committee acquired the conviction that Mr. Hines' reports and their discussion by the representatives of all the States concerned in a spirit of full co-operation could not fail to be of great service to navigation, and that it would be possible, by persistent effort, to diminish or remove the obstacles to traffic, so far as they were not due to general economic conditions outside the range of transport problems.

The Sub-Committee will continue to keep in touch with all the States concerned, and with the River Commissions, with a view to examining from time to time, in pursuance of the resolution of the Genoa Conference, how far the proposed improvements have been carried out.

III. PORTS AND MARITIME NAVIGATION.

The Sub-Committee for Ports and Maritime Navigation held its second session at Paris from November 28th to December 2nd, 1925. In addition to the usual members of the Sub-Committee, two representatives of the Union of Socialist Soviet Republics attended the meeting.

On the agenda of the meeting figured questions relating to the double taxation of maritime industries, the unification of tonnage measurement, health regulations in maritime navigation, and the organisation of life-saving at sea.

Double Taxation of Shipping.

The question of double taxation and its bearing on maritime trade had been studied by the Sub-Committee in July 1924. At its second session it noted the report of the Committee of Experts on Double Taxation. That body had suggested that, in the case of maritime navigation undertakings, taxes should be levied only by the country in which the real centre of management was situated.

The Sub-Committee took note of this suggestion, which will be discussed later at a Conference of Experts. It was of opinion that the meaning of the phrase "real centre of management" should be very carefully defined, in order to avoid difficulties in its application. It therefore decided, pending the results of the Conference of Experts, to draw the attention of Governments to the expediency of increasing the number of bilateral conventions between States.

Unification of Tonnage Measurement.

The Sub-Committee continued its examination of the question of tonnage measurement in maritime navigation. It decided to set up a special Committee to study means of securing uniformity of tonnage regulations and their application.

Health Regulations and Maritime Navigation.

The Sub-Committee pursued its study of the reforms necessary in existing health regulations, in order to lighten the burdens on international trade and navigation and reduce the number of declarations and formalities. It drew the attention of Governments to the necessity of allowing for the effect on the economic situation of new regulations for maritime navigation when this question came up for discussion at the Conference for the revision of the 1912 Health Convention, which was to be convened in 1926.

The Sub-Committee further decided that a Committee should be appointed to collect material on the requirements and demands of maritime navigation for the Governments and organisations preparing for the Conference.

This Committee met soon afterwards and drew up a very full memorandum, which has been forwarded to all the States represented at the Conference for the revision of the Sanitary Convention.

Organisation of Life-saving at Sea.

On this subject, the Sub-Committee noted a memorandum presented by the Royal National Lifeboat Institution and heard a statement by Mr. Shee, Secretary-General of that organisation. It came to the conclusion that the Council might draw the attention of States which had not as yet organised a rescue service to the important work accomplished by private and public rescue organisations. The Sub-Committee considered that private or public life-saving services should be organised in all countries where they did not already exist. Finally, it expressed its opinion that the most effectual means of bringing about the organisation of new services and the improvement of those already in existence would be the establishment of a permanent contact between life-saving services in the different countries.

The Sub-Committee again laid stress on the necessity of promptly ratifying the general Convention on the International Regime of Maritime Ports adopted at the Second General Conference on Communications and Transit. It framed a procedure intended to help the different States to agree on the solution of any difficulties which might delay ratification.

Unification of Buoyage and Lighting of Coasts.

The Sub-Committee for Ports and Maritime Navigation, having decided to enquire into the unification of buoyage and lighting of coasts in relation to the question of safety at sea, appointed a special technical committee, which had already held one meeting before the last Assembly. It met again from November 3rd to 7th, 1925, at Monaco, in conjunction with the International Hydrographic Bureau.

The present composition of this Committee is as follows :

M. P. H. WATIER (Chairman), Director of Waterways and Seaports in the French Ministry of Public Works ;

M. P. VAN BRAAM VAN VLOTEN, Director of the Netherlands Technical Lighthouse Service ;

M. E. HÄGG, Director-General of the Swedish Pilotage, Lighthouse and Buoyage Service ;

Admiral L. LANGLOIS (Chilian) ;

M. G. MEYER, Adviser to the German Transport Ministry, Department of Navigable Waterways ;

Captain M. NORTON, Director of the Portuguese Lighthouse Service ;

Captain RAZICOTSICAS (Greek) ;

M. A. DE ROUVILLE, Chief Engineer of the French Central Service for Lighthouses and Buoys ;

M. Y. SUGIMURA, Counsellor of Embassy, Director of the Japanese League of Nations Office ; assisted by M. NAGAOKA, Secretary in the Japanese Ministry of Communications ;

Commander L. TONTA, Director of the Hydrographic Institute of the Italian Navy ;

Baron G. WREDE, Director-General of the Finnish Naval Administration.

The meeting was attended by the Board of Directors and the Secretary-General of the International Hydrographic Bureau at Monaco. The International Association of Officers of the Mercantile Marine, the International Federation of Transport Workers, and the International Seafarers' Federation were also represented. These bodies had been requested to send representatives in agreement with the International Labour Office.

In the course of this session the Committee proceeded with the study of various questions relating to lighthouses, day and night buoyage regulations, and the organisation of wireless lighthouses. It appointed a Sub-Committee to study the problem of signals in conjunction with the International Hydrographic Bureau, and to prepare for its next session, which will take place at Stockholm in 1926, a uniform scheme, distinguishing between coast signals and port signals.

IV. ROAD TRAFFIC.

The work undertaken in previous years on the subject of road traffic by the Organisation for Communications and Transit achieved its object in large measure at an international conference convened by the French Government in April of the present year and attended by representatives of the Secretariat of the League.

The Special Committee of Enquiry on Road Traffic had prepared a draft Convention, the main provisions of which were adopted by the Conference. A meeting of the Special Committee was held at Paris shortly before the Conference with a view to making final adjustments in the draft. The text adopted by the Paris Conference marks a great advance, as regards facilities for international traffic, on the existing Convention of 1909.

In future, the work of the Organisation for Communications and Transit in connection with road traffic will be devoted in particular to assisting in the unification of the regulations in force in the different countries. This process will no doubt be difficult, but it is most desirable in view of the increase in road traffic.

V. SECOND PASSPORT CONFERENCE.

The Second Passport Conference, decided upon by the last Assembly and convened by the Council, met at Geneva from May 12th to 18th, 1926.

Thirty-eight Governments were represented, namely, the Argentine Republic, Austria, Belgium, Brazil, the British Empire, Bulgaria, Canada, China, Cuba, Czechoslovakia, Danzig, Denmark, Esthonia, Finland, France, Germany, Greece, Hungary, India, the Irish Free State, Italy, Japan, Latvia, Liberia, the Netherlands, Nicaragua, Norway, Poland, Portugal, Roumania, the Kingdom of the Serbs, Croats and Slovenes, Siam, Spain, Sweden, Switzerland, Turkey, the Union of South Africa, and Uruguay. Representatives of the International Labour Office, the International Chamber of Commerce, the Committee of the International Emigration and Immigration Conference, the International Shipping Conference, the Passport and Postal Reform Committee, and the International Railway Union attended the Conference in an advisory capacity.

The Conference elected as Chairman M. PUSTA (Esthonia), and as Vice-Chairmen M. DE AGUERO Y BETHANCOURT (Cuba) and M. POLITIS, Chairman of the Passports Sub-Committee of the Committee for Communications and Transit.

The programme of the Conference had been drawn up by a special Sub-Committee of the Committee for Communications and Transit. It was based largely on a resolution of the sixth Assembly recommending that steps should be taken with a view to the abolition, to the widest extent possible, of the passport system, and to mitigating the disadvantages and expense entailed by that system.

The Second Conference, like that of 1920, adopted a series of recommendations aiming principally at technical improvements in passports of the international type and in methods of establishing passports; the prolongation of the duration of their validity, and its extension to all foreign countries, or to as large groups of countries as possible; the reduction of passport fees, which should in no case exceed the expenditure entailed by their issue; and the simplification of frontier control.

The Conference was in favour of the total abolition of exit visas, and recommended that the suppression of entrance and transit visas should be made as general as possible by means of inter-State agreements. It also recommended that facilities should be granted to travellers, enabling them to break their journey in the countries through which they passed, more especially, in ports of call, even though their passport should bear no transit visa; that visas should be valid for two years or for a period equal to that of the validity of the passport, and that they should be good for an unlimited number of journeys and for all frontiers.

It was further recommended that the visa fee should not exceed:

- (a) 5 gold francs for entrance visas valid for a single journey;
- (b) 10 gold francs for entrance visas valid for several journeys;
- (c) 1 gold franc for transit visas of unlimited validity.

The Conference considered that fees should not vary according to the nationality of the passport-holder, his itinerary, or the flag of the ship upon which he embarked.

It recommended that the issue of passports, identity papers and visas should be organised so as to simplify formalities and to spare travellers and emigrants long and expensive journeys. Visas should be delivered within the shortest possible time.

With regard to frontier control, the Conference recommended that it should be carried out, whenever possible, when the trains are in motion; should this be impossible, during the stoppage of trains at one of the two frontier stations, and that police inspection by the two countries concerned should be effected simultaneously or follow rapidly upon one another. It drew the attention of States to the fact that these improvements would be of little value unless agreements were also concluded for the accomplishment of Customs formalities in the same conditions of time and place.

The Conference requested the League to prepare two draft agreements: one, based upon the system of transit cards to replace the consular visa, to facilitate the passage in transit of emigrants leaving Europe for oversea countries; the other, on the introduction of an internationally recognised identity document, to facilitate the movements of persons without nationality.

VI. ELECTRIC QUESTIONS.

The last Assembly drew the attention of the Advisory and Technical Committee for Communications and Transit to the advisability of reconsidering certain international problems relating to the utilisation of electric power. The Sub-Committee on Electric Questions has not yet met; its next session has been arranged for the beginning of the autumn of the present year.

VII. SETTLEMENT OF DISPUTES.

At its session in July last, the Advisory and Technical Committee for Communications and Transit, after adopting a certain number of resolutions dealing with the dispute submitted to it in connection with the jurisdiction of the European Danube Commission, decided that its Special Committee of Enquiry on that question should hold a joint meeting with the delegates of the European Danube Commission with a view to promoting a settlement of the dispute.

The Special Committee held a meeting with the delegates of the European Danube Commission last September. It was asked to draw up definite proposals for the revision of that part of the Danube Statute which relates to the jurisdiction of the European Commission, in order that the Governments concerned might have a better opportunity of making a definite pronouncement as to the acceptance or rejection of the Advisory and Technical Committee's proposals. The latter have been drawn up and forwarded to the Governments. A final joint meeting of the Special Committee and the delegates of the European Danube Commission is to take place in September 1926.

III. THE HEALTH ORGANISATION.

1. MEASURES TAKEN TO EXECUTE THE DECISIONS OF THE SIXTH ASSEMBLY.

The sixth Assembly, in its resolution approving the work of the Health Committee, noted with satisfaction that the Governments were more and more disposed to collaborate with the Health Organisation in matters concerning the prevention of communicable diseases and

the improvement of the health conditions of the people. The Assembly requested the Council to refer to the Health Committee for its consideration the following proposals, on the understanding that no expenditure would be involved beyond the estimates already submitted for 1926.

A. Proposal of the Delegation of the Kingdom of the Serbs, Croats and Slovenes.

(Control of the Manufacture and Distribution of Food Supplies in the Interests of International Public Health.)

The proposal was formulated by the Second Committee of the Assembly in the following terms :

“ The Second Committee requests the Health Committee to study from an international point of view the measures that might be recommended to Governments, in the interests of public health, for the control of the manufacture of, and trade in, food supplies. ”

The Health Committee, during its session held in October 1925, requested the Medical Director of the Health Section of the Secretariat to prepare a preliminary report on this subject in consultation with the Economic Committee of the League ; the Health Section has accordingly begun an enquiry on sanitary measures for the control of food, as provided in national legislation or dealt with by international organisations, with special regard to manufacture and trade (export and import). A comprehensive memorandum which the Economic Section of the Secretariat is preparing on the protection of foreign buyers and consumers against worthless goods will also deal with the sanitary regulations which guarantee the purity and quality of foodstuffs.

A preliminary report was submitted to the Health Committee by the Medical Director in April 1926, and it was proposed, in order to define and restrict the scope of the enquiry, to forward to the Government of the Kingdom of the Serbs, Croats and Slovenes a note on the information hitherto collected by the Health Section and by the Financial and Economic Sections of the League, and to ask for a more precise definition of the enquiry which it desires to be undertaken.

B. Proposal of the Cuban Delegation.

(Proposed Interchange in Countries of Latin America.)

The proposal was formulated by the Second Committee of the Assembly in the following terms :

“ The Second Committee requests the Health Committee to consider the possibility of organising during the coming year an interchange of technical personnel in charge of institutes of public health and tropical medicine in the countries of Latin America. ”

The Health Committee, during its session in October 1925, entrusted the task of arranging for this interchange to the Medical Director, in consultation with the Latin American members of the Committee. Negotiations are now proceeding between the Health Section and the chiefs of these institutions in Cuba and Brazil.

C. Proposals of the Czechoslovak Delegation.

(Health Insurance, Morbidity in Hospitals, etc.)

The proposals were formulated by the Second Committee of the Assembly as follows :

“ (1) In the interests of the economic, practical and efficient organisation of public health services, including national health insurance, the Second Committee requests the Health Organisation to undertake a comparative study of these aspects of health administration in various countries.

“ (2) In view of the great interest attached to the collection of morbidity statistics, with special regard to the prevention of disease, the Second Committee requests that the Health Committee, among its other work, should include the study of a uniform international method of collecting information regarding diseases treated in hospitals.

“ (3) The Second Committee recommends that the Health Committee should insert on its agenda a study of the conditions in which national pharmacopoeias might be made comparable as far as possible, in so far as prescriptions relating to the compounding of drugs are concerned. ”

The Health Committee, during its session held in October 1925, decided to include the study of health insurance in the programme of studies of public health administration in the various countries, on which a number of reports had already been published. It was understood that the study would include a detailed consideration of the relations actually established or capable of being established between the insurance medical services and the public health services, and the financial considerations involved. It was further decided that the study should be carried on in consultation with the International Labour Office.

The Health Committee at the same time requested the Medical Director, in the course of the study of health insurance, to collect information relating to hospital records as an index of morbidity.

The Health Committee has communicated with the sanitary administrations of Austria, Czechoslovakia, Germany, Hungary and Poland, which decided to appoint competent medical investigators to make a preliminary survey of all the public health and sanitary agencies in Vienna, Prague, Cologne, Budapest and Warsaw, in order to ascertain their relationship with the national health insurance system. This preliminary survey will demonstrate how far the existing sanitary agencies are being, or may be, utilised by the national health insurance organisations for the purposes of preventive medicine.

The investigators appointed by the various public health administrations met at Prague in March 1926 to discuss a plan of investigation. The preliminary studies will take three or four months, and a further meeting will be held in June or July. On the basis of the experience gained in this preliminary investigation, a detailed plan of study will be drawn up in time for discussion by the Health Committee at its October session. These studies are being undertaken in consultation with the International Labour Office.

D. Proposal of the French Delegation.

(Proposed Establishment of a Health Bureau on the West Coast of Africa.)

The proposal was formulated by the Second Committee of the Assembly as follows :

“ The Second Committee, having in mind the gravity and prevalence of endemic and epidemic diseases in West Africa and the international danger arising therefrom, recommends the Assembly to request the Health Organisation of the League of Nations to study the possibility of establishing a sanitary and epidemiological bureau on the West Coast of Africa. ”

The Health Committee, at its session in October 1925, decided that advantage should be taken of the forthcoming interchange of medical officers of the Colonial Services in West Africa to study the feasibility of establishing this Bureau. At the same time, it was recommended that the Governments possessing colonies in West Africa should be consulted.

A member of the Health Section accompanying the group of medical officers has ascertained the desires and views of the sanitary administrations of the colonies visited and he will present a report on the whole subject to the Health Committee in June. The final Conference on the interchange, which took place in Freetown at the end of May, also formulated an opinion as to the advisability of establishing a sanitary epidemiological information centre in West Africa and as to the scope and character of its proposed activities.

E. Proposal of the Italian Delegation.

(Enquiry into the Prevalence of Trachoma.)

The proposal was formulated by the Second Committee of the Assembly as follows :

“ That the Health Committee, with the approval of the Council, undertake an enquiry into the prevalence of trachoma in various countries and into the measures that have been adopted for its prevention. Having obtained this information, the Health Committee should be in a position to formulate recommendations and eventually to advise as to the most suitable and effective measures to be applied for the prevention of this disease. ”

This enquiry, which is now being carried out, was entrusted to Dr. Lutrario and Dr. Jitta ; other members of the Health Committee who are interested in the problem were invited to prepare reports on the subject. A considerable amount of data has been collected on the prevalence of the disease in the countries where it is notifiable, and a preliminary report on the subject was submitted to the Health Committee in April 1926.

F. Proposal of the Paraguayan Delegation.

(Despatch of an Expert Medical Statistician to Latin America.)

The proposal was formulated by the Second Committee of the Assembly as follows :

“ The Second Committee, appreciating the value of the studies undertaken by the Health Organisation to secure the comparability of health statistics, recommends that an expert medical statistician be sent to a certain number of countries, notably in Latin America, to study, in collaboration with the competent authorities of those countries, the sanitary statistical methodology employed therein, with the object of making comparable the health statistics of a still larger number of countries. ”

The Health Committee, during its session held in October 1925, requested the Medical Director to study any proposal that might be received from the administrations of Latin America in regard to this matter.

The Medical Director reported to the Health Committee in April 1926 that the only communication received up to that time was from the Head of the National Health Department of the Argentine.

G. *Proposal of the Venezuelan Delegation.*

(Liaison between the Health Administrations and the Health Organisation of the League.)

The proposal was formulated by the Second Committee of the Assembly as follows :

“ The Second Committee, desirous of strengthening the permanent ties which should bind the Health Organisation of the League of Nations to national public health administrations, recommends to each Government the establishment of a special bureau within its health administration, the function of which would be to ensure collaboration between the head of this administration and the Health Organisation of the League of Nations. It is desirable that the personnel of such special bureaux should already have collaborated with the Health Organisation of the League.”

The Health Committee, commenting upon this proposal, noted with satisfaction that a number of countries had already established such bureaux, notably the Governments of Belgium, Czechoslovakia, Hungary and Roumania, and expressed the view that such action resulted in a closer and more valuable relationship.

H. *Proposal of the Netherlands Delegation.*

(Infant Mortality.)

The resolution of the Assembly was as follows :

“ The Assembly . . .

“ Decides to request the Health Organisation to investigate infant mortality from the point of view of feeding in infancy ;

“ Requests the Council to instruct the Health Committee to undertake this investigation and to enquire into the advisability of constituting a sub-committee which would be able to call upon the co-operation of specialists in various countries in questions concerning child hygiene and which would be requested to initiate the investigation of this and of any other questions connected with child hygiene, the consideration of which might be deemed expedient. ”

The Health Committee in October 1925 requested the Medical Director to prepare a report on infant mortality and related subjects, including questions affecting the hygiene of school-children and legislation for the protection of illegitimate children.

Tabular statements were prepared, in accordance with these resolutions, containing data for nineteen European countries during the forty-four-year period 1880-1924. Figures on infant deaths were collected, classified according to the month of death, the sex, the age at death, the reported cause of death, legitimacy or illegitimacy, and the birth rates were computed for the same period; legitimate and illegitimate birth rates being worked out in the usual manner per thousand total births and also per thousand married or unmarried women between the ages of 15 and 49. A considerable time will be necessary for the analysis of this large amount of statistical data.

Meanwhile, the Child Welfare Committee of the Advisory Commission of the League of Nations for the Protection and Welfare of Children and Young People had in March 1926 decided to ask for the help and advice of the Health Committee in collecting information concerning legislation dealing with the welfare of infants in the various countries. The Health Committee, during its session in April, in response to this request, instructed the Health Section of the Secretariat to co-operate with the Social Section in obtaining and classifying the necessary information.

Further, in accordance with the resolution of the sixth Assembly, the Health Committee decided to invite the co-operation of six experts in child hygiene, one each from France, Germany, Great Britain, Italy, the Netherlands, and Norway, to assist in the work as corresponding experts.

Invitations have been sent to, and accepted by, the following experts :

Dr. Arthur Collett (Norway);
Dr. Debré (France) ;
Dr. Gorter (Netherlands), and
Dr. Rott (Germany).

Nominations are still awaited for Italy and Great Britain.

In addition, Professor von Pirquet, of Vienna, has been requested to give his assistance in this investigation.

2. EPIDEMIOLOGICAL INTELLIGENCE AND PUBLIC HEALTH STATISTICS.

A. Current Epidemiological Statistics.

The work of the Epidemiological Intelligence Service of the Health Section has developed considerably during the last year. Periodical reports on the prevalence of notifiable diseases are received from over a hundred national and colonial administrations upon which falls the duty of watching over the public health of more than two-thirds of the population of the world. Most of the public health administrations forward this information to the Health Section before its publication in their own countries, and the intelligence thus received by the Section is immediately put at the disposal of the other health administrations.

There is still a lack of uniformity in so far as the periods covered by these reports are concerned, but it is hoped that a more uniform system will in time be obtained. For this reason, the numerous administrations which contribute information to the Singapore Intelligence Bureau have unanimously adopted a weekly period ending Saturday at midnight for purposes of tabulating epidemic disease in the chief ports, and it is hoped that this example will gradually be followed by other countries.

The Epidemiological Service is now issuing a weekly record, based on the telegraphic reports from Singapore and on information received directly by the Geneva office, regarding the prevalence of plague, cholera, yellow fever, typhus and smallpox. These reports contain telegraphic information from 100 ports, and they are at once sent to the members of the Health Committee and to all the European health administrations. Most of the European administrations receive this information within a week of the termination of the period covered by the report.

Special attention has been given to the development of current statistical information concerning mortality from epidemic diseases and other important causes of death in large cities; this information can be made available comparatively quickly, while in some cases a couple of years will lapse before the publication of the national mortality statistics. Reports are now received from some 700 cities, either through the national health administrations or directly from the cities themselves with the approval of these administrations. All this information is published currently in the *Monthly Epidemiological Report*, which, in the latter half of 1925, was enlarged from about 50 to an average of 72 pages.

Tables showing the number of cases of epidemic diseases reported in each country and the causes of death registered in each city have been prepared for the *Annual Epidemiological Information* of 1925. These tables are verified and completed by the various national health administrations.

B. The Eastern Intelligence Bureau at Singapore.

The Bureau at Singapore, to which reference has already been made, now serves a very large area, which extends as far west as Cape Town and Alexandria and as far east as Honolulu, and it has been found advisable to divide the corresponding administrations into four groups. There is a Western Group, which stretches from the East Coast of Africa and the Asiatic Coast as far east as, and including, British India; a Central Group, which comprises the Malay States, the Dutch East Indies, Borneo and the Philippine Islands; an Eastern Group, which includes the Asiatic coast from Siam to Siberia, with Japan and Formosa; and, finally, a Southern Group, which contains Australia, New Zealand and the South Sea Islands.

The Advisory Council of the Eastern Bureau met at Singapore, in January 1926, to determine the work of the Bureau and to consider its estimates for 1926. It was attended by members from the Straits Settlements, the Federated Malay States, Siam, India, Indo-China, Australia, the Dutch East Indies, Hong-Kong, Japan, China, British North Borneo and an observer from the Philippine Islands, and sat from January 4th to January 6th. All the administrations represented agreed that the Bureau was rendering them valuable services.

It is the essential task of the Bureau to collect by cable information on the prevalence of epidemic diseases in the various ports, to obtain information regarding the movements of infected ships, to classify this information and re-telegraph it in the form of weekly bulletins. The bulletins are broadcasted every Friday free of charge by the French station at Saigon. They are then relayed free of charge by the wireless stations at Malabar (Java), Sandakan (British North Borneo), Bombay, Madras, Calcutta and Karachi (British India). This arrangement is necessary owing to the meteorological conditions prevailing in the Far East, which sometimes make it difficult for certain stations to pick up the messages.

The Advisory Council decided to ask the Health Committee to begin serious studies of the great public health problems of the East, and in particular to set up expert committees composed of the directors of research institutes in those countries where enquiries of this nature are actually in progress or about to be undertaken, with the addition of experts from Western countries selected for their special competence in the matter. This Committee will deal with the co-ordination of enquiries into such problems as the value of vaccination by the mouth against acute intestinal infections, endemic centres of cholera, certain aspects

of bubonic plague and the possibility of corporate action for the study of pneumonic plague.

The Health Committee considered these proposals during its session in April. It approved the budget estimates for the year 1926, passed by the Advisory Board, amounting to 39,763.77 gold dollars, and it expressed its thanks and appreciation to the administrations whose delegates at the meeting of the Advisory Council at Singapore had promised financial assistance to the expenses of the Bureau. The contributions promised were as follows :

The Government of :

The Straits Settlements	5,000 Straits dollars (for 1926) ;
Siam	2,000 Straits dollars (for 1926) ;
The Philippine Islands	5,000 Straits dollars (for 1927) ;
Japan	from 7,000 to 10,000 yen (for 1926) ;
French Indo-China	6,000 piastres (for 1926) ;
Hong-Kong	up to 5,000 Straits dollars (for 1927) ;
China	2,000 Straits dollars (for 1926) ;
Netherlands East Indies	sum not stated (for 1926).

The Health Committee also thanked the administrations which were broadcasting free of charge the Bureau's weekly bulletin.

The Health Committee noted with interest the recommendation for the creation of expert committees to co-ordinate research in the Far East in public health questions of international importance, and it resolved, in particular, to proceed at once, in consultation with the administrations concerned, to the constitution of an expert committee to deal with the question of the administration by the mouth of vaccines against acute intestinal infections.

C. Report of the Still-Birth Commission.

The Council, on June 9th, 1925, decided that the report of the Still-Birth Commission of the Health Committee, in which certain proposals are put forward for the definition of still-births, should be sent to the Governments of all States Members of the League and to Germany, Mexico, Russia and the United States. The Health Committee noted, during its session held in April 1926, that replies had already been received from seventeen Governments, the majority of which were in agreement with the definitions proposed and offered no further comment.

The Governments of Australia, Brazil and the Union of South Africa stated that they were prepared to introduce such new legislation as the adoption of the definitions would demand, if other Governments did the same. The British Government, however, was unable to consider the adoption of the definitions proposed, owing to numerous difficulties, in connection with existing legislation, to which such a change would give rise. The Brazilian Government recommended that the Health Organisation should undertake the preparation of an international nomenclature of causes of still-births. The same proposal was made by the Venezuelan Government, which also proposed that the Health Organisation should establish a standard form for the registration of still-births.

D. Statistical Handbooks.

A statistical handbook on Austria, prepared by Dr. Major Greenwood and Major P. G. Edge, was published in December 1925.

Professor H. Westergaard has prepared a handbook for the Scandinavian countries which deals with the vital statistics of Denmark, Finland, Iceland, Norway and Sweden.

The handbook describing the statistical system of the United States of America as a whole and of the individual States is being prepared by Mr. E. Sydenstricker, of the United States Public Health Service.

3. INTERCHANGES OF PUBLIC HEALTH OFFICERS.

A. The Interchange in Japan.

The interchange in Japan began at Tokio on October 18th, 1925, and concluded at Dairen on December 4th. Public health officers from the administrations of the following countries participated : Australia, China, the Straits Settlements, the Federated Malay States, Hong-Kong, British India, the Dutch East Indies, Indo-China, New Zealand, Siam and the Union of Socialist Soviet Republics.

The programme began with general lectures at Tokio by the principal officers of the Japanese Ministry of Health. The participating officers then visited the health organisations in Japan and afterwards went to Korea and to Southern Manchuria.

The Medical Director of the Health Section of the League, who, on the invitation of the Japanese Government, accompanied the interchange group, submitted a detailed report of his journey to the Health Committee during its April session 1926.

The visitors were impressed by the very great wealth of technical information available in Japan as a result of the accumulated experience of the Japanese Public Health and Medical Services. Japan has an unusually complete system of vital statistics, which has been built up during the last two or three hundred years. Every communal authority has for some two hundred years kept family registers, and since 1868 the police have also kept household registers which represent a permanent census of the entire population. A complete vaccination register is also kept in the district offices. The reports on vital statistics are centralised at a statistical bureau in Tokio, which is in the hands of a fully competent staff of modern statisticians thoroughly trained in the American schools of vital statistics.

The medical profession is numerous, the hospitals are exceptionally well provided with laboratories both for research and routine. The standard of the technical work is very high. Both in administration and in the medical work of the hospitals the influence of German teaching is much in evidence.

The Japanese Health Service has concentrated its efforts, in particular, on the attack against infectious diseases. The most difficult public health problem in Japan is the prevalence of intestinal diseases. The medical research institutes have devoted themselves, with the aid of field stations and field surveys, to discovering, describing and studying in detail the etiology of parasitic infection and conducting research into problems relating to typhoid and dysentery immunity. In spite of all these efforts, the incidence of typhoid fever and the proportion of deaths, as compared with the number of the population and of those suffering from the disease, continues to be very high.

The problem of tuberculosis is also difficult, and the central administration is very anxious to intensify on modern lines its campaign against tuberculosis.

The work of the Health Organisation of the League is followed closely by the officers of the Japanese Public Health Service and by the Japanese medical profession, and many Japanese specialists desire to associate their work with that of the expert commissions of the Health Committee. To this end, they have set up a Co-ordination Committee to follow the work of the Health Committee and to ensure the continuous co-operation of Japan. This Committee is presided over by Professor Miyajima, a former member of the Health Committee.

The Medical Director discussed with this Committee a plan of co-operation. This plan included the publication by the Health Committee of monographs based on recent original Japanese research, concerning public health problems of international importance and the appointment of corresponding members to take part in the work of the several committees and commissions of the Health Organisation. It was also proposed that fellowships should be given to Western public health and medical research workers who might desire to study at a Japanese institution, and that, in exchange, four Japanese public health and research workers should be given facilities for studying in Europe Western problems of importance to Japan. This plan of co-operation was adopted by the Health Committee during its session in April 1926.

B. Interchange of Health Officers in the Ports of the Mediterranean.

This interchange began at Barcelona in November 1925, and included health officers belonging to the following countries: Algeria, Egypt, France, Great Britain, Greece, Italy, the Kingdom of the Serbs, Croats and Slovenes, Spain and Syria.

Dr. Raynaud submitted to the Health Committee, during its session in April 1926, a report on this interchange, which took place under his direction. Dr. Raynaud emphasised how desirable it was, as much from the point of view of health as from that of shipping, that mutual confidence should prevail as between the health authorities of the various ports. In this connection, he pointed out that interchanges enabled a more direct contact to be established between the health officers of the ports, making it possible for them to familiarise themselves with the methods employed in ports which were in a close maritime relation with their own.

A final Conference of those participating in the interchange was held at Geneva in December 1925, in the course of which it was suggested that the Health Committee should appoint a Committee composed of doctors, bacteriologists, chemists, shipowners, marine officers and engineers, to make experiments in different ports on the various methods of fumigation now employed and to decide in what conditions the work of deratisation should be undertaken.

C. The Interchange in Great Britain.

The first general interchange held in 1926 began in London on February 22nd and ended at Geneva on April 1st. Health officers from the following countries participated: Austria, Brazil, Canada, the United States, France, Germany, Greece, Hungary, Italy, Japan, Panama, Poland, Roumania, the Kingdom of the Serbs, Croats and Slovenes, and the Union of Socialist Soviet Republics.

The programme of the interchange was carried out not only with the aid of the various Government departments but also and especially with the help of the London County Council,

the Corporation of the City of London, certain Borough Councils and other metropolitan organisations, to whom the most cordial thanks of those participating in the interchange are due. The health administration of London and neighbouring counties was studied in all its details, the interchange being specially organised for the benefit of municipal health officers occupying important posts in the administrative services of great urban centres.

At the final Conference at Geneva, very interesting reports were presented by the participants, who were unanimous in declaring that they had gained very valuable experience from their visit to England and that they hoped to be able to profit by it in their own countries.

D. The Interchange in West Africa.

The interchange of health officers in West Africa began at Dakar on March 20th, 1926. It was attended by health officers from the Belgian, British, French, Portuguese and Spanish colonies and from the administrations of Guatemala and South Africa. It was also attended by a representative of the Health Section of the League, who was specially instructed to investigate the possibility of instituting an epidemiological bureau at Dakar on the model of the Bureau at Singapore.

Very considerable difficulties were encountered in organising this interchange, as regular shipping services between the different colonies are almost non-existent. Certain of the territories have tolerably good roads, but these rarely connect two colonies. The programme had accordingly to be more or less provisional, and it was subject to any modifications which might be necessary in order to take advantage of the existing facilities of communication. The visits to the various ports were organised in close consultation with the Governors of the colonies concerned and through the intermediary of the various Colonial Offices.

The interchange began at Senegal at the end of March 1926. The itinerary included Gambia, Portuguese Guinea, French Guinea, Liberia, the Ivory Coast, Togoland, the Gold Coast and Sierra Leone.

E. Sanitary Engineers.

The interchange programme for 1926 also included an interchange of sanitary engineers. A circular letter was sent to forty-eight States, inviting them to submit a list of official engineers attached to the central health authorities for work in large urban or rural centres. The interchange, necessarily limited to sixteen participants, will visit in groups of four the cities of Birmingham, Glasgow, Liverpool and Sheffield. It will open with a preliminary course in London, followed by a Conference with municipal and county engineers in Bristol.

In London the delegates will attend the Jubilee Congress of the Royal Sanitary Institute, to which they have been invited by the Council of the Institute. Accompanied by a small Committee of specialists, the participants will visit the waterworks of the various towns, investigate the port health organisations, study the construction of fever hospitals, housing and town-planning schemes, and the methods adopted for the removal and utilisation of refuse, and will visit model villages, such as Bournville, near Birmingham.

F. General Interchange in Denmark.

The third general interchange organised for 1926 is an interchange in Denmark from May 27th to June 30th. This is reserved for officials particularly interested in the organisation and working of rural services. The following countries are participating: Bulgaria, Cuba, Czechoslovakia and the Kingdom of the Serbs, Croats and Slovenes, Esthonia, Germany, Great Britain, Hungary, Norway, Spain, Sweden, Switzerland and the United States.

G. Collective Interchange in Holland, Belgium, France and Switzerland (Special Type of Interchange).

A new type of interchange has been organised for the months of July and August, in which an endeavour will be made to eliminate some of the less desirable features of collective interchanges and to combine the advantages of individual missions and collective study tours.

The interchange will be limited to ten participants, each chosen for his expert knowledge of some definite subject. After some twelve days of individual study on special questions, the participants will meet as a group and follow the initial stage of a collective interchange, with the ordinary group conferences and visits to institutions of general interest. They will then separate into groups of specialists, who will study four or five subjects in which they are particularly interested, meeting at the end of each week for an exchange of views and a general discussion.

The interchange is designed to cover a period of six weeks and will enable the ten participants to visit the Netherlands, Belgium, France and Switzerland. The study tour will finish in Switzerland towards the end of August, and a final conference will then be held at Geneva.

The subjects selected by the participants include prophylaxis of venereal diseases, prophylaxis of tuberculosis, disinfection, child welfare, and health insurance in its relation to preventive medicine. The subjects will be dealt with by the lecturers selected by the public health departments of the four countries concerned, and these lectures will be supplemented by visits to typical institutions.

H. *Individual Fellowships.*

Individual fellowships for 1925-26 were accorded to health officers from the Kingdom of the Serbs, Croats and Slovenes and from Persia.

Fellowships for 1926 have been granted to health officers from Italy, Belgium, Switzerland, and Australia (two fellowships). Three fellowships have been reserved for Spain, one for the United States of America, two for the Kingdom of the Serbs, Croats and Slovenes and one for Poland. It has been arranged to accord four fellowships for medical officers from Japan and for four medical officers who desire to visit Japanese laboratories.

On the proposal of the Director-General of Public Health in Poland, an interchange of medical officers has been arranged between Poland and the Kingdom of the Serbs, Croats and Slovenes.

The arrangements for this interchange are now being made, and it will take place during the course of the present year.

I. *Plan of Interchanges for 1927.*

It is proposed to organise in Great Britain and in Germany collective interchanges for medical officers belonging to health services. It is also proposed to organise interchanges between health officers who have specialised in certain branches of administration and to arrange for a collective study tour for medical officers attached to national insurance organisations.

Further interchanges are being organised for professors of hygiene, and there will probably be a Parliamentary interchange. The possibility of an interchange for nurses is also under consideration, and also that of a second interchange for sanitary engineers. Plans for interchanges in Far Eastern ports and in Baltic ports are also under consideration, and may take place before the end of the year.

4. WORK OF THE COMMISSIONS.

A. *Malaria Commission.*

The Malaria Commission, during its session in October 1925, drew up a detailed programme of research for 1926, which was approved by the Health Committee during its following session in April 1926.

The following is a brief summary of the work which is now in progress.

As regards study tours, the report on the journey made by the Commission at the beginning of last autumn in Spain has been finally approved and will shortly be published. A study tour in Sicily has been organised for the autumn of the present year, in agreement with the Director-General of the Health Service of Italy.

An investigation with regard to the relation between anophelism and river deltas, such as the Ebro, the Po and the Danube, is at present in progress.

In the sphere of laboratory research, a very interesting memorandum was submitted to the Commission by one of its members, Colonel S. P. James, of the British Health Ministry, which relates the experiments made in England with a view to keeping a stock of mosquitoes constantly infected with the malaria plasmodium for the treatment of general paralysis by the intentional provocation of malaria.

Experiments of the same kind are being carried out in Bologna, Paris and Hamburg.

Clinical tests with a view to the substitution for quinine of certain of the secondary alkaloids of cinchona, for which the cost of production is smaller, have been carried out in a certain number of hospitals in Algeria, Italy, Roumania, the Kingdom of the Serbs, Croats and Slovenes and Spain, according to the principles laid down by the Malaria Commission. It would be premature to pass a final judgment on the therapeutic value of these alkaloids, as the experiments will be continued during the next malaria season.

Special courses in malaria have been organised in the Tropical Medicine Institutes of Paris, London and Hamburg. These theoretical courses will be followed by a practical course in the anti-malaria stations of Corsica, Italy, the Kingdom of the Serbs, Croats and Slovenes and Spain. The courses will be attended by participants from Armenia, British India, Bulgaria, France, Germany, Italy, the Kingdom of the Serbs, Croats and Slovenes, Poland, Roumania, Spain and the Union of Socialist Soviet Republics.

Lastly, an investigation into the relations which may exist between climatic and meteorological conditions and malaria will be pursued in Italian and Spanish anti-malaria stations situated in the immediate vicinity of meteorological information centres.

The Malaria Commission, in accordance with a decision of the Health Committee, was represented by certain of its members at the first International Malaria Congress, held at Rome in October 1925, and a special sitting of the Congress was devoted to the communications submitted by the members of the Commission. A permanent Malaria Congress was appointed by the Conference, six of the thirteen persons elected as members of the Congress being members of the Malaria Commission.

Wishing to honour the memory of Dr. Darling and Dr. Lothian, who died as a result of the accident at Beirut on May 21st, 1925, the Council approved, during its session held in December 1925, the following proposals of the Health Committee :

1. The founding of a Prize, to be known as the Darling Memorial Prize, for which the necessary funds will be collected by private subscription, to be awarded to the author of an original work on malaria. The rules concerning this prize were adopted by the Health Committee during its session of April 1926. They stipulate that the foundation shall award every two years a bronze medal and the sum of 1,000 Swiss francs to the living author of an original work on the pathology, etiology or prophylaxis of malaria.

2. To devote a portion of the credits of the budget of the Health Organisation to the creation of an individual scholarship, to be known as the Lothian Scholarship, and to be awarded by the Malaria Commission to a candidate chosen by itself.

B. Commission on Smallpox and Vaccination.

The Health Committee, during its session in October 1925, decided to constitute a special Commission to study questions relating to vaccination and the epidemiology of smallpox. The Commission met at The Hague from January 4th to January 7th, 1926, and examined a programme of work drawn up by its Chairman, Professor Ricardo Jorge. Experts from France, Germany, Great Britain, the Netherlands and Switzerland attended the Commission.

A letter was sent by the Secretary-General to all public health administrations, drawing their attention to cases in which encephalitis was observed to follow vaccination in certain countries, and asking them to send to the Health Section detailed information regarding any such cases which might be observed. The Secretary-General also sent a questionnaire to all the public health administrations with a view to enabling the Health Committee to study the methods used in the official institutes and laboratories under State control for the preparation, examination, distribution and use of vaccines. Finally, the Health Committee arranged for a comparative study to be undertaken into various laboratory methods used to determine the activity of the lymph.

C. International Sleeping-Sickness Commission.

The resolutions of the International Conference on Sleeping-Sickness approved by the Council in 1925 were mentioned in the Supplementary Report of the Council to the sixth Assembly¹.

In addition to the generous subsidies offered by the Belgian, British, French and Spanish Governments, the Portuguese Government has intimated that it desires to contribute a sum of £500 to the expenses of the Commission. The Portuguese Government has appointed Dr. Maximo Prates, head of the Laboratory at Lourenço Marquês, to collaborate in the work of the International Commission.

The Commission met at Entebbe in Uganda in February 1926, under the Chairmanship of Dr. Duke. It has undertaken laboratory and field studies regarding a series of problems of capital importance for the epidemiology, treatment and prophylaxis of sleeping-sickness. In view of the scope of the subjects the study of which has been entrusted to the Commission under the resolution of the International Conference of London, the Commission will not probably finish its work during the year 1926, and it is desirable that its mandate shall be prolonged beyond the present year.

There is every reason to hope that this international scientific collaboration will result in increasing our knowledge regarding sleeping-sickness, which for certain portions of the continent of Africa is so formidable a scourge.

D. The Tuberculosis Commission.

The Tuberculosis Commission, in April 1925, decided to continue its comparative study of the statistics of tuberculosis mortality in different countries. The problem was to be studied on the basis of a report by Dr. Biraud, in which it was maintained that a decline in tuberculosis mortality had really taken place in the various countries under consideration. The Tuberculosis Commission laid down the conditions under which the proposed enquiry should be effected, and it decided, that Denmark, Norway and Sweden appeared to be particularly suitable for a general enquiry of this character.

A Conference was accordingly held in September 1925, at Copenhagen, under the Chairmanship of Professor Madsen. The Conference adopted a programme of joint action, under the terms of which those pursuing the enquiry would forthwith proceed to prepare and exchange detailed statistics of tuberculosis mortality in the different countries.

Meanwhile, a general enquiry was concurrently undertaken in France, and more particularly in Paris, under the direction of Professor Léon Bernard, and a preliminary examination was made by the statistical service of the Health Section on the mortality figures for England

¹ See *Official Journal*, Special Supplement No. 33, page 332.

and Wales, Bavaria and Switzerland. It appeared from this general enquiry that tuberculosis mortality had declined more rapidly than the general figure for mortality from all causes.

The result of this research was communicated to the Tuberculosis Commission in a report by Dr. Biraud during the session of the Health Committee in April 1926.

E. Commission on Public Health Instruction.

The Commission on Public Health Instruction has held two sessions since the meeting of the sixth Assembly.

At its session in October 1925, Professor Léon Bernard reported upon his recent visit to Brazil, the Argentine Republic and Uruguay, where he had given a series of lectures on the health work of the League of Nations. The Commission also heard a report by Sir George Newman, Chief Medical Officer of the British Ministry of Health and Board of Education, who, at the request of his colleagues, agreed to draft a memorandum on the various systems of public health instruction followed in the countries which the Commission had already studied; this memorandum should make it possible to draw up certain general suggestions and to indicate the principles which should serve as the basis of such instruction.

In April 1926, the Commission held a meeting at Warsaw, where it had been invited by the Director-General of the Polish Public Health Service to assist at the inauguration of the new school of health attached to the State Institute of Health already existing at Warsaw. At this meeting, the Directors of the health schools of London, Prague, Belgrade and Zagreb attended. After a discussion on the prospective programmes of these schools, it was decided that the Commission should endeavour to collect all the documents concerning the health schools already existing in Europe and the United States, and to facilitate a mutual co-operation between these new bodies by means of an exchange of views between their Directors.

F. The Cancer Commission.

In October 1925, the Statistical Sub-Committee of the Cancer Commission asked Professor Niceforo and Professor Pittard to study the possible relation between cancer and the racial factor, and to prepare a preliminary report on this question. For this report two kinds of information were necessary: statistical data on cancer mortality in certain selected countries, and anthropological data for these countries.

The data as regards cancer mortality were collected by the Secretariat, and the necessary anthropological information by the Rapporteurs themselves.

It was observed, in the preparation of the necessary statistical information, that in some countries the rate of mortality from cancer was extremely low in certain districts, whereas in the same regions mortality from senility or from unknown causes was comparatively high. This discovery suggested a further investigation into the comparative mortality rates from these causes; this enquiry was carried out in April and May 1926. Dr. Greenwood (Great Britain), Dr. Hansen (Denmark), Professor Methorst (Netherlands), and Dr. Carrière (Switzerland) were accordingly asked to undertake similar studies, in order to discover whether there might not be an inverse relation between mortality from cancer and mortality from senility or unknown causes.

Towards the end of April 1926, Dr. Greenwood, Chairman of the Statistical Sub-Committee, called a series of informal conferences, during which the conclusions at which the experts had already provisionally arrived might be examined. It was decided during these conferences that Professor Niceforo and Professor Pittard should be invited to prepare a summary of their report and that this summary should be distributed to the Cancer Commission.

Meanwhile, Dr. Greenwood had drawn attention to the question of serological methods, and proposed that this question should be studied from the racial point of view. A document was accordingly prepared on the subject and distributed to the members of the Statistical Sub-Committee. The conclusions contained in this document appear to have opened up a new avenue of research.

G. The Opium Commission.

Article 8 of the International Opium Convention concluded at Geneva on February 19th, 1925, covers certain preparations containing narcotics which, owing to their composition, should be withdrawn from the effects of the Convention.

Article 10 of the same Convention covers narcotics recognised as liable to produce toxicomania, to which, therefore, the provisions of the Convention should be made applicable.

By a resolution adopted by the International Opium Conference of 1925 and a resolution adopted by the Council of the League of Nations on March 14th, 1925, the Health Committee was asked to consult the Permanent Committee of the Office international d'Hygiène publique at Paris on questions arising under these articles.

As the result of a decision of the Health Committee in April 1925, the Permanent Committee of the Office international was asked to give an opinion in regard to two products, eucodal and dicodid, both derivatives of morphine and codein, as it was thought that, as these drugs contained injurious properties, they should be brought within the provisions of the

Convention. The Permanent Committee of the Office international in October 1925 appointed a committee of experts to study the question, and, on the advice of those experts, unanimously decided, in May 1926, that the two substances eucodal and dicodid might from prolonged use lead to the forming of the drug habit, and therefore proposed that they should be added to the list of drugs coming under the provisions of the International Convention.

With reference to Article 8, the Health Committee decided, in April 1925, to invite the Governments to supply it with a list of the products containing narcotics which should, in their opinion, be withdrawn from the effects of the Convention, and a circular letter was addressed to the Governments in November 1925. Up to the present (May 1926), replies have been received from sixteen Governments.

H. *The Standardisation Commission.*

(a) *Standardisation of Sera.*

The Danish Serotherapeutic Institute has continued as in the past the comparative titration of the standards of anti-diphtheric serum used by various countries for the standardisation of their national sera. This titration was carried out in relation to an international unit of anti-diphtheric serum deposited at the Copenhagen Institute. The results of these titrations have shown that there is an absolute agreement between the values of these various standards.

In conformity with the decisions of the Conference for the Standardisation of Anti-dysenteric Serum held at Geneva in September 1924, Dr. Madsen prepared a certain quantity of Anti-dysenteric Serum intended to be used as an international standard. This serum has been distributed among the various laboratories participating in the researches, with a view to comparative titration.

In spite of the very thorough study and the titrations carried out by the various laboratories of Europe and the United States, the anti-tetanic standard, which had been previously selected by the Commission and which represented a mean term between the extreme values of the anti-tetanic units in use in the various countries, has not met with unanimous approval. The Commission was therefore led to consider whether the solution of the problem did not reside in the adoption of one of the national standards at present in use.

(b) *Tuberculin.*

On the proposal of the Tuberculosis Commission, Professor Calmette, Deputy-Director of the Pasteur Institute, has undertaken an experimental study of the various methods used for the titration of tuberculin in the hope that a method might be devised for international use. In the remarkable report on this question which he submitted to the Health Committee during its session held in April 1926, Professor Calmette reached the conclusion that, in spite of the numerous methods of titration existing, it would be premature to propose the adoption of international rules in order to estimate the activity of the tuberculin, and that it was advisable for its titration to be made the subject of further experimental research.

The author proposes, however, to carry out the titration in relation to a tuberculin standard, and describes the method which, in his opinion, would enable the activity of tuberculin to be more exactly estimated.

(c) *Biological Standards.*

In order to give effect to the resolution adopted by the Health Committee in October 1925, the Secretary-General has communicated to the Governments for transmission to the services concerned the resolutions adopted by the Second International Conference for the Biological Standardisation of Certain Remedies, which met at Geneva from August 31st to September 3rd, 1925, under the Chairmanship of Dr. H. H. Dale. These resolutions were also communicated to the Second Conference for the Unification of the Formulæ of Powerful Drugs, which was held at Brussels from September 21st to 29th, 1925. This Conference recommended :

(1) That biological standardisation should be introduced into the pharmacopœias wherever this is necessary ;

(2) That, unless there are good reasons to the contrary, the pharmacopœias should adopt the methods which have been or may in future be recommended by the Health Organisation of the League of Nations ;

(3) That the Pharmacopœia Commissions should forward to the Health Organisation of the League of Nations any observations or suggestions they may wish to make with regard to the methods in question.

The Conference at Brussels further considered that it was advisable to institute an international body for the unification of pharmacopœias, and to set up two international committees which would undertake the study of the unification of the methods of chemical and physico-chemical titration of powerful drugs and of the methods of preparing powerful galenic preparations. To this end, the organising Committee of the Conference has been requested to approach the Belgian Government and to ask it to open negotiations with the League of Nations with a view to definitely setting up these bodies.

5. SPECIAL STUDIES AND MISCELLANEOUS QUESTIONS.

A. *Disinfection.*

An international enquiry on the question of disinfection was originally undertaken by the Health Committee on the proposal of Dr. Chodzko. At the request of the Health Section, the health administrations of certain European countries entrusted to experts the preparation of memoranda describing the position with regard to compulsory disinfection. Such memoranda were obtained from Austria, Belgium, Czechoslovakia, Germany, the Kingdom of the Serbs, Croats and Slovenes, and Scandinavia.

A report was presented to the Health Committee during its last session by Professor Chagas on the present practice in regard to terminal disinfection. The opinions of the sanitary administrations represented on the Permanent Committee of the Office international are now being obtained, and recommendations will be prepared by Professor Chagas in collaboration with the Health Section and the Director of the Office international for consideration by the Health Committee at its session to be held in October.

B. *Leishmaniosis.*

The Health Committee, during its session in April 1925, heard a statement by Professor Pittaluga regarding leishmaniosis which was of special interest in Spain and the Mediterranean basin. As a result of that statement, the Committee decided to entrust to Professor Pittaluga, in collaboration with Dr. Raynaud, a study of Mediterranean leishmaniosis. Professor Pittaluga and Dr. Raynaud presented reports to the following session of the Committee, which decided that the enquiry in the Mediterranean countries should be continued and completed.

An enquiry is now being made, which includes, on the one hand, statistical research in Spain, the South of France, Italy, Portugal and North Africa, and, on the other, a topographical study of the foci of leishmaniosis in relation to the presence of dogs and phlebotomi. For the carrying out of this plan, certain experts belonging to the interested countries, and particularly Dr. Nicolle, of Tunis, and Dr. Sergent, of Algiers, have promised their collaboration.

C. *Leprosy.*

The Health Committee, during its session in October 1925, decided that an investigation should be conducted into certain statistical and epidemiological aspects of the problem of leprosy.

The investigation was entrusted to Professor Chagas, who presented a report to the Committee in April 1926. The Health Committee requested Professor Chagas to continue his study in collaboration with experts appointed for this purpose in agreement with the Bureau of the Health Committee. The following experts have been nominated: Professor Marchoux (France), Dr. MacCoy (United States of America). Sir Leonard Rogers (Great Britain) has also promised his assistance.

D. *International Conference on Rabies.*

On several occasions during the last two years the President of the Health Committee has been asked to convene a Conference of the directors of the chief anti-rabies institutes of the world, in order to discuss the results of the experience gained as regards anti-rabies vaccination. In view of the interest attaching to such a discussion, the President of the Health Committee — having taken the above requests into consideration — got into touch with the authorities of the Pasteur Institute in Paris who entirely approved of the proposal, and were of the opinion that the initiative could be taken by the Health Committee. The Pasteur Institute having suggested that the future Conference should be held in Paris at the Institute, the Health Committee gratefully accepted this suggestion and at its April session adopted the following resolution:

“ The Health Committee decides to take steps to convene in 1927, at the Pasteur Institute in Paris, an International Conference on Rabies, to which the directors of the chief anti-rabies institutions of the world will be invited. ”

The Conference will be convened during the spring of 1927. The Pasteur Institute and the Health Section of the Secretariat are now drawing up reports which would serve as a basis for future discussion.

E. *Epidemiological Enquiries.*

Memoranda on the epidemiology of cholera have been prepared by Major A. J. Russell, Director of the Health Service of the Presidency of Madras, who has studied the endemic centres in India, and by Professor Barikine and Dr. Cazeneuve, who describe the position as observed by them at Rostov-on-the-Don, a city which is an endemic centre for cholera.

The epidemiology of plague and, in particular, the relations existing between this disease and certain wild rodents have been studied by Dr. Wu Lien-Teh, Director of the Anti-Plague Prophylaxis Service of Manchuria, as well as by Dr. H. Cazeneuve during a mission to the south of Lake Baikal on the invitation of the People's Commissariat for Public Health of the Union of Socialist Soviet Republics.

Other studies are in progress on the sero-prophylaxis of measles and on certain aspects of the epidemiology of scarlet-fever.

F. *Health Exhibitions.*

The Health Organisation has been invited to participate in the exhibition of public health, social welfare and physical education, for which a very large programme has been drawn up by the city of Düsseldorf, and in a similar exhibition which will take place at Budapest.

In response to these invitations, the Health Section has sent coloured schedules showing the various aspects of the activity of the Health Organisation, and has printed, for distribution to the visitors, a pamphlet relating to the work accomplished by the Organisation.

10.

HUMANITARIAN QUESTIONS.

I. TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS.

Appointment of Assessors.

The Council, during its meeting in March 1926, appointed as assessors to the Advisory Committee on Traffic in Opium M. Henri Brenier (French) and Colonel Arthur Woods (American), the former for his knowledge of the commercial side of the opium question, the latter, as former Police Commissioner of New York City, as an expert on the police side of the administration of the laws dealing with the subject. The third assessorship — reserved for an expert on the conditions in the Far East — the Council decided to leave unfilled for the time being.

Commission of Enquiry into Opium Production in Persia.

On September 28th, 1925, the Council, having considered the decision of the sixth Assembly relative to the question of the appointment of a Commission of Enquiry into the opium situation in Persia, requested the Secretary-General to submit at the December session of the Council a list of persons suitable to serve as members of such a Commission. The Secretary-General was asked, in preparing this list, to act in accordance with the terms of Resolution 2 adopted by the Assembly with regard to this Commission.

The Commission was constituted on December 11th, 1925, in accordance with the instructions of the sixth Assembly. The members appointed were M. Frederick A. DELANO (United States of America), Chairman; Professor CAVARA (Naples University), botanical and agricultural expert; and M. Victor CAYLA (France), agricultural engineer. The Council thanked the American Social Hygiene Bureau for the gift of 20,000 dollars which it had contributed towards the expenses of the Commission.

The Commission of Enquiry, after a preliminary meeting at Geneva, embarked on March 12th, 1926, at Trieste, *en route* for Persia, in order to proceed with its investigation.

Eighth Session of the Advisory Committee.

The eighth session of the Advisory Committee on the Traffic in Opium and other Dangerous Drugs was held at Geneva from May 26th to June 8th, 1926. The report on the work of the Committee during that session, which will be considered by the Council during its September session, will be summarised in the Supplementary Report to the Assembly.

II. PROTECTION AND WELFARE OF CHILDREN AND YOUNG PEOPLE.

A. TRAFFIC IN WOMEN AND CHILDREN

The Traffic in Women and Children Committee met at Geneva from March 22nd to 25th, 1926. The following members of the Committee attended the meetings :

Delegates appointed by Governments.

DON PEDRO SANGRO Y ROS DE OLANO, <i>Chairman</i>	Spain.
M. Emilio Martinez AMADOR (substitute delegate).	
M. BOURGOIS (replacing M. Regnault), <i>Vice-Chairman</i>	France.
M. BARBIER (substitute delegate).	
COUNT CARTON DE WIART	Belgium.
Mr. MAXWELL (replacing Mr. Harris)	British Empire.
Dr. Estrid HEIN	Denmark.
Marquis Paulucci DE'CALBOLI	Italy.
M. Yotaro SUGIMURA	Japan.
M. Stanislas POSNER	Poland.
M. CIUNTU (replacing M. Comnène)	Roumania.

Assessors.

Miss BAKER	International Bureau for the Suppression of Traffic in Women and Children.
Mme AVRIL DE SAINTE-CROIX	Women's International Organisations.
Baroness DE MONTENACH	Association catholique internationale des Œuvres de protection de la jeune fille.
Mme. CURCHOD-SECRETAN	Fédération des Unions nationales des Amies de la jeune fille.
Mr. S. COHEN	Jewish Association for the Protection of Girls and Women.

Secretary : Dame Rachel CROWDY.

Dr. FERENCZI, of the International Labour Office, acted as liaison officer with that institution.

Annual Reports.

After having noted the progress report submitted by the Secretary, the Committee examined the summary of the annual reports from Governments for the year 1924 and noted with satisfaction the continually increasing number of Governments which are sending detailed reports of great value to the work of the Committee. It also took cognisance of the reports which each of the Assessors laid before it on behalf of the Associations which they represented. The Committee was glad to note the co-operation which existed between the authorities in the various countries and the private organisations.

International Convention of 1921.

Since the last session ratifications had been received from China, Japan, Sweden and Switzerland; France had adhered to the Convention.

Collection of Laws and Regulations.

The Committee expressed its thanks to the American Social Hygiene Association, which has prepared a collection of the laws and regulations of many countries in relation to the traffic in women and children.

Replies to the Questionnaire of 1923 regarding the System of Licensed Houses.

Replies have been received by the Secretariat, since the last session of the Committee, from New Zealand, Japan, Norway, Austria and the Free City of Danzig. It was decided to request the Council to instruct the Secretariat to ask those countries which had not yet sent reports to do so, and those which have sent reports for any new comments. The Committee further requested the Secretariat to prepare for the next session a systematic and impartial abstract of the reports which, taken in conjunction with the reports themselves, would show the present position. This abstract should be suitable for use in the preparation of a report which the Committee proposes to make to the Council in accordance with Resolution 4 adopted by the Council on June 11th, 1924.

Expulsion of Foreign Prostitutes.

The discussion which had taken place last year on this subject was continued¹. The Committee thought it would be helpful to establish a closer co-operation between the Government authorities in the different countries and the voluntary associations willing to help foreign prostitutes who are to be expelled. Two resolutions were adopted with a view to promoting co-operation between the voluntary associations themselves on this important point. By a third resolution, the Council was requested to ask the Secretariat to invite the various Governments to furnish information on the question, in order that it might be considered at the next session of the Committee. M. POSNER, delegate of Poland, was appointed Rapporteur.

Women Police.

The Committee noted the increasing interest which had been shown in the question of the employment of women in the police in several countries in all matters affecting the protection of women and children and, as these countries were of opinion that such appointments would largely tend to decrease the evils of the traffic in women, it requested the Council of the League to instruct the Secretariat to apply to all States for full information on the subject. It further decided that such information should be classified for presentation to the Committee at its next session.

Obscene Publications.

Several delegates made statements of great interest with regard to the difficult problem of stopping the sale of obscene publications, and the Committee decided to ask the Council to

¹ See *Official Journal*, Special Supplement No. 33, page 276.

instruct the Secretariat to obtain the periodical reports recommended in paragraph 9 of the Final Act of the International Conference of 1923 for the Suppression of the Circulation of and Traffic in Obscene Publications, in order that these reports might be submitted, if possible, to the Committee at its next session.

Alcoholism in its Relation to the Traffic in Women and Children.

The Committee had before it a report furnished by the International Anti-Alcoholism Bureau on the subject of alcoholism in its relation to prostitution. The Committee was unanimously of opinion that an interdependence existed between these two evils and it invited the Secretariat to proceed with the study of this problem from the point of view of the traffic, in order that it might be considered at the next session of the Committee.

Emigration.

The Committee thought it desirable not to lose sight of the problem of the protection of migrant women and children which had for several years been of considerable interest to the members of the Advisory Committee. It received a statement made by the representative of the International Labour Office, M. Ferenczi, with regard to the very important question of the inspection of migrants on board ship. This question was considered of particular interest, inasmuch as it appeared on the agenda of the 1926 International Labour Conference.

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The report of the Committee was placed on the agenda of the June session of the Council. The resolutions adopted by the Council as a result of the examination of this report will be summarised in the Supplementary Report to the Assembly.

B. CHILD WELFARE.

The Child Welfare Committee met at Geneva from March 25th to April 1st, 1926. The following members were present :

Delegates appointed by Governments :

DON PEDRO SANGRO Y ROS DE OLANO (<i>Chairman</i>)	Spain.
Don Emilio Martinez AMADOR (<i>Substitute delegate</i>).	
M. BOURGOIS (<i>Vice-Chairman</i>)	France.
M. MARTIN (<i>Technical Advisor</i>).	
COUNT CARTON DE WIART	Belgium.
Mr. MAXWELL (<i>replacing Mr. Harris</i>)	British Empire.
Dr. Estrid HEIN	Denmark.
Marquis Paulucci DE' CALBOLI	Italy.
M. Yotaro SUGIMURA	Japan.
M. Stanislas POSNER	Poland.
M. CIUNTU (<i>replacing M. Comnène</i>)	Roumania.

Assessors.

Miss Julia LATHROP, M.A.	American National Conference on Social Work.
M. Henri ROLLET	International Association for the Protection of Children.
Mlle BURNIAUX	International Federation of Trade Unions.
Dame Katharine FURSE	International Organisation of Boy Scouts and Girl Guides.
Dr. HUMBERT	League of Red Cross Societies.
Miss Eglantyne JEBB	"Save the Children" Fund (International Union).
Miss Charlotte WHITTON, M.A.	Social Service Council of Canada and Canadian Council on Child Welfare.
Miss Eleanor RATHBONE	Women's International Organisations.

Mr. JOHNSTONE and M. VARLEZ attended on behalf of the International Labour Office. Dr. Norman WHITE, of the Health Section, also attended the meeting.

Secretary : Dame Rachel CROWDY.

At its fourth session the Commission had adopted a recommendation to the effect that the voluntary associations of the American continent should be represented by an assessor on the Child Welfare Committee. At its session of June 1925, the Council decided to give effect to this recommendation, and three assessors were appointed in December to represent the voluntary associations of Canada, South America and the United States of America respectively.

In addition, the International Federation of Trade Unions had also asked to be represented on the Committee by an assessor. At its meeting of September 5th, 1925, the Council resolved that the International Federation should also be invited to submit to the Council one or several candidates, together with their qualifications. At its December session, the Council approved the appointment of the candidate proposed.

Appointment of Sub-Committees.

The Committee decided that, in view of the large number of subjects under consideration and in view of the legal and technical difficulties inherent in some of them, it was desirable, after preliminary discussion, that certain of the subjects should be submitted to a Legal Sub-Committee for examination and report at the next session of the Committee.

The Committee considered generally the position with regard to several items on the agenda which fell within the joint sphere of action of both the Child Welfare Committee and other Committees and organisations, such as the Health Committee, the International Labour Office and the International Committee on Intellectual Co-operation. The Committee decided that, to prevent overlapping of work and to ensure full co-operation in the interests of child welfare, it was desirable that a Liaison Sub-Committee should be set up to deal with those matters which affected other Committees or organisations jointly with the Child Welfare Committee.

Representation of the International Committee on Intellectual Co-operation on the Child Welfare Committee.

The Committee considered the desirability of strengthening the Committee for the study of certain matters affecting child welfare and decided to request the Council to invite the International Committee on Intellectual Co-operation to nominate a representative to serve on the Child Welfare Committee.

Laws relating to the Protection of Life and Health in Early Infancy.

The Committee considered a memorandum on infant welfare prepared by the Health Section of the Secretariat and decided that it would be well for the enquiry thus begun to be pursued from the special point of view of early infancy by collecting legislative material not only on matters of health but also on social and legal conditions affecting the protection of the life and health of infants.

Laws relating to the Age of Marriage and the Age of Consent.

After considering a provisional report prepared by the Secretariat, the Committee decided that the work which had been undertaken should be continued so that it might be again considered at the next session.

International Convention concerning the Assistance and Repatriation of Foreign Children.

The Committee decided that the whole subject should be referred to the Legal Sub-Committee to consider the various aspects of the matter in the light of the full discussion which had taken place and to report its conclusions at the next session.

Child Labour.

An interesting report was submitted by the International Labour Office on the ratification of international conventions and on legislation in so far as these subjects related to child labour. The Committee discussed the connection which exists between the age fixed for entering industry and the age for leaving school, and emphasised the danger which exists when there is an interval of one or two years between these two ages. Attention was also called both to child labour in agricultural districts and to the effects of work undertaken out of school hours on children of school-attendance age.

In the resolution which it adopted, the Committee expressed the hope that the International Labour Office would continue to make representations to the Governments with a view to the ratification by every country of international conventions on the admission of children to labour. It also drew attention to the fact brought out by the investigations of the International Labour Office as to the relation between the laws on school attendance and labour legislation, and emphasised the importance of extending the age of compulsory school attendance up to the age fixed by international convention as being the earliest at which children may be allowed to work.

The Committee's attention having been called to the methods employed in the education of adolescents and their relation with the normal family and social life of the adult, and also to the relation between the life of children in agricultural districts and the education they receive in preparation for the normal family and social life of the adult, the Committee asked the Liaison Sub-Committee to consider if and how far it would be practicable and desirable to make enquiries into these subjects and to present a report for consideration next year.

Family Allowances.

After considering a memorandum from the International Labour Office on family allowances and their effect on child welfare, the Committee decided to ask the International Labour Office to continue, in collaboration with the Secretariat and the voluntary associations, its

study of the subject, especially with a view to obtaining exactly comparable data, and to report progress at the next session of the Committee.

The Effects on the Well-being of Children of Social Insurance and of Measures taken to alleviate Distress caused by the Unemployment, Sickness or Death of the Wage-Earner.

The International Labour Office having furnished a note on the difficulty of establishing a report on the effect on the well-being of children of measures taken to relieve distress, the Committee decided to adjourn the consideration of this subject to a subsequent session.

Effects of the Cinema.

The Committee considered questions relating to the effect of the cinema on the mental and moral well-being of children. It recognised, on the one hand, the attraction and importance of the cinematograph, in certain circumstances, from the point of view of the healthy recreation, instruction and education of children and young people, but it expressed the conviction that the abuse of the cinema had definitely harmful effects upon the minds of children and young people and, according to certain medical authorities, upon their nervous system and physical health. Moreover, the Committee, appreciating the interest felt by the International Institute of Intellectual Co-operation in the question of the cinematograph, desired to assure it of the importance which the Committee itself attached to the question from the point of view of the moral and intellectual development of children and young people, and requested it to devote special attention to the co-operation of all concerned in the production, circulation and utilisation of good films.

The Committee then went on to recommend that, in each State, offices for control or for preliminary censorship should be established, whose decisions should be enforced by fixed penalties, with a view to preventing the exhibition of demoralising films; that all possible means should be employed to encourage the exhibition and the international exchange of films calculated to promote the intellectual, moral and physical education of children and young people; that an international understanding should be entered into by the various national offices with a view to communicating to each other the decisions adopted and the penalties imposed by their respective countries, and that such understanding should eventually be extended by means of international agreements to prevent the circulation and use of demoralising films; and lastly, that each State should prescribe the necessary measures of hygiene and security in connection with the ventilation, the cubic capacity, the exits and emergency exits of cinema theatres, and should take steps as soon as possible to prohibit the exhibition of inflammable films.

Draft International Convention on Execution of Judgments relating to Maintenance, etc.

The Committee took note of a draft international convention drawn up by the International Association for the Protection of Children on the execution of judgments relating to maintenance payable on behalf of children by persons responsible for their support and living abroad; it also took note of representations as to the desirability of making provision for the reciprocal enforcement in different countries of all obligations on parents for the maintenance of their families, and of sentences imposed for the offence of deserting the family. It decided that all these questions should be submitted for examination to the Legal Sub-Committee, on its general which would report at the next session.

Recreation.

The Committee recognised the necessity of recreation in the lives of children and young people, providing as it does for their good health both mentally and physically. It expressed the desire that, in all future town-planning or improvement schemes, provision should be made for recreation spaces, both open and covered, and it resolved to keep the question of recreation on its general programme.

Biological Education.

The Committee decided that the consideration of this matter should be postponed.

Neglected and Delinquent Children.

The Committee examined the subject of neglected and delinquent children, but it decided that the matter was too wide to be considered at the present session, especially in view of the fact that no programme of work had been drawn up in connection with the subject. It was, however, decided that the subject should be placed early on the agenda of the next session.

The Committee reconsidered the subject of juvenile courts and, after discussion, decided to ask the Council to instruct the Secretariat to collect information and to report to the Committee as to the scope, composition and practice in various countries of the judicial tribunals or other special bodies which deal with cases of children and young people. When this preliminary study is sufficiently advanced, such enquiries as may be necessary will be made on the spot according to a plan to be laid down by the Committee.

Alcoholism.

The Committee considered the report furnished by the International Anti-Alcoholism Bureau at Lausanne and discussed the grave dangers to the welfare of the child which resulted from the wrong use of alcohol.

In the resolution which it adopted, the Committee requested the Council to ask the Governments to protect children and young people from the danger of alcoholism by every possible means ; it requested the philanthropic associations to do everything in their power to bring this danger to the knowledge of the public (parents, clergy, teachers, Press, etc.), and to educate children and young people themselves to a sense of this danger ; it requested the Secretariat to remain in communication with the Lausanne Bureau with a view to supplementing the information already obtained ; and it decided that the question should be placed on the agenda of a later session.

Other Matters.

(a) *Subjects placed on the Agenda at the Request of the Representative of the Canadian Voluntary Organisations.*

At the end of the session, the Committee decided to refer to the Liaison Sub-Committee draft resolutions prepared on certain subjects, the consideration of which had been deferred when the agenda was adopted.

(b) *Procedure.*

Certain members of the Committee having expressed the desire that modifications should be made in the Rules of Procedure in connection with the placing of subjects on the agenda and in the time-limit within which documents to be considered by the Committee should be submitted, the Committee decided that the proposed alterations in the Rules of Procedure should be referred to the Legal Sub-Committee and reported upon at the Committee's next session.

(c) *The Welfare of the Blind.*

At the request of the Chairman, a document from the " Comité international pour l'information et la propagande des aveugles " was distributed to the members. The Committee expressed its sympathy with the promotion of the welfare of the blind and decided to place on the agenda " The Problem of the Blind Child " for consideration at its next session. The Committee agreed that the " Comité international " should be asked to submit a report which would furnish a basis for discussion.

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The report of the Committee was placed on the agenda of the June session of the Council. The resolutions adopted by the Council as a result of the examination of this report will be summarised in the Supplementary Report to the Assembly.

11.

INTERNATIONAL RELIEF UNION.

The sixth Assembly, which had on its agenda the report of the Preparatory Committee set up to consider Senator Ciraolo's scheme for the establishment of an International Union for the Relief of Peoples overtaken by Disaster¹, after expressing its interest in the Committee's proposal, considered that an international institution of this kind, which might include among its members both Members of the League and States which are not Members, should be constituted by special agreement between the various Governments.

The Assembly also felt that the different Governments should be consulted as to the expediency of establishing such a Union. It noted, moreover, that provision for such a consultation had been made in a resolution of the fifth Assembly, dated September 26th, 1924, and that it had not been possible for this consultation to take place.

In the course of the discussion on the Preparatory Committee's proposal in the Second Committee of the sixth Assembly, certain observations and criticisms had been made regarding the scheme submitted.

The sixth Assembly consequently referred the scheme back to the Preparatory Committee in order that the latter might introduce such modifications as it might consider desirable in view of these observations.

It furthermore invited the Council to submit the Statutes thus revised to the Governments of all States, whether Members or not of the League of Nations, for formal consideration, requesting them to communicate their views by a fixed date, in order that the Council might, if necessary, proceed to the convocation of a meeting of the duly authorised representatives of the aforesaid Governments with a view to the conclusion of the necessary arrangements for the definite

¹ See *Official Journal*, Special Supplement No. 33, page 278.

establishment of the proposed Union, if the Council considered that the replies received were such as to permit the conclusion of an agreement to this effect.

In accordance with this resolution, the Preparatory Committee was invited to introduce into its original scheme the modifications called for by the observations put forward in the Second Committee of the Assembly, and the Committee, having completed this work, submitted to the Council a final draft of the Statutes of the International Relief Union.

In pursuance of a Council resolution dated December 14th, 1925, the Secretary-General, in a circular letter dated January 23rd, 1926, forwarded to the Governments of all States, for formal examination, the revised Statutes, together with a statement of the objects of the Union, requesting them to make known the results of such examination before July 1st, 1926.

Up to the present, eight countries have communicated their views¹: Cuba, Egypt, Italy and Salvador have expressed themselves in favour of the establishment of the proposed Union.

The Government of the United States has stated, in reply to the Secretary-General's communication, that problems similar to those which the proposed Union would have to consider have always been dealt with, in the United States, by the American Red Cross, and that it does not appear that the Government can usefully assist in carrying the scheme into effect.

The Government of India has stated that it is still unable to adhere to the scheme. New Zealand also maintains its original opposition.

The Government of the Union of South Africa has declared that it can give no opinion for the moment, but that, if the proposals for a Conference were to be carried out, it would consider the matter afresh.

12.

WORK OF THE INTERNATIONAL COMMITTEE ON INTELLECTUAL CO-OPERATION.

Since the last session of the Assembly, the International Committee on Intellectual Co-operation has held a single session in Paris during the month of January 1926.

The representative of France, in the report which he presented to the Council in March 1926, emphasises that this session was particularly brilliant owing to the inauguration of the International Institute of Intellectual Co-operation, of which the Committee is the Governing Body. The French Government had arranged that the solemn handing over to the President of the Council of the League of Nations of the historic rooms in the Palais Royal which it had placed at the disposal of the Institute should coincide with the session of the Committee.

During its session in January, the Committee dealt in particular with the question of the instruction of children and youth in the work and aims of the League of Nations, a question which had been referred to it by the Council at the request of the last Assembly. The Committee also approved the programme of work prepared by its new Sub-Committee for Arts and Letters, and examined the draft Statutes of the Institute for the Unification of Private Law which the Italian Government had offered to found at Rome.

The Committee, during the session to be held in July 1926, will be informed of the progress made by its other Sub-Committees, and the Supplementary Report which will be presented to the Assembly in September will deal particularly with the work which has been done on questions concerning scientific property, co-operation between universities and bibliography — in particular, the report and the proposals of the Committee of Experts for the Co-ordination of Analytical Bibliography in the Economic Sciences.

Composition of the Committee.

Three members of the Committee, M. Bergson, M. Ruffini and M. de Torres-Quevedo, have resigned, and the Council has appointed as their successors M. Paul Painlevé, member of the Academy of Sciences of the Institute of France, M. Alfredo Rocco, Professor of the Faculty of Law of the University of Rome, and M. Julio Casares, member of the Royal Academy of Spain.

M. Painlevé and M. Rocco have been asked, together with M. Einstein, to sit on the Board of Directors of the International Institute of Intellectual Co-operation.

Further, M. Lorentz has replaced M. Bergson as Chairman of the Committee.

REORGANISATION OF THE SUB-COMMITTEES.

The work of the Committee is at present prepared by four Sub-Committees: University Relations; Bibliography; Arts and Letters; Intellectual Property. Each of these Sub-Committees includes at least three members of the Committee and a certain number of specialists appointed

¹ Replies received subsequently to the date of this report will be mentioned in the Supplementary Report to the Assembly.

as assistant members by the Committee or co-opted by the Sub-Committee. Under the rules of procedure of the International Institute in Paris, the work of each of the sections of the Institute is supervised by one of the Sub-Committees of the Committee on Intellectual Co-operation. In order to facilitate this supervision, the Sub-Committee may appoint one of its members to keep in constant touch with the appropriate Section of the Institute and to assist it with advice.

The Committee has issued a recommendation for the institution of a new Sub-Committee for Sciences. The Council, during its March session, approved in principle the institution of this Sub-Committee when the need should arise and when the credits necessary for its work were granted by the Assembly.

UNIVERSITY RELATIONS : MEETING OF A COMMITTEE OF REPRESENTATIVES OF THE INTERNATIONAL STUDENTS' ASSOCIATIONS.

The Supplementary Report presented to the last Assembly referred to the fact that the Sub-Committee on University Relations had agreed to convene a meeting of representatives of international students' associations. The aim of the meeting was to make a special effort to organise a better system of collaboration and the best possible division of labour among these associations.

A meeting was convened and was presided over by M. de Reynold, member of the Committee on Intellectual Co-operation. The International Institute of Intellectual Co-operation was represented and delegates of the following associations participated : Confédération internationale des Etudiants ; International Federation of University Women ; Fédération universitaire internationale pour la Société des Nations ; Fédération universelle des Associations chrétiennes d'Etudiants ; International Student Service ; Pax Romana (Secrétariat international des Associations catholiques d'Etudiants) ; World Union of Jewish Students ; as well as the Auslandsamt der Deutschen Studentschafts Organisation, a body invited in an advisory capacity.

The resolutions adopted, which will be transmitted to the Committee on Intellectual Co-operation, aim at ensuring, by a division of work among the associations and with the assistance of the International Institute of Intellectual Co-operation, a co-ordination of effort in connection with the following subjects : travelling facilities for students ; exchanges of students ; international fellowships ; equivalence of degrees, studies and diplomas ; the creation of students' centres and the financial steps to be taken for this purpose.

The possibility of annual meetings of representatives of the international students' associations was also contemplated. Provision was made with a view to starting at once a preliminary study of the various questions which may be placed on the agenda of a further session. Among these questions is that of the organisation of a common international centre for students.

SUB-COMMITTEE FOR ARTS AND LETTERS.

The Sub-Committee for Arts and Letters, the constitution of which was approved by the last Assembly, aims at encouraging and promoting intellectual co-operation in the field of literature and the arts. Its work is prepared by two sections of the International Institute in Paris : the Section for Literary Relations and the Section for Artistic Relations. These sections may be assisted by the Legal and Intellectual Property Section for questions relating to the rights of the author.

The Sub-Committee decided to take as a basis for its work, apart from any suggestions which might come from its members, the recommendations formulated at the various international congresses. The Sub-Committee will choose from among these recommendations those of which the realisation appears to be desirable and possible with the help of the Institute.

With regard to artistic co-operation, the Sub-Committee, considering that museums constitute a remarkable instrument of education, which may be used in order to bring the nations together, decided, with the approval of the plenary Committee, to ask the International Institute in Paris to publish an international list of museums and an international year-book of artistic life. The Institute will also endeavour to bring about the publication of a national annual of artistic life in the various countries which do not yet possess such a publication. The Sub-Committee also began the examination of the question of the creation at the International Institute in Paris of an international office for museums, the idea being that the museums should mutually co-operate with a view to increasing their collections and widening their general activity and usefulness.

The Committee also decided, with a view to facilitating a better understanding among the nations, to undertake the examination of the question of an international congress and an exhibition of popular arts, as universal as possible, devoted to objects of a character clearly artistic manufactured by all races.

In regard to the cinema, which, when it is not a demoralising influence, is and may perhaps become to a great extent a remarkable educational force, the Sub-Committee emphasised the interest which it took in the work undertaken by the French National Committee of Intellectual Co-operation for the preparation of an international congress on the cinema. The Sub-Committee was happy to learn that the Section for Artistic Relations of the International Institute in Paris was closely following this work.

The question of a photographic inventory also claimed the attention of the Sub-Committee. It recommended the International Institute to continue the work which had been undertaken with a view to establishing a bibliography of printed catalogues of collections of photographs,

together with a list of collections of photographs and negatives taken from works of art and historical monuments.

As regards literary relations, the Sub-Committee considered it desirable, from the point of view of international intellectual exchanges :

(1) That various handbooks intended to form a collection should be published on the history of the national literatures, beginning with those which were less known ;

(2) That, after making enquiries of literary associations and publishers and after a meeting of experts, the possibility should be examined of creating a central translation office (M. Emile Borel, replacing M. Painlevé, drew the attention of the plenary Committee to the great services which such an office might render, notably in the translation of scientific works) ;

(3) That the Section on Letters of the International Institute should examine, in co-operation with the Legal Section of the same Institute, the various questions connected with the rights of authors from the point of view of translations.

The Sub-Committee also dealt with the question of international relations in the field of music, and M. Weingartner, an assistant member of the Sub-Committee, was asked to prepare a report on the subject.

INSTRUCTION OF YOUNG PEOPLE IN THE WORK AND AIMS OF THE LEAGUE OF NATIONS.

The sixth Assembly noted that the majority of States Members of the League had taken action as a result of the resolutions adopted by the fifth Assembly concerning the instruction to be given to young people on the work and aims of the League of Nations and concerning the development of relations between young people of the various countries.

It considered, moreover, that the report submitted to it by the Secretary-General on this question might be regarded as a first stage. It therefore invited the Council :

- “ (a) To consider the possibility of requesting all States Members of the League of Nations and non-Member States to keep the Secretary-General informed of the progress made in their respective countries as regards the various points mentioned in the report, and to forward to the Secretary-General all publications on this subject as soon as they appear.
- “ (b) To instruct the Secretary-General to collect the information mentioned above. This information should be communicated from time to time to States Members of the League and to other States interested in the question.
- “ (c) To forward the Secretary-General's report, together with the proposals submitted by the Chilean, Haitian, Polish and Uruguayan delegations, to the Committee on Intellectual Co-operation and to request it to consider the possibility of summoning a sub-committee of experts to consider the best methods of co-ordinating all official and non-official efforts designed to familiarise young people throughout the world with the principles and work of the League of Nations and to train the younger generation to regard international co-operation as the normal method of conducting world affairs. ”

The Council, during its meeting of September 26th, 1925, decided to act on the recommendation of the Assembly.

At the request of the Council, the information which States were requested to furnish under (a) and (b) is brought to the knowledge of the Governments, as it is received, by means of the *Official Journal* of the League.

Point (c) of the resolution of the Assembly was, in accordance with the request of the Assembly, forwarded to the Committee on Intellectual Co-operation.

The Committee on Intellectual Co-operation, in response to the invitation of the Assembly and of the Council, adopted, during its session held in January 1926, the following resolution :

“ The International Committee on Intellectual Co-operation fully appreciates the value and importance of the invitation addressed to it by the sixth Assembly to participate in any steps which may be taken with the object of acquainting children and youth with the aims and work of the League of Nations. The Committee is fully aware of the importance of this task and of the difficulties which may arise in its execution. It accepts the suggestion of the Assembly to convene a Sub-Committee of Experts in order to discuss the means likely to spread as widely as possible the conviction that the nations must be organised in order to settle their differences by the method of peaceful understanding.

“ This Sub-Committee will examine, among other matters, whether it would not be useful :

“ (1) To propose to the Council of the League to convene an international conference, which may become periodical, for the purpose of a mutual exchange of information concerning what has been done in the desired direction, and concerning the results achieved and for the purpose of examining suggestions to be recommended ;

“ (2) To publish one or two small works giving precise information concerning the Covenant and activities of the League of Nations. ”

“ *Appendix.* — The Committee on Intellectual Co-operation proposes to the Council to fix the number of the members of the Sub-Committee at ten or twelve. It wishes that three of its members may form part of the Sub-Committee and it appoints for this purpose Professor Gilbert MURRAY, M. DESTREE and M. CASARÈS. It expresses the desire that the International Institute of Intellectual Co-operation may also be represented in the Sub-Committee.”

The Council, on the proposal of the representative of France, who acted as Rapporteur during its March session, approved the proposals of the Committee relating to the composition of the Sub-Committee of Experts, and asked its President to appoint, after consultation with the Chairman of the Committee on Intellectual Co-operation, those members of the Sub-Committee who were not already members of the Committee. These members were to be chosen for their experience in the work of education, or in their capacity as officials of important educational authorities.

It was arranged that the meeting of the Sub-Committee of Experts should take place in August 1926.

The Council, after considering the question of convening an international conference as contemplated in the resolution of the Committee on Intellectual Co-operation, decided that the question was premature at the present stage of the work.

13.

INTERNATIONAL BUREAUX.

(ARTICLE 24 OF THE COVENANT.)

I. CO-OPERATION WITH INTERNATIONAL BUREAUX.

As in previous years, co-operation with the following international bureaux, which have been placed under the direction of the League, has been maintained.

1. INTERNATIONAL HYDROGRAPHIC BUREAU.

The Bureau continues to keep in touch with the Secretariat by communicating copies of its annual report and of the circular letters addressed to its members. The Secretariat audits the accounts of the Bureau annually. The co-operation established between the Bureau and the Special Committee for Buoyage and Lighting of Coasts of the Committee for Communications and Transit of the League is maintained. The Bureau contemplates holding the next International Hydrographic Conference in the autumn of the present year.

The Bureau has recently suffered a loss in the death of the first President of the Directing Committee, Admiral Sir John F. Parry. Sir John Parry presided over the International Hydrographic Conference in 1919, at which the draft scheme for the establishment of an International Hydrographic Bureau was accepted by the Governments represented.

2. CENTRAL INTERNATIONAL OFFICE FOR THE CONTROL OF THE LIQUOR TRAFFIC IN AFRICA.

According to the terms of the Council's resolution of January 11th, 1922, the Office continues to communicate copies of all returns concerning the importation of spirituous liquors into the various African colonies and mandated territories. At the request of the Permanent Mandates Commission, the Secretary-General has asked the Office to communicate annually to the Commission certain statistics relating to the African mandated territories and adjacent colonies, presented in a form proposed by the Commission.

3. INTERNATIONAL COMMITTEE FOR AIR NAVIGATION.

The International Committee for Air Navigation maintains its co-operation with the Section for Communications and Transit as well as with the Section dealing with International Bureaux. It has held two sessions during the year.

4. THE INTERNATIONAL RELIEF BUREAU (BUREAU INTERNATIONAL D'ASSISTANCE).

Efforts were made to arrange for the sixth International Relief Congress to be held in London in the autumn of the present year, and the Bureau consulted the Secretariat of the

League as to the items to be included in the agenda in order to avoid duplication of work already undertaken by the League. The British Commission of the sixth Congress, which is the body responsible for its organisation, decided, however, that it would be impracticable to organise a successful Congress in 1926. The Countess Carton de Wiart has been elected Chairman of the Comité international des Congrès d'Assistance publique et privée.

II. RELATIONS WITH VOLUNTARY INTERNATIONAL ORGANISATIONS.

The Union internationale de la Propriété bâtie, a private international federation of national unions for the protection of property, the seat of which is in Paris, has made an application to the Council to be placed under the direction of the League in accordance with Article 24 of the Covenant. The Council, however, referring to its resolution passed on July 2nd, 1923, emphasised the fact that Article 24 refers solely to international bureaux which have been actually established by general conventions, and decided that it was not in a position to accede to the request of the Union internationale de la Propriété bâtie.

III. PUBLICATIONS RELATING TO INTERNATIONAL ORGANISATIONS.

Publication by the Secretariat of the *Quarterly Bulletin of Information on the Work of International Organisations* is continued. No. 14 of this *Bulletin*, issued in January 1926, contains a chart of the meetings held in 1925 by 110 international organisations, as well as an alphabetical index to Nos. 10 to 13 inclusive. Only such information as is supplied by the organisations themselves is published in the *Bulletin*. During the past year, a larger number of international organisations has been supplying the Secretariat regularly with information.

The third edition of the *Handbook of International Organisations* is in the press ; it will be issued in French only.

14.

INTERNATIONAL MUNICIPAL CO-OPERATION.

In connection with the decision taken by the sixth Assembly with regard to the question of international municipal co-operation, the Council passed a resolution on December 7th, 1925, to the effect that the technical organisations of the League might grant assistance to or co-operate with the various private international organisations which deal with municipal questions, such as the Union internationale des Villes et Communes, the Commission permanente des Congrès internationaux des sciences administratives, the International Federation for Town and Country Planning and Garden Cities, the Permanent International Association of Road Congresses, the Comité permanent des Congrès internationaux des habitations à bon marché, the Union internationale des tramways, des chemins de fer d'intérêt local et des transports publics automobiles, and the Association générale des hygiénistes et techniciens municipaux.

15.

COMMITTEE OF PRESS EXPERTS.

The sixth Assembly, on the proposal of the Chilian delegation, adopted, on September 25th last, a resolution inviting the Council to consider the advisability of convening a Committee of Experts representing the Press of the different continents, with a view to examining methods of contributing to the organisation of peace by ensuring a more rapid and less costly transmission of press news and discussing all technical problems the settlement of which would be conducive to the tranquilisation of public opinion.

The Council, at its meeting of September 26th, 1925, in order to give effect to this Assembly resolution, decided to discuss at its December session the possibility of convening this Committee.

With this object in view, the Rapporteur, the representative of Belgium, asked his colleagues to consult in their own countries the journalistic trade unions and the associations of the directors of newspapers or agencies, in order to obtain an informed opinion on the advisability of convening such a Committee. He pointed out that the International Association of Journalists accredited to the League of Nations might be of great assistance to the Council in such an investigation. The Council further asked the Secretary-General of the League to collect, for submission to it at its December session, information on the views of the circles directly interested.

The Council felt it necessary, in investigating the question, to proceed with the utmost prudence and left completely open the very important and novel question which the Assembly resolution had raised. It caused it to be clearly understood that it must be for the persons themselves concerned to inform the Council whether they thought it advisable to convene a Committee of Press Experts, and whether they could give any indication of the manner in which such a Committee, were it to be constituted, ought to proceed with its work in order to achieve something of practical use.

The Press associations, consulted by the Secretary-General, welcomed the resolution of the Assembly, and in December 1925 the Council instructed the Secretary-General to continue his enquiries.

When the Council met in March 1926, Press associations belonging to more than twenty-five different countries had sent in their replies. Several Press associations of the United States of North America showed in their replies a very great interest in the proposal of the Assembly. A great number of associations, in adhering to the proposal, attached concrete suggestions concerning the programme of work of the future Committee, such as the reduction of telephone, telegraph and wireless telegraph and telephone rates, the secrecy of wireless and radio-telephone messages, news copyright, travelling facilities, scholarships, etc.

The Council therefore decided that a meeting of Press experts would be useful, and it instructed the Secretary-General to proceed, on the basis of the results obtained, to prepare a programme of work.

16.

PRESENT SITUATION WITH REGARD TO INTERNATIONAL ENGAGEMENTS REGISTERED BY THE SECRETARIAT OF THE LEAGUE OF NATIONS¹.

REGISTRATION AND PUBLICATION OF TREATIES AND INTERNATIONAL ENGAGEMENTS (ARTICLE 18 OF THE COVENANT).

The registration of Treaties by the Secretariat has been carried out as during the preceding years according to the method laid down by the Council's memorandum of May 19th, 1920. Between May 19th, 1920, and May 19th, 1926, 1,169 Treaties and International Engagements have been submitted for registration. During the period May 19th, 1925, and May 19th, 1926, 305 Treaties have been submitted for registration by Members of the League of Nations or communicated by other States. If this figure is compared with those of previous years, the progressive increase in the number of registered Treaties will be observed. These Treaties are of many different kinds, as can be seen from the following list, which, though of short length, gives a general picture of the kind of agreements registered during this period. Some of these Treaties may also be referred to under several other headings. Reference to them will be found in the analytical and alphabetical index attached to the *Treaty Series*.

¹ A special report on this question will be attached to the Supplementary Report on the Work of the Council which will be published immediately before the opening of the seventh Assembly.

ARBITRATION AND CONCILIATION CONVENTIONS.

Registration Nos.

- 873. Denmark and Switzerland.
- 886. Great Britain and Sweden.
- 887. Hungary and Switzerland.
- 888. Austria and Poland.
- 940. United Kingdom and Norway.
- 942. Uruguay and Venezuela.
- 952. Latvia and Sweden.
- 977. United Kingdom and Netherlands.

Registration Nos.

- 978. Great Britain and Portugal.
- 991. Esthonia, Finland, Latvia and Poland.
- 1000. Norway and Sweden.
- 1036. Germany and Sweden.
- 1070. Finland and Norway.
- 1072. Japan and Switzerland.
- 1123. Roumania and Czechoslovakia.
- 1159. Sweden and Czechoslovakia.

CONVENTIONS RESPECTING THE REGULATION OF LIQUOR TRAFFIC.

Registration Nos.

- 1020. Germany and United States of America.

Registration Nos.

- 1033. Germany, Denmark, Esthonia, Finland, etc.

CONVENTIONS CONCERNING HUNTING AND FISHING.

Registration Nos.

- 1095. Germany and Denmark.

Registration Nos.

- 1136. Finland and Sweden.

AGREEMENTS CONCERNING COMMERCE AND NAVIGATION.

Registration Nos.

- 865. Netherlands and Poland.
- 885. Lithuania and Netherlands.
- 889. Latvia and Switzerland.
- 895. Austria and Great Britain.
- 897. Great Britain and Muscat.
- 906. Latvia and Norway.
- 907. Belgo-Luxembourg Economic Union and Japan.
- 911. Great Britain and Denmark.
- 920. Great Britain, France, Italy and Turkey.
- 924. Latvia and Norway.
- 926. Denmark and U. S. S. R.
- 927. Japan and Mexico.
- 928. Latvia and Sweden.
- 929. Sweden and Czechoslovakia.
- 930. Poland and Sweden.
- 932. Spain and Sweden.
- 941. Great Britain and Greece.
- 946. Denmark and Finland.
- 949. Germany and Denmark.
- 951. Latvia and Netherlands.
- 953. United States of America and Poland.
- 954. Hungary and Poland.
- 957. Germany and Belgo-Luxembourg Economic Union.
- 959. Hungary and Latvia.
- 962. Finland and Latvia.
- 963. France and Latvia.
- 971. Latvia and U. S. S. R.
- 984. Greece and Czechoslovakia.
- 985. Greece and Poland.
- 986. Austria and Greece.
- 988. Denmark and France.
- 992. Spain and France.
- 995. Canada and Netherlands.
- 996. Spain and Italy.
- 998. Greece and Hungary.
- 1001. Germany and Greece.
- 1010. Germany and Esthonia.
- 1022. Germany and Austria.
- 1023. Germany and Spain.
- 1026. Germany and Switzerland.
- 1032. Denmark and Sweden.

Registration Nos.

- 1035. Japan and Kingdom of the Serbs, Croats and Slovenes.
- 1037. Denmark and Sweden.
- 1041. Austria and Czechoslovakia.
- 1045. Esthonia and Norway.
- 1049. Albania and United Kingdom.
- 1050. Germany and United Kingdom.
- 1052. Bulgaria and United Kingdom.
- 1055. France and Siam.
- 1064. United States of America and Esthonia.
- 1067. Austria and Spain.
- 1068. Canada and Spain.
- 1069. Iceland and Latvia.
- 1075. France and Panama.
- 1077. France and Greece.
- 1078. France and Italy.
- 1079. France and Austria.
- 1080. France and Czechoslovakia.
- 1081. France and Poland.
- 1083. France and Portugal.
- 1085. France and Belgo-Luxembourg Economic Union.
- 1087. Bulgaria and France.
- 1094. Albania and Italy.
- 1098. Hungary and Italy.
- 1114. Hungary and Roumania.
- 1124. Austria and Switzerland.
- 1125. Iceland and Czechoslovakia.
- 1127. Norway and U. S. S. R.
- 1130. Hungary and Netherlands.
- 1131. Denmark and Siam.
- 1135. Spain and Finland.
- 1138. United States of America and Finland.
- 1139. United States of America and Finland.
- 1149. Norway and Turkey.
- 1150. France and Hungary.
- 1154. Finland and Hungary.
- 1157. Germany and France.
- 1160. Norway and U. S. S. R.
- 1162. Esthonia and Netherlands.
- 1163. Great Britain and Esthonia.
- 1164. Denmark and Turkey.
- 1168. Netherlands and Turkey.
- 1169. France and Iceland.

CONSULAR CONVENTIONS.

Registration Nos.

- 867. Italy and Czechoslovakia.
- 948. Denmark and Czechoslovakia.
- 1043. Latvia and Poland.
- 1092. Albania and Italy.

Registration Nos.

- 1093. Albania and Italy.
- 1132. Esthonia and Poland.
- 1148. Finland and Netherlands.

AGREEMENTS CONCERNING CUSTOMS AND CUSTOMS FORMALITIES.

Registration Nos.

- 981. United States of America, Belgium, British Empire, China, France, Italy, Japan, Netherlands and Portugal.

Registration Nos.

- 1076. France and Italy.
- 1165. Germany and Denmark.

ECONOMIC AND FINANCIAL TREATIES.

Registration Nos.

- 872. Finland and Iceland.
- 894. Great Britain and Iraq.
- 899. Hungary and Czechoslovakia.
- 900. Hungary and Czechoslovakia.
- 901. Hungary and Czechoslovakia.
- 902. Hungary and Czechoslovakia.
- 903. Hungary and Czechoslovakia.
- 904. Hungary and Czechoslovakia.
- 910. Great Britain and Portugal.
- 914. Greece.
- 921. Italy and Turkey.
- 922. Great Britain, France, Turkey.
- 935. Germany and Great Britain.
- 974. Germany and Great Britain.
- 975. Germany and Great Britain.
- 1024. Germany and Reparations Commission.
- 1025. Germany and Allied Governments.

Registration Nos.

- 1030. Bolivia and Germany.
- 1073. France and Poland.
- 1074. France and Poland.
- 1099. Hungary and Italy.
- 1100. Hungary and Italy.
- 1101. Hungary and Italy.
- 1102. Hungary and Italy.
- 1108. Hungary and Roumania.
- 1109. Hungary and Roumania.
- 1110. Hungary and Roumania.
- 1111. Hungary and Roumania.
- 1112. Hungary and Roumania.
- 1115. Hungary and Roumania.
- 1117. Germany and Poland.
- 1126. Roumania and Czechoslovakia.
- 1142. Hungary and United Kingdom.
- 1158. Hungary and Poland.

AGREEMENTS REGARDING DELIMITATION OF FRONTIERS AND FRONTIER TRAFFIC.

Registration Nos.

- 936. United Kingdom and Italy.
- 1015. Germany and Poland.
- 1018. Germany and Czechoslovakia.

Registration Nos.

- 1059. United States of America and Canada.
- 1143. Portugal and United Kingdom.

AGREEMENTS CONCERNING TAXATION.

Registration Nos.

- 881. Germany and Poland.
- 898. Hungary and Czechoslovakia.
- 918. Great Britain, France, Italy and Turkey.
- 919. Great Britain, France, Italy and Turkey.
- 925. Italy and Czechoslovakia.
- 1042. Finland and United Kingdom.
- 1056. Germany and Sweden.
- 1082. France and Saar Basin Governing Commission.
- 1086. France and Principality of Monaco.

Registration Nos.

- 1089. Poland and Czechoslovakia.
- 1091. Poland and Czechoslovakia.
- 1096. Austria and Hungary.
- 1097. Austria and Hungary.
- 1103. Germany and Hungary.
- 1104. Germany and Hungary.
- 1105. Germany and Hungary.
- 1107. Hungary and Roumania.
- 1140. Denmark and Finland.
- 1156. France and Luxemburg.

LEGAL AND EXTRADITION CONVENTIONS.

Registration Nos.

- 868. Great Britain and Finland.
- 869. United States of America and Finland.
- 893. Great Britain and Iraq.
- 908. Denmark and Czechoslovakia.
- 909. Denmark and Hungary.

Registration Nos.

- 916. Turkey.
- 933. Egypt and Palestine.
- 961. Great Britain and Latvia.
- 964. Esthonia and Latvia.
- 965. Esthonia, Latvia, Lithuania.

LEGAL AND EXTRADITION CONVENTIONS (*Continuation*).

Registration Nos.

- 990. Finland and Latvia.
- 1011. Germany and Sweden.
- 1016. Germany and Latvia.
- 1021. Germany and Hungary.
- 1028. Germany and Esthonia.
- 1031. Germany and Belgium.
- 1038. Hungary and Roumania.
- 1039. Hungary and Roumania.
- 1044. Esthonia and Finland.
- 1053. Belgium and Hungary.
- 1054. Esthonia and Lithuania.
- 1057. United States of America and Canada.
- 1058. United States of America and Canada.

Registration Nos.

- 1061. Hungary and Poland.
- 1063. United States of America and Esthonia.
- 1071. Finland and Norway.
- 1084. Austria and France.
- 1090. Poland and Czechoslovakia.
- 1106. Hungary and Roumania.
- 1118. Germany and Czechoslovakia.
- 1120. Poland and Czechoslovakia.
- 1128. Austria and Switzerland.
- 1134. Finland and U. S. S. R.
- 1141. France and Czechoslovakia.
- 1152. Austria and Norway.
- 1155. France and Poland.

AGREEMENTS REGARDING MANDATES.

Registration Nos.

- 1046. United States of America and Great Britain.

AGREEMENTS REGARDING QUESTIONS OF NATIONALITY AND MINORITIES.

Registration Nos.

- 923. Great Britain and France.
- 1009. Germany and Belgium.

Registration Nos.

- 1029. Germany and Lithuania.

AIR NAVIGATION.

Registration Nos.

- 1116. Germany and Sweden.
- 1121. Austria and Poland.

Registration Nos.

- 1122. Norway and Netherlands.
- 1144. Great Britain and Finland.

POLITICAL AGREEMENTS, TREATIES OF PEACE AND FRIENDSHIP, SOVEREIGNTY, ETC.¹

Registration Nos.

- 866. Japan and U. S. S. R.
- 890. Great Britain and Iraq.
- 891. Great Britain and Iraq.
- 892. Great Britain and Iraq.
- 912. Greece and Turkey.
- 913. British Empire, France, Greece, etc.
- 917. Great Britain, France, Italy and Turkey.
- 931. Denmark and Turkey.
- 934. United Kingdom and Nepal.
- 955. China and U. S. S. R.
- 972. Sweden and Turkey.
- 982. United States of America, Belgium, British Empire, etc.
- 987. Czechoslovakia and Turkey.

Registration Nos.

- 999. Netherlands and Turkey.
- 1012. Germany and Esthonia.
- 1017. Germany and Turkey.
- 1019. Germany and Nicaragua.
- 1062. Hungary and Turkey.
- 1066. Spain and Turkey.
- 1088. Great Britain and Irish Free State.
- 1145. Italy and United Kingdom.
- 1147. Great Britain and Iraq.
- 1151. United States of America, Austria and Hungary.
- 1153. United States of America and Dominican Republic.
- 1161. United States of America and Hungary.

POSTAL, TELEPHONIC, TELEGRAPHIC AND RADIO-TELEGRAPHIC COMMUNICATIONS.

Registration Nos.

- 870. Great Britain and Northern Ireland and Finland.
- 871. Finland and U. S. S. R.
- 896. Great Britain and Northern Ireland and Luxemburg.
- 937. Great Britain and China.
- 938. Egypt and Tanganyika.
- 939. Straits Settlements and French Indo-China.
- 950. Belgium, Luxemburg and Netherlands.
- 973. Great Britain and Northern Ireland and Bulgaria.
- 979. Great Britain and Portugal.
- 980. Great Britain and Czechoslovakia.

Registration Nos.

- 989. United States of America and Latvia.
- 1002. Members of the Universal Postal Union.
- 1003. Members of the Universal Postal Union.
- 1004. Members of the Universal Postal Union.
- 1005. Members of the Universal Postal Union.
- 1006. Members of the Universal Postal Union.
- 1007. Members of the Universal Postal Union.
- 1008. Members of the Universal Postal Union.
- 1047. British Honduras and Mexico.
- 1051. Great Britain and Northern Ireland and Lithuania.
- 1137. Canada and Finland.
- 1146. British Empire and France.

¹ Under this heading are included also Treaties of a general character or Treaties arising out of the Treaties of Peace.

AGREEMENTS REGARDING SOCIAL QUESTIONS.

Registration Nos.	Registration Nos.
960. Latvia and Lithuania.	1166. Norway and Netherlands.
1027. Germany and China.	

AGREEMENTS CONCLUDED UNDER THE AUSPICES OF THE LEAGUE OF NATIONS.

Registration Nos.	Registration Nos.
905. Austria, Belgium, British Empire, Bulgaria, etc.	1129. Germany, Austria, Belgium, Brazil, British Empire, etc.

QUESTIONS RELATING TO THE APPLICATION OF THE TREATY OF VERSAILLES AND OTHER TREATIES OF PEACE.

Registration Nos.	Registration Nos.
875. Germany and Poland.	884. Germany and Poland.
876. Germany and Poland.	997. Hungary and the Kingdom of the Serbs, Croats and Slovenes.
877. Germany and Poland.	1014. Germany and Poland.
878. Germany and Poland.	1040. Austria and Hungary.
879. Germany and Poland.	

SANITARY CONVENTIONS.

Registration Nos.	Registration Nos.
880. Germany and Poland.	967. Esthonia and Latvia.
882. Germany and Poland.	970. Latvia and Czechoslovakia.
915. Turkey.	1048. Italy and United Kingdom.
958. Latvia and Poland.	1119. Germany and Austria.
966. Latvia and U. S. S. R., R. S. S. U. and R. S. S. R. B.	

TRANSIT CONVENTIONS.

Registration Nos.	Registration Nos.
874. Germany and Poland.	993. Colombia and Venezuela.
947. Poland and U. S. S. R.	1034. Esthonia and Latvia.
956. China and U. S. S. R.	1133. Finland and U. S. S. R.
968. Esthonia and Latvia.	1167. Hungary and Czechoslovakia.
969. Esthonia and Latvia.	

WATERWAYS AND INLAND NAVIGATION.

Registration Nos.	Registration Nos.
883. Germany and Poland.	983. Germany and Belgium.
943. Germany, Belgium, France, etc.	994. Austria and Switzerland.
944. Germany, Belgium, France, etc.	1060. United States of America and Canada.
945. Germany, Belgium, Great Britain, etc.	1113. Hungary and Roumania.
976. United Kingdom and Italy.	

LITERARY, ARTISTIC AND SCIENTIFIC PROPERTY.

Registration Nos.
1065. Spain and Mexico.

These acts, published in the *Treaty Series* in their original languages, are accompanied by a French and English translation. The analytical and alphabetical indices, which are published after the publication of every 100 international engagements, give details regarding the character of each Treaty, the Contracting Parties which have signed it and the position with regard to each international engagement registered.

Up to now, forty volumes of about 450 pages each, containing more than 1,000 Treaties, have been published. Others will shortly appear. This satisfactory result is due not only to the regularity with which Members of the League of Nations have fulfilled their obligations under Article 18 of the Covenant but also to the fact that certain States non-Members of the League continue to respond to the appeal made by the Council of the League of Nations in its memorandum of May 19th, 1920.

The following table gives the number of Treaties registered by the Secretariat at the request of various States during the period from May 19th, 1925, to May 19th, 1926 :

Albania	3	Japan	5
Germany	36	Latvia	24
Austria	3	Norway	11
Belgium	4	Netherlands	15
British Empire	45	Poland	14
Canada	5	Portugal	8
China	2	Siam	2
Denmark	20	Sweden	20
Dominican Republic	1	Switzerland	6
Spain	7	Czechoslovakia	11
Estonia	10	Uruguay	1
Finland	20	Venezuela	1
France	32	International engagements registered in consequence of their deposit with the Secretariat of the League	2
Greece	5	Treaties communicated by the Govern- ment of the United States of America	6
Hungary	40		
Irish Free State	1		
Italy	15		

During the course of this year, the Government of the United States of America has informed the Secretariat that in future it will forward to it Treaties concluded by the Government of the United States and published in the *Treaty Series* of the United States, by forwarding copies of that series on publication.

If these Treaties have not already been published by the Secretariat, they will be published in the *Treaty Series* of the League of Nations with a mention of their origin, and always provided that the United States, since it is not a Member of the League, has not caused the Treaties in question to be registered with the Secretariat. This decision of the Government of the United States will aid in the completion of the collection of Treaties and International Engagements, for several of them concluded between States not Members of the League have not been able to be placed among the collection made by the League of Nations.