

[Communicated to the Assembly,  
the Council and the Members  
of the League.]

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LEAGUE OF NATIONS

6

**REPORT ON THE  
WORK OF THE LEAGUE  
1936/37**

**Part II.**

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**NOTE BY THE SECRETARY-GENERAL.**

*The Annual Report on the Work of the League is issued, as usual, in two parts. Part I, dated July 28th, 1937, covered the work of the League from the session of the Assembly held in September 1936 to the end of June 1937.*

*Part II covers the work of the League from the end of June to the end of August 1937. This second part of the Report has two annexes, printed separately, namely :*

*“ Ratification of Agreements and Conventions concluded under the auspices of the League of Nations ” (document A.6(a).1937, Annex I. V) and*

*“ Note by the Secretary-General on the Economic Situation ” (document A.6(a).1937, Annex II).*

*September 8th, 1937.*

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## A. WORK OF THE LEAGUE.

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### 1.

## MANDATES.

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### I. WORK OF THE PERMANENT MANDATES COMMISSION DURING ITS THIRTY-FIRST SESSION (MAY-JUNE 1937).

#### A. *Special question : Frontier between Tanganyika and Mozambique.*

The Commission took cognisance of the documentation submitted to it in accordance with the Council resolution of January 22nd, 1937. In addition, the accredited representative of the mandatory Power for Tanganyika supplied it verbally with supplementary information.

It noted, in particular, that the object of the Agreement of May 11th, 1936, between the United Kingdom and Portugal with regard to the delimitation of the frontier between Tanganyika and Mozambique was to *define* the boundary *more clearly* and thereby to put an end to an undesirable state of uncertainty.

The Commission informed the Council that the material placed before it contained nothing which would justify it in affirming that the Agreement was incompatible with the interests of the mandated territory.

#### B. *Observations on the Administration of the Territories under mandate.*

The Commission made a number of observations on the administration of the territories with which it dealt at its

thirty-first session (Tanganyika 1936, Cameroons and Togoland under British mandate 1936, South West Africa 1936, Nauru 1936, New Guinea 1935-36).

**Territories under B mandate.**

*Tanganyika.*

The Commission took note of the accredited representative's statement, according to which the mandatory Power attaches no political significance to the issue of a common stamp for Tanganyika, Kenya and Uganda.

It noted that the mandatory Power had not found any reason hitherto for introducing tariff legislation in the territory to permit discrimination between those States which are and those which are not Members of the League of Nations, and that no change was contemplated in this connection. It asked that the next annual report might state whether or not the mandatory Power considered itself legally obliged to apply the rule of economic equality to imports from non-member States.

The Commission was gratified to note, furthermore, that the mandatory Power had been successful in securing most-favoured-nation treatment for the products of Tanganyika from a great number of States.

The Commission noted the increasingly favourable situation of the territory, particularly as regards the railways, and asked for a full statement concerning the proposed imposition of a non-native income tax ; it noted also that it was not intended to make a contribution from the Tanganyika budget in connection with the proposed fortification of the port of Mombasa (Kenya).

In view of the continuance of an increasingly favourable trade balance, the Commission asked that the next report might contain a statement on the measures contemplated for giving the natives a greater share in the prosperity of the territory.

In the matter of labour, the Commission noted the accredited representative's statement that financial provision had been made for the re-establishment of a separate organisation to deal with labour and expressed the hope that an effective and specialised labour service might again be set up. The Commission was struck by the evidence in the report as to the continuance of low rates of wages for native labour in spite of the marked rise

in prices ; it asked that the next report might contain particulars of the wage policy adopted by the mandatory Power. The Commission also noted the statement of the mandatory Power that the previously unsatisfactory conditions under which the natives were employed in the Lupa goldfields area had shown signs of improvement and that various measures had been taken with this object. It expressed the hope that such further measures might be taken as would effectively and rapidly put an end to the conditions in question.

The Commission was gratified to note that it was intended to increase expenditure on native education and expressed the hope that a further substantial advance might be made in that important sphere. It also expressed the hope that it might be possible to develop higher agricultural training.

As regards the liquor traffic, the Commission noted that measures had been taken to control the importation of methylated spirits with a view to the control of manufacture and sale. It asked for particulars of the results of the measures taken.

Lastly, as regards land tenure, the Commission asked for an account of the measures taken to protect native interests in connection with the scheme for white settlement in the Southern Highlands Province of Tanganyika.

*Cameroons and Togoland under British mandate :  
Observation common to both territories.*

The Commission took note of the statements of the accredited representatives to the effect that the mandatory Power is of opinion that States which are not members of the League cannot claim economic equality for their goods imported into a mandated territory, either under the terms of the mandates or under Article 22 of the Covenant, and that such States, in the opinion of the mandatory Government, can only claim equal treatment for their imports by virtue of agreements concluded to this end with the mandatory Power. It also noted that the mandatory has no intention at present of inviting the authorities concerned to promote legislation which would deprive States not Members of the League of the economic equality which in fact they now enjoy in territories under United Kingdom mandate. In this connection, the Commission again asked to be informed whether

the exports of the mandated territories enjoy reciprocity under the commercial regime in force between them and the aforesaid States.

*Cameroons under British mandate.*

According to the annual report, a number of hamlets in the Gashaka district in the territory have been transferred to the Benue province in Nigeria. The Commission stated that it would be glad to receive an assurance that, despite the use of the word "transfer", this operation had not resulted in any change in the status of the district or of its inhabitants.

It noted that the mandatory Power was prepared to begin on November 1st, 1937 the demarcation of the eastern frontier of the territory and expressed the hope that the work of demarcation would be taken in hand and carried through without further delay.

Furthermore, the Commission expressed the hope, as it also did last year, that it might be possible to accelerate road building, as the present inadequacy of the road system is prejudicial to the good administration of the territory in general and of the northern areas in particular. In the matter of labour, the Commission was glad to note that an enquiry is to be instituted into the practice of paying part of the wages due to labourers in credit notes on company stores and said that it would await with interest the results of that enquiry.

The Commission was struck by the extreme smallness of the grant made for education in the northern part of the territory and hoped to see in the next report that the question had received the attention of the Administration.

The Commission felt concern at the appreciable increase in the importation of alcohol in the southern areas ; it was confident that the mandatory Power would closely supervise importation so as to determine whether a stricter control of the trade in spirits is necessary.

Having observed a decrease in expenditure of Government funds on medical service, the Commission expressed the hope, in view of the improved financial and economic situation of the territory, that larger sums might be allocated to the public health services.

*Togoland under British mandate.*

The Commission noted with satisfaction the information supplied in the report, and amplified by the accredited representative, on the evolution of the system of indirect rule in the northern section of the territory and on the zeal, initiative and sense of public duty of the native authorities.

As regards public finance, the Commission welcomed the information on the satisfactory results of the system of direct taxation and of the native treasuries in the northern section. It asked that it might have full particulars with regard to the loans raised by the native authorities in the southern section and expressed the hope that measures might be taken to prevent any abuse in connection with the raising of such loans. In the comments which he submitted on this observation, the accredited representative pointed out that, in his examination, he had stated that he was not aware that the native authorities in the southern section had raised loans ; he added that the Commission's observation could only be construed to mean that loans had to the knowledge of the Administration been raised.

The Commission again expressed the hope that it might be possible to obtain approximate figures, or at least an estimate, of the imports and exports passing over the western frontier of the territory. It also asked for information regarding the sources of imports and the destination of exports of the territory.

As regards land tenure, the Commission said that it would like to know to what extent land in the southern section had been sold or leased to "stranger natives" and what precise measures, if any, the Administration had taken in practice to control land transactions in accordance with Article 5 of the mandate.

The Commission was again concerned at the increased consumption of spirits by the natives of the southern section and expressed the earnest hope that proper measures might be taken with a view to exercising stricter control over the consumption of spirits by the natives.

In the matter of public health, the Commission enquired, lastly, whether compulsory treatment of sleeping-sickness was contemplated.

**Territories under C mandate.**

*South West Africa.*

The Commission noted that the mandatory Power "is of opinion that to administer the mandated territory as a fifth province of the Union subject to the terms of the mandate would not be in conflict with terms of the mandate itself". It also noted that the mandatory "feels that sufficient grounds have not been adduced for taking such a step". In this connection, the Commission stated that it did not express any opinion as to a method of administration the scope of which it had had no opportunity of judging and the adoption of which, according to the statement of the mandatory Power, was not contemplated, and that it confined itself to making all legal reservations on the question.

Furthermore, the Commission, having felt some concern on perusing the report of the "South West Africa Commission", expressed a wish to be informed in the next annual report whether the Government of the mandatory Power had taken any further action on the findings of that Commission, more particularly in the matter of native administration.

The Commission noted with satisfaction the accredited representative's statement that the relations between the different sections of the European community had improved. Having learnt, however, that certain measures restrictive of the political activities of the European population had recently been taken, it expressed the hope that it might be possible for the mandatory Power to report next year a substantial development in good relations and whole-hearted co-operation between the various sections of the population.

The Commission noted further the statement that the mandatory Power would place in a suspense account the full amount of the loans made by it to the territory before March 31st, 1937, and that the territory would be relieved of all payments on such loans until its finances improved sufficiently to allow of payments being made. It also noted, however, that the debt shown in the suspense account would be increased from year to year by the interest thereon. In this connection, the Commission said that it would be glad to know whether the mandatory Power had found

it possible to take action on the findings of the South West Africa Commission, according to which it was essential in the interests of the good government of the territory for the mandatory Power to afford the territory some measure of financial assistance which would not entail annual appropriations from the territory's revenue for the service of this debt.

Furthermore, the Commission expressed the hope that the mandatory Power might find it possible to afford some direct assistance to the territory with a view further to improving conditions in native reserves.

Having learnt that, in certain cases, the activities of the missions tended to disrupt tribal law and customs and thereby created certain difficulties for the Administration, the Commission expressed the hope that the latter might succeed in supervising the activities of the missions in such a way as to avoid any dangers involved and to establish a closer co-operation between itself and the missions.

The Commission was again concerned at the inadequacy of the education afforded to the natives, and in particular at the difficulties in the way of getting suitable teachers.

It expressed the hope that greater efforts might be made to raise the standard of native education, more particularly by devoting a larger proportion of the education budget to this object, and that some means might be found of improving the training of native teachers.

### *Nauru.*

The Commission asked for information regarding worked-out phosphates land which was not returned to the natives and also for information as to the use the natives made of worked-out land returned to them.

The Commission stated that it would follow with interest the efforts made by the Administration to encourage the natives to grow food crops.

### *New Guinea.*

The Commission noted that there were two classes of "uncontrolled areas", in one of which the Administration exercises

some measure of influence, while the other entirely escapes its influence, and said that it would like to find in the next report precise information as to the difference between the two classes of "uncontrolled areas". It desired, in particular, to know what non-natives are in principle and in practice authorised to enter the first class of areas and under what conditions such authorisation is granted. The Commission wished also to be assured that no private activities of any kind by non-natives would be allowed in areas where the Administration, which is responsible for the incidents to which premature contact between foreigners and natives may give rise, is not in a position to exercise real and effective control.

Furthermore, the Commission stated that, without underestimating the difficulties connected with the construction and upkeep of roads in hilly and thickly-wooded country such as New Guinea, it felt sure that the mandatory Power would realise the desirability of accelerating road construction as a means of extending the Administration's influence and of assisting the economic development of the mandated territory.

Lastly, the Commission observed that it was concerned at the possibility that the numbers of native labourers recruited in some districts for employment away from their villages might be such as to endanger the economic and social life of the native communities; it said that it would be glad to find in the next report detailed information concerning the methods now employed to avert this danger.

### C. *Petitions.*

The Commission considered two petitions, one relating to Syria and the other to New Guinea. As regards the second, the Commission, in its conclusions, expressed its regret at the facts which had occasioned the petition. As the latter dealt, among other things, with the general problem of the admission of non-natives to areas which are not yet under the control of the Administration, the Commission referred to the observations which it was submitting to the Council in connection with the examination of the report on the administration of this territory.<sup>1</sup>

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<sup>1</sup> Reference document : C.274.M.178.1937.VI.

II. WORK OF THE PERMANENT MANDATES COMMISSION  
AT ITS THIRTY-SECOND (EXTRAORDINARY) SESSION  
(JULY-AUGUST 1937), DEVOTED TO PALESTINE.

The Commission held its thirty-second (extraordinary) session from July 30th to August 18th.

In his opening speech, the Chairman of the Commission recalled the events which led to the convening of this meeting.

The disturbances in Palestine started in April 1936 and lasted until October of the same year. The Commission, at its twenty-ninth session (June 1936), was unable to complete the examination of the annual report for 1935, as the accredited representative had stated that he was not in a position to analyse the causes of the unrest which had made itself evident in Palestine in 1935, and still less was he in a position to make any statements that might anticipate the findings of the Royal Commission which the mandatory Power proposed to set up. The Commission accordingly reserved the right to revert later to the examination of such points in the report for 1935 as were connected with the causes, circumstances and significance of the disturbances of 1936; it expressed the hope that information as to the disturbances would be furnished at its autumn session of 1936.

In September 1936, the United Kingdom representative informed the Council that a Royal Commission had been set up to investigate the disturbances in Palestine and stated that his Government would not be in a position to furnish the Mandates Commission with the desired information in time for the autumn session.

At its thirtieth Session (autumn 1936), the Mandates Commission decided to hold an extraordinary session in the spring of 1937; this decision was approved by the President of the Council, in accordance with the customary procedure. However, the date of the meeting had to be postponed till the end of July.<sup>1</sup>

In a letter dated July 6th, 1937 (document C.319.1937.VI), the United Kingdom Government stated that the Royal Commission's report and the Government's conclusions thereon were being communicated to the Mandates Commission and that

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<sup>1</sup> The reasons for this postponement are mentioned in Part I of the present report, page 91.

the United Kingdom Government proposed to raise the question of/Palestine before the Council of the League at its September meeting. It added that the Council would presumably wish to obtain the views of the Mandates Commission on the whole matter before reaching a final decision. In view of the urgency of the question, the United Kingdom Government was anxious that all possible steps should be taken to avoid any unnecessary delay in dealing with it. It expressed the hope that the President of the Council — if necessary after consultation with his colleagues — would request the Mandates Commission at once to take into consideration the report and recommendations of the Royal Commission and the statement of policy of His Majesty's Government thereon, in order that it might be in a position to give the Council the benefit of its preliminary views at its September session.

It was stated in the letter that such procedure would not exclude the possibility of a further reference of the question to the Mandates Commission after the September Council meeting, should the Council consider this necessary or desirable.

The President of the Council consulted his colleagues, who gave an affirmative answer. The Commission was therefore duly requested by the Council to examine the Royal Commission's recommendations and the mandatory Power's statement of policy.

*A. Preliminary Opinion formulated at the Request of the Council on the Report and Recommendations of the Royal Commission and on the United Kingdom Government's Statement of Policy.*

In its report to the Council,<sup>1</sup> the Commission first of all pointed out that it had been given a task that was entirely new to it. It was no longer a question of "examining the annual reports of the mandatories and advising the Council on all matters relating to the observance of the mandates", as its mission is defined in the Covenant itself; nor was it a duty, such as that assigned to it by the Council in 1931, of determining whether a mandated territory had reached a degree of maturity justifying

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<sup>1</sup> Document C.330.M.222.1937.VI.

its emancipation. Its task was to express a preliminary opinion “ on the intentions of a mandatory Power which proposes to the Council the termination of the mandate it has been carrying out for fifteen years, and which, in support of this proposal, adduces, not so much the attainment of maturity by the ward, as the difficulties of guardianship ”.

The Royal Commission sent by the mandatory Power to Palestine in 1936 had concluded that a radical transformation of the existing regime was necessary. Deeming that the application of the mandate had brought the mandatory administration to a deadlock, it proposed either that various provisions of the mandate and their interpretation should be amended, or that the mandate should be abrogated and replaced by an entirely new Statute. Of these two reforms, the second was the one favoured by the Royal Commission, the first being regarded as a mere palliative. This second reform, however, involved, besides the abrogation of the present mandate, the division of Palestine into three separate political units. Of these, one — to which the most extensive but least fertile territory would be allotted — would be attached to Trans-Jordan, the whole being made into an Arab State ; the second — with a smaller area, but comprising the coastal region and the adjacent plain — was also to be given independence and to be set up as a Jewish State ; and the third — within whose narrow frontiers lie Jerusalem and Bethlehem — would be connected with the sea by a corridor and, with certain other enclaves, would remain, or would be placed once again, under British mandate.

The Government of the mandatory Power, in its statement of July 1937, announced that, in its opinion, a plan of partition on the general lines recommended by the Royal Commission constituted “ the best and most hopeful solution ” of the problem.

\* \* \*

The Mandates Commission considered that its function was simply to facilitate the Council's task by formulating, on the basis of the available information, its views on the desirability of maintaining the existing mandate and showing, in so far as was possible, the advantages and drawbacks of the various systems which might be contemplated as providing a solution of the problem.

Experience over a number of years having shown that the aspirations of the Arabs and the Jews in Palestine were constantly growing more irreconcilable, the mandatory Power had hoped that, by dividing the territory between them in accordance with the general views of the Royal Commission, it would be possible to establish a regime more in accordance with justice and less opposed to the conflicting interests at issue.

Although the obligations of the mandate did not appear to be irreconcilable, the aspirations of Arabs and Jews in Palestine have constantly clashed ever since the mandate was established. This antagonism was accentuated and exasperated by circumstances which could not be foreseen twenty years ago. The disturbances of 1936 showed how widespread and intense was the hostility of the Arabs to Jewish immigration, and the repressive measures perforce taken by the mandatory Power only confirmed its doubts of the possibility of applying the mandate without resorting to the constant use of force.

The Mandates Commission expressed the view that "the present mandate became almost unworkable once it was publicly declared to be so by a British Royal Commission speaking with the twofold authority conferred on it by its impartiality and its unanimity, and by the Government of the mandatory Power itself".

The Mandates Commission therefore considered that it was worth continuing the examination of the advantages and drawbacks of a new territorial solution. It appeared to it quite natural and legitimate that the mandatory Power, rightly anxious to give satisfaction to the conflicting aspirations of Arabs and Jews in Palestine, and having failed to do so by the institution of common administration for the whole territory, should be empowered to contemplate in some form or other the establishment of a regime in which these aspirations would each be satisfied in a part of the territory.

With reference to the various difficulties involved by the application of the partition scheme, the Commission laid special stress on the delicate problem of the transfer of populations from one territory to the other which might be necessary if there was a partition.

As regards the proposal to withdraw the Holy Places from the domination of Arabs and Jews and place them under a special

regime, the Commission thought that such a step could only be of advantage to general peace, provided that this regime was based on Article 28 of the present mandate.<sup>1</sup>

As it was merely called upon to give a preliminary opinion, the Commission did not think it necessary to examine more closely the scheme proposed by the Royal Commission.

While declaring itself favourable in principle to the examination of a settlement involving the partition of Palestine, the Commission was nevertheless opposed to the idea of the immediate creation of two new independent States. In the Commission's view, such States might find it difficult at the outset to comply with the general conditions for the emancipation of a mandated territory laid down by the Commission and approved by the Council in 1931.<sup>2</sup>

The Commission considers that a prolongation of the period of political apprenticeship constituted by the mandate would be absolutely essential both to the new Arab State and to the new Jewish State. This apprenticeship might be carried on in one of two forms: "provisional cantonisation" or two mandates.

In the former case, the Commission contemplates the possibility, for a period to be determined by experience, of the co-existence of two States, but the latter, while enjoying a very wide measure of internal autonomy, might be provisionally united under a regime analogous to that rejected by the Royal Commission under the name of "cantonisation". Each of the two cantons would be free to organise itself as it wished, provided that it adhered to the principles underlying any form of good government and, more particularly, that it respected the rights of subjects of the other canton settled in its own territory. Common matters, such as defence, foreign affairs, and probably also Customs policy, would be in the hands of a body on which both parties would be equally represented and presided over by the mandatory Power. It would not necessarily be open to subjects of one canton to settle in the territory of the other,

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<sup>1</sup> Article 28 of the Mandate deals more especially with the arrangements to be made at the termination of the mandate for safeguarding existing rights in respect of the Holy Places and free access thereto, and also for honouring the financial obligations incurred by the administration of the territory.

<sup>2</sup> See Minutes of the Twentieth Session of the Mandates Commission (document C.422.M.176.1931.VI), page 228.

for the two cantons should from the outset have the right to regulate immigration as they thought fit.

In the latter case, the Commission suggests that the two new entities resulting from partition might become fully independent of one another, but that each might remain under a mandate until such time as it had given sufficient proof of its ability to govern itself. The proper moment for granting self-government would not necessarily be the same for both States.

As for the mandatory Power, the Mandates Commission stated, *inter alia*, that “ the concern with which it has for nearly twenty years sought to appease the antagonistic feelings prevailing in Palestine must awaken in any man of goodwill a degree of admiration all the higher in that it was exercised in a world in which ruthless violence often stills the voice of humanity ”.

The Commission's report ended with the following passage :

“ Let the Jews, who all too often, and without justification, show impatience at the delay and hesitation which the mandatory Power has felt compelled to bring to the building-up of their national home, ask themselves whether there is any other nation by which they have been so little persecuted and to which, for generations past, they owe so many benefits. Let the Arabs, whose opposition to what is nevertheless a measure of higher justice which cannot be carried out without a sacrifice from their side can be readily understood, remember the origin of their national emancipation. Without British efforts, certainly, there would have been no Jewish national home ; but also there would have been, on the threshold of the twentieth century, no independent Arab States ”.

#### B. *Observations on the Administration of Palestine and Trans-Jordan.*

In a General Observation, the Commission gave a brief account of the course and characteristic features of the 1936 disturbances. It fully recognised the difficulty of preventing such occurrences. At the same time, it intimated that it was not convinced that it would not have been possible to adopt more decisive measures at an earlier stage with a view to putting down the armed resistance.

On the other hand, the Commission expressed the opinion that the 1936 disturbances revealed a state of great political tension due to underlying causes to which reference was made in the "preliminary opinion" tendered by the Commission to the Council. Those causes were largely responsible for the great difficulty experienced in putting down the disturbances and for the continuance of conditions of political instability.

In its Special Observations on the administration of *Palestine*, the Commission remarked that the events of 1936 had necessarily affected, to a considerable extent, the application of the provisions of the mandate and the action of the mandatory administration during that year.

It asked to be informed, in due course, of the measures taken by the mandatory Power to give effect to the conclusions and recommendations of the Royal Commission as regards reforms of an urgent character.

The Commission stressed the special importance in present circumstances of hastening the completion of the land survey.

The Commission found that the application of the rule of economic equality constituted a heavy burden on Palestine's industry and commerce owing to the absence of reciprocity. Recalling the recommendation which it made in 1930 to all States Members of the League to accord to products of territories under A and B mandates advantages corresponding to those enjoyed by their own products in these territories, the Commission noted that, in some cases, the mandatory Power had obtained certain advantages for Palestine, and expressed the hope that the mandatory Power would be able to improve the present unfavourable position by obtaining concessions from a large number of States.

While regretting that most of the Arab Government schools were closed during the disturbances, the Commission noted with interest that, in spite of a general fall in revenue, it was the intention of the mandatory Power that there should be no standstill in the development of educational facilities.

At the same time, the Commission noted the mandatory Power's decision to reduce Jewish immigration temporarily as from August 1st, 1937, to 8,000 persons for the next eight months. While not questioning that the mandatory Power, responsible

as it is for the maintenance of order in the territory, may on occasion find it advisable to take such a step, and is competent to do so, as an exceptional and provisional measure, the Commission drew attention to this departure from the principle, sanctioned by the League Council, that immigration is to be proportionate to the country's economic absorptive capacity.

Regarding *Trans-Jordan*, the Commission noted that order had been maintained in 1936 without undue difficulty. It also noted that, if disorders of the kind experienced in Palestine should occur in *Trans-Jordan*, the mandatory Power would probably have to secure reinforcements for the police forces from outside.

The Commission expressed the hope that, notwithstanding the limited resources of the budget of *Trans-Jordan*, it might be possible further to develop the public health services.

In the last place, the Commission noted that, despite the fact that the administrative structure of the territory was still undeveloped, it had never been possible to balance the budget without large yearly subsidies from the mandatory Power.

### C. *Petitions.*

The Commission had to deal with a large number of petitions concerning the 1936 disturbances, the policy of the mandatory Power and the scheme for a Legislative Council. As regards the petitions relating to the disturbances, the Commission drew the Council's attention to its General Observations formulated on the occasion of the examination of the annual report. The Commission formulated no specific conclusions on the group of petitions relating to the policy of the mandatory Power, the terms of the Mandate and Article 22 of the Covenant, as, in view of their object and of the arguments they contained, they fell within the general scope of the main question on which the Commission was sending a preliminary opinion to the Council. As regards the petitions relating to the scheme for a Legislative Council, the Commission considered that no useful purpose would be served in studying these petitions until a decision had been taken concerning the future status of Palestine.

In addition to the communications falling within the three groups mentioned above, the Council examined five petitions relating to particular questions. One of them concerned the drawbacks of the absence of reciprocity in the system of economic equality which the mandated territories are required to apply. In its Conclusions, the Commission drew attention to the Special Observation which it was submitting to the Council on the difficulties reported in this connection.

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2.

REDUCTION AND LIMITATION OF ARMAMENTS.

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The Secretary-General has been informed by the United Kingdom Government that, as the instruments of ratification of all the signatories of the Treaty for the Limitation of Naval Armaments signed in London on March 25th, 1936 have now been deposited with His Majesty's Government in the United Kingdom, the provisions of that Treaty are, in accordance with Article 30 (2) thereof, in force as from July 29th, 1937.

The United Kingdom Government has also communicated to the Secretary-General the texts of the Anglo-German and Anglo-Russian Agreements signed in London on July 17th, 1937.<sup>1</sup>

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<sup>1</sup> See Part I of this Report, page 82.

3.

ECONOMIC AND FINANCIAL QUESTIONS.

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PUBLICATIONS OF THE ECONOMIC INTELLIGENCE SERVICE.

*Statistical Year-Book of the League of Nations, 1936/37.*

This work is the central source of the documentation prepared by the Economic Intelligence Service. Published in July 1937, the data which it contains cover the year 1936, and even in some cases the first quarter of 1937. The statistical tables are arranged in such a way as to facilitate so far as possible a comparison between one country and another, and refer, among other subjects, to the following :

Territory and population ;

Labour conditions (unemployment, employment, wages, hours of work) ;

Production (agricultural, dairy farming, fisheries, minerals, metals, chemical products, electricity, etc.) ; indices of world production of raw materials and of industrial production ;

International trade and balances of payments ;

Transport (merchant vessels, railways, air navigation) ;

Public finance (budget accounts, public debt) ;

Banking and money (circulation, gold and foreign assets reserves, exchange rates, discount rates, banking deposits, market value of shares, yield on bonds, capital issues, etc.) ;

Prices (wholesale, retail, prices in gold francs).

The present edition of the *Year-Book* contains a great deal of new material, especially in regard to production, air traffic,

monetary conditions, movements in the capital markets, the fertility and reproduction rate of the population in a number of countries, etc. Moreover, the explanatory notes, so valuable for an understanding of all collections of statistics, have been considerably increased; thus, the notes regarding rates of exchange and the returns of the banks of issue describe the measures taken in the monetary sphere — exchange restrictions, devaluation, new parities, etc.

*Revue of World Trade, 1936.*

This publication contains a general synopsis, presented in a clear and orderly form, of world trade during the year 1936. The figures of that year are compared with those for the years immediately preceding, and with the figures for 1929. The volume begins with a general summary of the chief results and of the deductions of a general character to be drawn from the data given. The succeeding chapters deal with the following questions: value and quantum of world trade in the years 1921-1936; trade by main groups of articles; trade by continental groups; trade by countries.

Then comes a detailed examination of the trade of the principal countries in 1936, in order to analyse its structure and tendencies, and of the trade in certain staple products. The last chapter deals with the influence of discriminatory measures on the geographical distribution of trade. It is pointed out in this chapter that the geographical distribution of the trade of certain countries was determined, not by the prices prevailing in the import and export markets concerned, but by discrimination rendered possible by commercial policy. In particular, this is true of countries applying exchange control.

*Money and Banking, 1936/37.*

Monetary phenomena and their numerous repercussions of all kinds, the changes of structure which are occurring in the banking equipment of the world, the financing of Government expenditure, etc., are problems the complexity of which is daily increasing. This publication undertakes their study in two volumes.

The first is a "Monetary Review". This analytical study of currency adjustments, gold movements and interest rates, covers the whole period of depreciation and recovery since 1929. This phase of monetary development is one of the most agitated in the history of international finance. It provides the material for this volume, the chapters of which are as follows : the course of foreign exchanges ; the market in forward exchanges ; exchange stabilisation funds ; gold supply and central monetary reserves ; interest rates.

The essential monetary statistics for the years 1929-1936 of some forty countries, are summarised as far as possible on a uniform basis in seventeen tables annexed to the volume. The Tripartite Monetary Agreements of autumn 1936, which may be said to have provided the mechanism for an orderly experiment in the field of international stabilisation of currency, are studied with their consequences.

This work, owing to the importance of the subjects with which it deals and the variety of the facts which it contains, greatly facilitates the understanding and study of problems of the most up-to-date interest, such as the gold problem and the trend of interest rates.

The second volume is entitled "Commercial Banks". It is chiefly a statistical work showing in a series of tables the changes which have occurred since 1929 in the monetary and banking situation of forty-five countries. In order to make it easier to compare the accounts of commercial banks in one country with those in others, the statistics have been arranged as far as possible to conform with a standard balance-sheet and with a standard form for profit and loss accounts. Each table is accompanied by detailed notes summarising legislative and other measures introduced during the period under review.

#### *World Economic Survey, 1936/37.*

This review covers the period from July 1936 to the beginning of August 1937. It begins with an account of the monetary adjustments made in September 1936 and their immediate consequences. The acceleration of the recovery which has taken place in the majority of countries is described and assessed, with special reference to the increase in production, rising prices

and the recent tendency towards an expansion of international trade. A special study is made of the effects of these developments on the prosperity of agricultural-exporting countries, and of the symptoms of a boom in certain industrial countries. In this connection, comments are made on re-armament programmes.

As in previous years, the general study given in this Survey is placed in an international setting. The outline of events up to the end of July 1937 recapitulates the measures taken in the national and international sphere during the financial crisis in France at the beginning of the summer.

#### *World Production and Prices, 1936/37.*

This volume presents a new world index of *stocks*, which provides a link between the two world production indices compiled last year.

These indices are analysed in detail in Chapter I of the volume, and supplemented by various information. The first section of this chapter deals with the production, stocks and consumption of primary products. The second section is concerned with industrial activity, studied in conjunction with unemployment and profits.

Chapter II deals with changes in world production, trade and shipping. Chapter III contains a study of the movement of prices both in world markets and in various countries.

This data and analyses given in this publication show the developments which have taken place in the different countries during 1936, alike from the industrial, agricultural and commercial points of view.

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4.

COMMUNICATIONS AND TRANSIT.

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The Advisory and Technical Committee for Communications and Transit held its twentieth session at Geneva from August 31st to September 4th, 1937. The conclusions which it has reached and the resolutions it adopted in regard to the various questions with which it deals<sup>1</sup>, form a principal part of the present chapter.

MARITIME TONNAGE MEASUREMENT.

In accordance with a previous decision of the Advisory and Technical Committee, the report drawn up at its request by the Chairman and Rapporteur of the Technical Committee for Maritime Tonnage Measurement has been communicated to the Governments concerned.

Acting on a suggestion submitted by the French Government after study of the report in question, the Advisory and Technical Committee decided that the drafting committee instructed to consider the action required with a view to the adoption of a uniform method of maritime tonnage measurement should meet again in order to put into final form a definitive text giving the fullest possible effect to the wishes expressed by the different Governments.

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<sup>1</sup> See documents C.C.T./659 and Annex, and C.C.T./660.

## POLLUTION OF THE SEA BY OIL.

In its report of October 10th, 1936,<sup>1</sup> the Assembly expressed the opinion that the anticipated results of the proposed Agreement in regard to the Pollution of the Sea by Oil <sup>2</sup> would not be obtained unless all countries with fleets of any size were parties to the Agreement. The Advisory and Technical Committee endorsed this view, which was also recorded by the Council at its ninety-fourth session, and itself expressed the hope that Governments generally would co-operate in the settlement of this problem.

### CONCLUSIONS OF THE HYDROGRAPHIC CONFERENCE OF MONACO.

- (a) *Buoyage of isolated rocks.*
- (b) *Despatch by the various Governments to the International Hydrographic Bureau of the results of the hydrographic work carried out by authorities other than the National Hydrographic Services themselves.*

On the above two questions, the International Hydrographic Conference of Monaco, which was held in April 1937, adopted the following conclusions :

(a) The International Hydrographic Bureau is invited to draw up in respect of each sea a list of dangers situated in the high seas, at present unbuoyed, and likely to be perilous on account of their presence in the proximity of shipping routes, and after consultation with the competent international organisations to state its opinion as to the advisability of marking each such obstacle.

The said lists to be communicated to the Advisory and Technical Commission of Communications and Transit : the latter to take the measures necessary for the marking of the shoals in question by the States concerned.

(b) The International Hydrographic Bureau to compile and periodically bring up to date the collection of charts

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<sup>1</sup> See part I of the Report, document A.6.1937, page 126.

<sup>2</sup> Document C.449.M.235.1935.VIII.

containing the soundings effected in estuaries and deltas used by seagoing vessels and of documents relating to the corresponding tidal river movements issued by the harbour authorities and other similar services which are independent of the national hydrographic services.

The Conference considered that it would be of great utility if these various publications were sent regularly by the competent services of each nation to their national hydrographic services to be forwarded by the latter to the International Hydrographic Bureau: the documents to be filed, and a periodical list thereof published, by the latter.

With regard to the States which do not belong to the Bureau but are Members of the League of Nations, the Conference expressed the hope that the Communications and Transit Organisation would take the necessary steps to obtain this information.

The Advisory and Technical Committee approved these proposals in principle. As regards their practical application, it requested the Chairman of the Committee to follow the matter up with a view to giving effect, as and when occasion occurred, to the suggestions made, after receipt of the requisite information as to the procedure to be followed and as to the exact scope of the action to be taken by the Committee.

#### STOWAWAYS.

The question of stowaways having been raised by the International Shipping Federation, the Advisory and Technical Committee decided to instruct its Permanent Legal Committee to consider the question at its next meeting.

#### ROAD TRAFFIC.

The Permanent Committee on Road Traffic <sup>1</sup> dealt, *inter alia*, with questions connected with the international regulations relating to road traffic and motor traffic, problems relating to road signals, level-crossings, statistics of road traffic accidents, civil responsibility and compulsory insurance of motorists, and

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<sup>1</sup> See its report, document C.322.M.217.1937.VIII.

safety of pedestrians. The conclusions reached by the permanent Committee and the proposals formulated by it were in their turn examined by the Advisory and Technical Committee, which passed various resolutions regarding them. The following points in particular may be noted :

*Unification of Statistics relating to Road Traffic Accidents.*

The report of the Committee for the Unification of Statistics relating to Road Traffic Accidents will be communicated to Governments in order that the recommendations of the report may be applied by them as far as possible. Governments will be requested at the same time to communicate to the League of Nations, before the end of 1940, any information concerning their experience in applying these recommendations, together with such observations as they may wish to submit.

*Simplification of Travel Documents.*

The international motorists' associations had made certain proposals with a view to standardising the new models for driving licences and registration cards, in order to permit of the recognition of the national documents with which motorists are provided by the authorities and agents in all countries. These proposals will be brought to the notice of Governments, and recommended with a view to the adoption by Governments of the proposed system.

*Revision of International Conventions relating to Motor Traffic and Road Traffic.*

In the report <sup>1</sup> which it adopted on the work of the Transit Organisation, the Assembly (seventeenth ordinary session) recommended the Organisation actively to pursue its task of international codification in the sphere of road traffic and signals, and to see whether any useful purpose would be served by revising the existing Conventions and, if necessary, regrouping the provisions contained in them with a view to obtaining a more systematic whole.

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<sup>1</sup> See *Official Journal*, Special Supplement No. 157, page 77.

In pursuance of this mandate from the Assembly, the Advisory and Technical Committee instructed its Permanent Committee on Road Traffic to make a study of these various problems.

#### CIVIL RESPONSIBILITY OF MOTORISTS (THIRD-PARTY RISKS) AND COMPULSORY INSURANCE.

The Advisory and Technical Committee, having had before it the preliminary draft uniform laws framed by the International Institute for the Unification of Private Law at Rome, concerning the question of civil responsibility and that of the compulsory insurance of motorists, examined these drafts. It decided to set up a special Committee consisting of legal experts and experts on road traffic and insurance, to study the texts. The Rome Institute will be invited to send a representative to sit on this Committee. This Committee may also invite the co-operation of the international associations concerned and of insurance representatives. The Committee will then report to the Advisory Committee.

#### PASSPORTS.

The Secretary-General carried out an enquiry among Governments in execution of a decision of the Advisory and Technical Committee concerning the action taken on the recommendations of the Passport Conference held in 1926.

The Advisory and Technical Committee, after having noted the replies already received, expressed the hope that Governments which have not yet replied will do so as soon as possible. In the light of these replies, the Committee will then examine the situation in regard to this matter.

#### SIGNALS AT LEVEL-CROSSINGS.<sup>1</sup>

In conformity with the Council's request (January 1936),<sup>2</sup> the Secretary-General enquired of Governments whether, in their opinion, the text prepared by the Transit Organisation might be taken as a basis for the conclusion of an international conven-

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<sup>1</sup> See previous annual Report, Part I, document A.6.1936.VIII, page 136.

<sup>2</sup> *Official Journal*, February 1936, page 63.

tion, and whether they would be prepared, if called upon, to take part in a conference convened by the League of Nations for that purpose. A certain number of countries — most of which are situated in Europe and some of which are particularly important from the point of view of transport — replied that they considered the programme drawn up by the Transit Organisation a useful basis for discussion and that they would be prepared to take part in the proposed conference.

The Advisory and Technical Committee accordingly instructed the special Committee which had framed the texts in question to prepare, on the basis of the replies already received from Governments and of those which might still be received, a draft convention which the Committee will then examine.

#### CO-ORDINATION OF TRANSPORT.<sup>1</sup>

The Assembly of the League of Nations, at its sixteenth ordinary session (September 1935), asked the Communications and Transit Organisation to undertake a study of the problem of the co-ordination of transport. In pursuance of this decision and on the instructions of the Advisory and Technical Committee, the Secretariat, with the help of certain experts, defined and classified the various questions connected with this problem, and the Secretary-General requested the Governments to send him any information they might possess on the relations at present existing between transport by rail, transport by road, and transport by inland navigation.

The material contained in the replies of the Governments will be systematically classified by the Secretariat and in due course a committee of experts will be set up to give directions regarding the analytical examination of the data thus classified and to make a report to the Committee.

In the report <sup>2</sup> which it adopted on the work of the Transit Organisation, the Assembly (seventeenth ordinary session) endorsed the suggestion made by certain delegates that the Transit Organisation should be requested to enquire whether, owing to the growing competition between transport by rail

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<sup>1</sup> See previous Report, Part I, document A.6.1936, page 137.

<sup>2</sup> *Official Journal*, 1936, Special Supplement No. 157, pages 77 and 78.

and transport by road, certain provisions of the International Convention on the Transport of Goods by Rail (C.I.M.) of October 23rd, 1924, could not be made more elastic.

This question having been referred to the Advisory and Technical Committee, the latter expressed the opinion that the special committee which it was proposed to set up to study the co-ordination of transport might also examine this problem.

#### PUBLIC WORKS.<sup>1</sup>

The Advisory and Technical Committee has noted with satisfaction the procedure jointly arranged by the Secretary-General and the Director of the International Labour Office regarding future co-operation between the Communications and Transit Organisation and the International Labour Organisation in regard to public works, account being taken in particular of the conclusions regarding the problem of public works adopted by the International Labour Conference in June 1937.

#### LEAGUE WIRELESS STATION.<sup>2</sup>

The Advisory and Technical Committee has had occasion to study the manner in which the representative of the competent organ of the League of Nations should participate in the work of technical organisations of an international character in regard to telecommunications, and particularly in the Conferences and Committees of the International Telecommunications Union, with special reference to the Cairo Conference of 1938, on the agenda of which this question has been placed. The Committee requested the Secretariat to examine whether sufficient account was taken of the special position of the wireless station as an official organ of an international character, and if necessary to study by what means the competent organ of the League of Nations could be given an opportunity of co-operating in the most appropriate manner with the different technical organs of an international character dealing with telecommunications.

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<sup>1</sup> See Part I of the Report, document A.6.1937, page 127.

<sup>2</sup> *Ibid.*, page 128.

### REFORM OF THE CALENDAR.<sup>1</sup>

The Advisory and Technical Committee examined the draft Convention submitted by the Government of Chile and the replies sent by the Governments to the Secretary-General's Circular Letter on the subject.

On the one hand, it recognised once more the undoubted advantages from the economic and social point of view of the simplification of the Gregorian calendar and the stabilisation of movable feasts. On the other hand, it emphasised that such a reform could only be considered if it met with practically universal approval. After analysing the replies received and observing that numerous States had not yet replied, the Committee was bound to recognise that this practical unanimity did not yet seem to exist.

Moreover, the Committee recalled that, in the previous studies undertaken by the League of Nations on this subject, the opinion of the religious authorities has always been taken into account. While the majority of the Orthodox and Protestant Churches do not oppose a stabilisation of movable feasts, declaring, however, that this stabilisation should be conditional on the consent of all the Christian Churches, the Holy See appears, if anything, to have accentuated its previously stated attitude — namely, that it could not consider any changes as regards the date of these feasts without a decision by an Œcumenical Council, and then only within the framework of a general reform [of the calendar.

Moreover, as regards this reform, the Holy See could not agree to blank days, which would break the continuity of the weeks and would be incompatible with venerable and long established traditions.

In these circumstances, the Committee expressed the opinion that, for the moment, it was not expedient to arrange a conference for a reform of the calendar, which, in present circumstances would seem to have no chance of being accepted, and that accordingly the question should not, until further notice, be retained on its agenda.

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<sup>1</sup> See Part I of the Report, document A.6.1937, page 128.

5.

HEALTH QUESTIONS.

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I. STUDIES ON HOUSING.

The Housing Commission sat from June 23rd to 29th, simultaneously with two Sub-Committees of experts which were discussing the hygiene of environmental conditions and noise abatement.

These two questions stood first on the programme of research drawn up by the Commission at the end of 1935, which covers the manifold problems involved by the hygiene of buildings and dwellings and of national, urban, and rural planning; so that, when it has studied the various points by stages, the Commission hopes to be able to submit a series of conclusions on the subject of healthy urban and rural housing and healthy town and country areas.

The investigations are being conducted through the agency of the national committees which, at the Health Committee's request, have been set up in various countries.<sup>1</sup> The Housing Commission itself is merely an emanation of these national committees, being composed of their representatives. The status of the committees varies in different countries, but, whether they are official or unofficial, they are representative of all the persons and institutions in any way interested in the hygiene of housing.

In the Commission's opinion,<sup>2</sup> this method of work has proved remarkably effective. In the national field, these bodies provide

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<sup>1</sup> United Kingdom, Czechoslovakia, France, the Netherlands, Poland, Sweden, and the United States of America.

<sup>2</sup> The Commission's report appears in the *Bulletin of the Health Organisation* for August 1937.

the necessary co-ordination and endeavour to secure the practical application of technical progress in this direction, so as to contribute to the improvement of living conditions. In the international sphere, they afford the most extensive and rational method of co-operation, the necessary liaison being provided by the Housing Commission. They organise and direct the execution of the programme drawn up by the Housing Commission, and are in the best possible position to utilise and disseminate the results of their joint international work. It would therefore be a good thing if similar bodies could be formed in countries where they do not as yet exist.

The Commission laid particular stress on the desirability of extending this form of co-operation to tropical countries, owing to the special problems involved in housing in tropical climates, and because housing is a very important factor in acclimatisation.

The Commission announced that it is ready to collaborate with the International Institute of Statistics and any other international bodies in seeking to improve the international comparability of housing statistics.

### *The Hygiene of Environmental Conditions.*

The primary object of housing is to protect the individual from climatic discomforts. The environmental conditions it provides must therefore be such as to ensure the maintenance of thermal equilibrium in the human body, and, from a more general standpoint, such as to promote physical and mental fitness and a feeling of well-being.

The principal environmental factors are the temperature, humidity, and movement of the air, and the radiant temperature of the surroundings (walls, ceiling, flooring, windows, etc.).

It is impossible to establish uniform standards for all countries. Obviously, the optimum environmental conditions regulating the heat exchanges of the human body must vary according to climate and season. The sensation of comfort, too, is purely subjective.

The Commission's report therefore aims at ascertaining the present state of knowledge and the principles followed in certain countries, and at presenting a survey of the systems and processes

at present available for heating, cooling, ventilating, and conditioning the air.

Those responsible must choose their weapons from this armoury in the light of economic and physiological necessities and the circumstances peculiar to different parts of the world.

The Commission points out the harm that may be done to the adaptive faculty of the human body by the tendency — increasingly marked in some countries — to a continuous increase in, and a too constant maintenance of, the temperature of dwellings.

The Commission observes that much of the research on which our present knowledge rests has been done in the laboratory, but not tested in practice. Hence it is essential that the results of these theoretical calculations and scientific research should be compared as between urban and rural centres and between different climates. It is also desirable that the national committees should encourage research into the physical processes and physiological reactions that underlie the relations between the human body and its thermal environment.

#### *Noise-abatement.*

A wide variety of processes are in existence for protecting a dwelling from noise, both external and internal, both air-borne and structure-borne.

The Commission studies these processes and classifies them according to cost. Here, as in the case of environmental conditions, no universally valid rules can be laid down ; but it is to be noted that some protective measures against noise are also effective against heat and cold.

In addition, the report contains a list of technical questions which are to be further investigated under the supervision of the national committees.

Lastly, the Commission calls attention to the importance of securing a wide distribution of all this information. The noise problem, in particular, has become acute owing to modern scientific inventions, and it is incumbent on all concerned to see that existing knowledge is applied practically.

## II. EASTERN BUREAU, SINGAPORE.

In April of this year, cholera was widely epidemic in parts of Siam and, in spite of the precautions taken by the Siamese authorities, a case was landed at Singapore, and a few days later a second case was landed in Sumatra. This aroused natural anxiety in the quarantine services of the countries in the vicinity of Siam.

On April 27th, the Siamese Government cabled to the Eastern Bureau inviting its Director to go to Bangkok and inform himself of the preventive measures taken by the authorities, so as to enable the other Far-Eastern countries to organise their own precautions accordingly.

The following day the Director flew to Bangkok, and within three days he was back in Singapore. Through the courtesy of the Siamese authorities, the Bureau was able to facilitate the co-ordination of the preventive measures taken by the various Governments in connection with air traffic, shipping, labour traffic, and general cargo interchange.

## III. ENQUIRY INTO POPULAR NUTRITION IN CHILE.

It will be remembered that the Chilean Government's request for the assistance of the technical organisations of the League of Nations in investigating problems relating to popular nutrition in Chile led, in 1935, to the carrying-out of an enquiry by Professors Carlo Dragoni and Etienne Burnet.<sup>1</sup>

The report of these two experts was submitted to the Chilean Government late in 1936, and the latter authorised the Secretariat to publish, at the same time as this report, the text of the provisions it had adopted with a view to the improvement of the standard of popular nutrition in Chile. These documents will be found in the August 1937 issue of the Health Organisation's *Bulletin*.

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<sup>1</sup> See Report on the Work of the League, 1934/35, document A.6.1935, page 90.

After studying the report of Professors Dragoni and Burnet, the Chilian Government, by Decree dated February 12th, 1937, set up a National Board of Nutrition presided over by the Minister of Public Health. According to the introductory statement, the object of this measure is to promote joint action by various Government organs and important private bodies, with a view to directing and co-ordinating provisions designed to improve nutritional standards.

The Chilian Government has already drawn up a scheme which, after enumerating the deficiencies which must be remedied, shows what measures are at its disposal for influencing the production and consumption of foodstuffs. The scheme devotes particular attention to those measures which are considered to be urgent.

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6.

TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS

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WORK OF THE PERMANENT CENTRAL OPIUM BOARD.

The Permanent Central Opium Board held its thirty-first session in Geneva from June 29th to July 2nd, 1937.

At this session, the Board examined the statistics of imports and exports of codeine and dionine in relation to the estimates for 1936. These statistics are received annually instead of quarterly, as is the case for the import and export statistics for all other substances falling under the Opium Conventions.

The Board also made a preliminary examination of the situation in the manufacturing countries in 1936. Whenever the manufacture of a certain drug in any one country appeared to have exceeded the quantity authorised to be manufactured under the terms of the 1931 Convention for limiting the Manufacture and regulating the Distribution of Narcotic Drugs, the Board asked the Government concerned to give an explanation of the causes of such excesses.

The Board took note of the action taken by its Secretary since the previous session as regards imports in 1937 in excess of estimates. As soon as it is noticed on receipt of the quarterly import and export returns, or from notifications received from exporting countries, that such an excess has occurred, the Secretary of the Board has to inform Governments immediately of this fact. This action may entail an embargo on the export of the drug in question to the country whose estimates have been exceeded.

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7.

INTERNATIONAL ASSISTANCE TO REFUGEES.

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I. NANSEN INTERNATIONAL OFFICE FOR REFUGEES.

The Governing Body of the Nansen International Office for Refugees has submitted to the Assembly a report on the problems concerning Russian, Armenian, Assyrian, Assyro-Chaldean, Saar and Turkish refugees.

Most of the questions dealt with in the Governing Body's report have been summarised in Part I of the Annual Report for 1937<sup>1</sup>.

As requested by the Assembly at its seventeenth session, M. Michael Hansson submitted to the Council of the League of Nations, at its ninety-seventh session, a report containing a scheme for the liquidation of the Office<sup>2</sup>. The Secretary-General has forwarded this report to the Governments with a view to its forthcoming examination by the Assembly.

The Governing Body of the Office will hold an extraordinary session on September 11th, 1937.

II. REFUGEES (JEWISH AND OTHER) COMING FROM GERMANY.

The Provisional Arrangement of July 4th, 1936, which at present governs the legal status of refugees coming from Germany<sup>3</sup> has now received the signature of the Spanish and Swiss

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<sup>1</sup> See that report, document A.6.1937, pages 200 *sqq.*

<sup>2</sup> See document A.11.1937.XII.

<sup>3</sup> This Arrangement is summarised in the Report on the Work of the League 1935/36, Part II, page 54.

Governments, in addition to the signatures of the Governments of Belgium, the United Kingdom, Denmark, France and Norway.

As regards the preliminary draft Convention, certain Governments have communicated their observations on the text drawn up by the High Commissioner, which was submitted to them by the Secretary-General on March 23rd, 1937. The exact date of the Inter-Governmental Conference, for the preparations of which provision was made by the decision of the Assembly at its seventeenth session, may be fixed after the eighteenth session of the Assembly has examined the report submitted to it by the High Commissioner.

The Liaison Committee held a meeting at Brussels on June 7th, 1937, at which it decided to appoint a permanent secretary to carry out the Committee's decisions, with a view to co-ordinating the efforts made by the High Commissioner and the organisations on behalf of refugees from Germany.

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8.

INTELLECTUAL CO-OPERATION.

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WORK OF THE INTELLECTUAL CO-OPERATION ORGANISATION.

This year the various meetings of the Intellectual Co-operation Organisation were held in Paris, on the French Government's proposal, in connection with the International Exhibition of Art and Technique. The invitation was given in 1935 by M. Edouard Herriot, President of the Chamber of Deputies. This is the first manifestation of the kind since the League of Nations decided, in 1922, to serve the cause of international collaboration in the intellectual sphere.

On receiving this proposal, the International Committee on Intellectual Co-operation drew up a programme according to which the conferences, commissions and committees making up the Intellectual Co-operation Organisation of the League were to be summoned to meet in Paris during the month of July, as part of a general scheme. So ambitious a plan could not have been carried through without generous assistance from the General Commission of the International Exhibition of Art and Technique. Hence the "Intellectual Co-operation Month" must be considered as the outcome of close collaboration between those responsible for the Exhibition and the international bodies under the authority of the League of Nations.

The list of the different meetings given in the general programme of the "Intellectual Co-operation Month" indicates both their diversity and their correlation and shows how each meeting plays its part in the general scheme.

The present chapter will be published at the same time as the report of the International Committee on Intellectual

Co-operation on the work of its nineteenth session<sup>1</sup> which gives fuller information concerning these meetings and the terms of the resolutions adopted. It has therefore not been considered necessary to furnish a detailed account here also, and we have confined ourselves to reproducing below a list of the meetings and the principal subjects of discussion, the reader being asked to refer for further particulars to document C.327.M.220.1937.XII.

The programme of meetings was as follows :

*June 28th to July 3rd.*

Permanent International Studies Conference (tenth session).

Subject : "The Pacific Settlement of International Difficulties" ("Peaceful Change").

*June 30th and July 1st.*

Joint Committee of Major International Associations.

*July 2nd and 3rd.*

Advisory Committee on League of Nations Teaching.

*July 5th to 9th.*

National Committees on Intellectual Co-operation (Second General Conference).

*July 9th and 10th.*

Meeting of the Executive Committee of the International Council of Scientific Unions and of the Committee of Scientific Advisers of the International Intellectual Co-operation Organisation.

*July 15th.*

Meeting of the Directors of National Offices for International School Correspondence and International Exhibition of I.S.C.

*July 12th to 17th.*

International Committee on Intellectual Co-operation (nineteenth session). Governing Body of the International Institute of Intellectual Co-operation (fourteenth session).

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<sup>1</sup> Document C.327.M.220.1937.

*July 20th to 23rd.*

Permanent Committee on Arts and Letters (eighth "Conversation").

Subject of the "Conversation": "The Immediate Future of Letters".

*July 26th to 28th.*

International Conference on Higher Education organised by the Société de l'Enseignement supérieur and the International Institute of Intellectual Co-operation.

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*Permanent International Studies Conference.*

The scientific study of international relations has developed considerably in the last few years, both in the existing universities and schools of advanced studies and as a result of the creation of specialised institutes in different countries. The relations which have gradually grown up between these different establishments have led to the creation in a number of countries of co-ordination committees for the purpose of grouping the national institutions dealing with the study or teaching of international relations. The representatives of these national groups and of different institutions make up the Permanent International Studies Conference. This Conference is independent in the sense that it is not subordinate to the Intellectual Co-operation Organisation; but it has close administrative connection with the latter, and the International Institute of Intellectual Co-operation acts as its permanent secretariat.

For the last six years the Conferences, which had previously dealt with questions of organisation, have materially widened their sphere of action by devoting a great deal of their time to the free discussion of subjects chosen in advance. With a view to a preliminary study of these subjects, the different national groups and affiliated institutes themselves prepare a vast amount of documentary material, supplemented by technical committees of specialists which are summoned in the interval between conferences by the International Institute of Intellectual Co-operation. The first of these Conferences, held at Milan in 1932, was devoted to the study of "The State and Economic Life".

The next Conference, held in London in 1935, dealt with "The Collective Organisation of Security". The Paris Conference undertook the discussion of the subject studied during the past two years: "The Pacific Settlement of International Difficulties" "Peaceful Change". The discussions were devoted to demographic and colonial questions, Danubian questions and the problem of raw materials. The next study cycle will deal with the question of "Economic Policies in relation to World Peace".

*Joint Committee of Major International Associations.*

This Committee, founded in 1925, comprises thirty associations; its activities extend to sixty-one countries. Its aim is to promote exchanges of views between its members. The agenda of the Paris meeting provided for the examination of the following questions:

- Teaching of modern languages, history and geography;
- Questions connected with the cinematograph and broadcasting;
- Study visits and tours;
- Professional guidance in secondary education;
- Relations between East and West;
- Education and international understanding.

*Advisory Committee for League of Nations Teaching.*

The agenda of the Committee was prepared with a view to the study of the question raised by the 1936 Assembly, which had asked the International Committee on Intellectual Co-operation to put forward suggestions for the utilisation in the cause of peace of modern means of spreading information. These suggestions, which are to provide a basis for the discussions of the next Assembly, are contained in the report on the work of the International Committee<sup>1</sup>. In view of the enlargement of its sphere of action, the Committee decided, with the approval of the full Committee, to change its name and to be known in future as the Advisory Committee for the Teaching of the Principles and Facts of International Co-operation.

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<sup>1</sup> Document C.927.M.220.1937, Part II.

*General Conference of National Committees  
on Intellectual Co-operation.*

The National Committees of the following thirty-nine countries were represented : Argentine, Australia, Austria, Belgium, Bolivia, Brazil, United Kingdom, Bulgaria, Chile, China, Cuba, Czechoslovakia, Denmark, Egypt, Estonia, Finland, France, Hungary, India, Iran, Italy, Japan, Latvia, Lithuania, Luxemburg, Mexico, Netherlands and the Netherlands Indies, Norway, Peru, Poland, Portugal, Roumania, Salvador, Spain, Sweden, Switzerland, United States of America, Uruguay, Yugoslavia.

The Committee on Intellectual Co-operation of the Catholic Union of International Studies and the Permanent Inter-Parliamentary Committee on Intellectual Relations were also represented.

The Conference decided to establish more regular and extensive contacts between the International Intellectual Co-operation Organisation and national intellectual life ; it considered it necessary to place intellectual co-operation above political conflicts and to confer upon it, within the framework of the League of Nations, the freedom of movement and the autonomy that it needs. For this purpose, it asked that an international agreement should be concluded providing the Institute of Intellectual Co-operation with a legal basis and a larger regular budget. It referred to the Executive Committee of the Intellectual Co-operation Organisation for examination a certain number of individual suggestions submitted by various delegations in the course of the Conference.

*Meeting of the Executive Committee of the International  
Council of Scientific Unions and of the Committee of Scientific  
Advisers of the International Intellectual Co-operation  
Organisation.*

This first session was marked by the signature of an agreement for close collaboration between the Intellectual Co-operation Organisation and the International Council of Scientific Unions, which comprises the following unions : physics, biological sciences, geography, astronomy, chemistry, radio sciences, geophysics and geodetics. The Committee drew up a programme of future work.

*Meeting of the Directors of National Offices for International School Correspondance.*

The majority of the National Offices accepted the invitation to take part in this meeting, which afforded striking evidence of the organisation which is being built up by this movement of international friendship. Two new offices — one in Scotland and the other in Switzerland — have recently been opened.

*Meeting of the International Committee and of the Governing Body of the International Institute of Intellectual Co-operation.*

The International Committee on Intellectual Co-operation reviewed all the activities of the Intellectual Co-operation Organisation and prepared a programme of future work. It submitted to the Council and to the Assembly a draft international act concerning the Institute of Intellectual Co-operation, which aims at ensuring the development of that organ and the contractual participation of States not members of the League of Nations in its activities.

*“Conversation” of the Permanent Committee on Arts and Letters.*

This “Conversation”, presided over by M. Paul Valéry, of the French Academy, dealt with “The Immediate Future of Letters” and was approached from three different angles — namely language, the author, and the reader. The debate on language provided an opportunity to M. Paul Valéry, M. de Madariaga, M. Jules Romains, M. Georges Duhamel, M. Dumont-Wilden, M. Anesaki, M. R. Faesi, Professor Gilbert Murray, Mr. Thornton Wilder and Mlle. Vacaresco to define literary language and popular speech, and to stress the debt owed to the latter by the greatest prose writers and poets.

The discussion on the material conditions of livelihood of the author, which determine the future of letters, led to a comparison of the dangers and advantages of literary patronage.

The following took part in this discussion : M. Paul Valéry, M. Paul Hazard, M. Jules Romains, M. A. Rousseaux, M. Henri Focillon, M. J. R. Bloch, M. Paul Hymans, M. de Madariaga, M. Johan Bojer, M. Ugo Ojetti, M. Pavolini, M. Balbino Giuliano, M. Garcia Calderon, M. Miguel Ozorio de Almeida, M. Wedkiewicz, M. Li-Yu-Ying, M. Anesaki, Professor Gilbert Murray, Mr. E. M. Forster, Mr. Thornton Wilder, Mlle. Vacaresco and Mlle. Mistral.

As regards the third point of the " Conversation " — the reader — the speeches of M. Bojer, M. Ojetti, M. de Reynold, M. Anesaki, M. Oprescu, M. Huizinga and M. Ozorio de Almeida brought out the necessity and the possibility of bringing books into the hands of the people by means of rational and persistent propaganda.

The Committee recommended that the International Committee on Intellectual Co-operation should undertake an enquiry into the points discussed, and emphasised the connection between the future of letters and the freedom of expression and moral and economic independence of creative minds.

#### *International Conference on Higher Education.*

This important meeting, which was summoned by the International Institute of Intellectual Co-operation and the *Société de l'Enseignement supérieur* of Paris, was attended by fifteen directors of higher education and 150 professors, representing 115 universities and 40 countries. It discussed the present problems of university life and the adaptation of higher education to the evolution of human knowledge and social conditions. Thanks to methodical preparation and a very thorough discussion, it succeeded in making as true a diagnosis as possible of the ills from which higher education is at present suffering and in defining the lines on which the university must develop if it is to play its part in contemporary life. The Conference decided to continue to study the problems of university organisation and it accordingly set up, at the International Institute of Intellectual Co-operation, a Permanent Committee on Higher Education, consisting of a small number of directors of higher education and representatives of universities, which will meet at regular intervals.

9.

LEGAL AND CONSTITUTIONAL QUESTIONS.

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*Membership of the League of Nations.*

In a letter to the Secretary-General received on August 10th, 1937, the Government of Salvador gave notice of withdrawal under Article 1, paragraph 3, of the Covenant.

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## **B. PERMANENT COURT OF INTERNATIONAL JUSTICE.**

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### **INTRODUCTION.**

For a complete statement of the facts concerning the organisation, the jurisdiction and the activities of the Court since the last ordinary session of the Assembly, the Secretary-General ventures to refer to the Thirteenth Annual Report of the Court. This work, which has just appeared, will be issued to Governments, to full delegates, at the next session of the Assembly, and also to their legal advisers.

The manuscript of the present chapter was completed on August 15th, 1937 ; according to the practice which has been adopted since 1933, it has been compiled in the Registry of the Court and has been included, for the convenience of delegates, in Part II of the Report to the Assembly.

#### **1. COMPOSITION OF THE COURT.**

When the Assembly of the League of Nations met on September 21st, 1936, for its seventeenth session, there were four vacancies in the Court, of which the first was due to the death of M. Schücking (Germany) on August 25th, 1935 ; the second, to the resignation of Mr. Frank B. Kellogg (United States of America), given by letter dated September 9th, 1935 ; the third, to the resignation of M. Wang Chung-Hui (China), given by letter dated January 15th, 1936 ; and the fourth, to the death of Baron Rolin-Jaequemyns (Belgium) on July 11th, 1936.

On October 8th, 1936, the Assembly and the Council of the League of Nations proceeded to fill the first three of the above-mentioned vacancies — the delegates of two non-member States — Brazil and Japan — having been given seats in these bodies and having been furnished with the necessary powers to take part in the election. Mr. Manley O. Hudson (United States of America) and M. Å. Hammarskjöld (Sweden) were elected to fill the seats which had been occupied by M. Schücking and Mr. Kellogg. M. Cheng Tien-Hsi (China) was elected to fill the seat that had been occupied by M. Wang Chung-Hui. The election for the fourth vacancy was placed on the agenda of the extraordinary session of the Assembly in May 1937. On May 27th, the Assembly and the Council (in which bodies the delegates of Brazil and Japan also sat) elected M. Charles De Visscher (Belgium).

On July 7th, 1937, M. Å. Hammarskjöld, member and former Registrar of the Court, died at The Hague.

As a result of the appointments and death referred to above, the Court is now composed as follows : M. Guerrero, President (Salvador) ; Sir Cecil Hurst (Vice-President) (United Kingdom) ; Count Rostworowski (Poland), M. Fromageot (France), M. de Bustamante (Cuba), M. Altamira (Spain), M. Anzilotti (Italy), M. Urrutia (Colombia), M. Negulesco (Roumania), Jonkheer van Eysinga (Netherlands), M. Nagaoka (Japan), M. Cheng (China), Mr. Hudson (United States of America), M. De Visscher (Belgium).

The composition of the Chambers is as follows :

Chamber for Labour Cases : *Members* : Sir Cecil Hurst, President ; M. Altamira, M. Urrutia, M. Negulesco, Mr. Hudson. *Substitute Members* : Jonkheer van Eysinga, M. Nagaoka.

Chamber for Communications and Transit Cases : *Members* : M. Guerrero, President ; M. Fromageot, M. Anzilotti, Jonkheer van Eysinga.<sup>1</sup> *Substitute Members* : Count Rostworowski, M. Nagaoka.

Chamber for Summary Procedure : *Members* : M. Guerrero, President ; Sir Cecil Hurst, Count Rostworowski, M. Fromageot, M. Anzilotti. *Substitute Member* : M. Nagaoka.<sup>1</sup>

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<sup>1</sup> One vacancy exists, owing to the death of M. Hammarskjöld.

Since the last ordinary session of the Assembly, the Court has had before it two cases which necessitated the appointment of judges *ad hoc*. These were : the case concerning the lighthouses in Crete and in Samos (France/Greece), and the Borchgrave case (Belgium/Spain). The judge appointed by the Greek Government in the former of these cases was M. S. Seferiades, Professor of International Law at the University of Athens, Member of the Permanent Court of Arbitration. The judge appointed in the second of these cases by the Belgian Government was M. Charles De Visscher ; subsequently, M. De Visscher was appointed a Member of the Court.

The case concerning the diversions of water from the Meuse (Netherlands/Belgium), which had been submitted to the Court in August 1936, had also led to the appointment of M. De Visscher as judge *ad hoc* by the Belgian Government.

## 2. THE REGISTRY.

M. Åke Hammarskjöld, Envoy Extraordinary and Minister Plenipotentiary of H.M. the King of Sweden, member of the Institute of International Law, who had been appointed as Registrar on February 3rd, 1922, re-elected on August 16th, 1929, and whose term of office expired on December 31st, 1936, was elected a member of the Court on October 8th, 1936 (see above, page 12).

On December 5th, 1936, the Court appointed as Registrar, in succession to M. Hammarskjöld, M. Julio López Oliván, formerly Spanish Ambassador in London. M. López Oliván had been Deputy-Registrar of the Court from January 1929 to February 1931.

## 3. THE STATUTE AND THE RULES OF COURT.

The Statute of the Court (revised Statute), which came into force on February 1st, 1936, has been published by the League of Nations under No. C.80.M.28.1936.V, and by the Court in

the third edition (March 1936) of Volume No. 1 of Series D of its publications.

The same volume also contains the revised Rules of Court, which came into force on March 11th, 1936.

#### 4. JURISDICTION.

##### (a) TREATIES.

Since the last ordinary session of the Assembly, the following new agreements or treaties, by the terms of which, or for the interpretation of which, jurisdiction is conferred upon the Court, or some extra-judicial action is called for on the part of the Court or its President, have come to the knowledge of the Registrar :

- Convention concerning the settlement of questions arising out of the delimitation of the frontier, between Czechoslovakia and Roumania. Prague, July 15th, 1930.
- Convention of establishment, between France and Roumania. Paris, August 27th, 1930.
- Treaty of conciliation, judicial settlement and arbitration, between Bulgaria and Spain. Sofia, June 26th, 1931.
- Convention regarding establishment and labour, between Belgium and the Netherlands. Geneva, February 20th, 1933.
- Treaty of friendship, non-aggression, arbitration and conciliation, between Roumania and Turkey. Ankara, October 17th, 1933.
- Treaty of friendship and non-aggression, judicial settlement, arbitration and conciliation, between Turkey and Yugoslavia. Belgrade, November 27th, 1933.
- Treaty of arbitration, judicial settlement and conciliation, between Denmark and Venezuela. The Hague, December 19th, 1933.
- Treaty of friendship, establishment and commerce, between Denmark and Iran. Teheran, February 20th, 1934.
- Treaty of friendship, between Iran and Switzerland. Berne, April 25th, 1934.
- International Convention for the unification of methods of sampling and analysing cheeses. Rome, April 26th, 1934.
- Air navigation Convention, between Estonia and Sweden. Tallinn, May 20th, 1935.

- Provisional Convention concerning air navigation, between Hungary and Switzerland. Berne, June 18th, 1935.
- Convention concerning the regulation of certain special systems of recruiting workers. Geneva, June 20th, 1936.
- Convention concerning the reduction of hours of work on public works. Geneva, June 23rd, 1936.
- Convention concerning annual holidays with pay. Geneva, June 24th, 1936.
- Convention for the suppression of the illicit traffic in dangerous drugs. Geneva, June 26th, 1936.
- Convention concerning the minimum requirements of professional capacity for masters and officers on board merchant ships. Geneva, October 24th, 1936.
- Convention concerning annual holidays with pay for seamen. Geneva, October 24th, 1936.
- Convention concerning the liability of the shipowner, in case of sickness, injury or death of seamen. Geneva, October 24th, 1936.
- Convention concerning sickness insurance for seamen. Geneva, October 24th, 1936.
- Convention concerning hours of work on board ship and manning. Geneva, October 24th, 1936.
- Convention fixing the minimum age for the admission of children to employment at sea ("revised 1936"). Geneva, October 24th, 1936.

The number of international agreements (other than the Optional Clause) conferring jurisdiction on the Court on any grounds, and published by the Registry, now amounts to about 530.

#### (b) THE OPTIONAL CLAUSE.

Since the last ordinary session of the Assembly, the acceptance by the under-mentioned States of the Optional Clause annexed to the Court's Statute (Article 36, paragraph 2) has been renewed : Austria, Brazil, Denmark, Finland, Switzerland.

By a Declaration, filed with the Registry on April 26th, 1937, the Principality of Monaco accepted the jurisdiction of the Court and recognised that jurisdiction as compulsory, *ipso facto* and without special convention, in conformity with Article 36, paragraph 2, of the Statute of the Court and No. 2, paragraph 4, of the resolution of the Council of May 17th, 1922.<sup>1</sup>

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<sup>1</sup> This resolution provides that States which are neither members of the League of Nations nor mentioned in the Annex to the Covenant may accept the jurisdiction of the Court as compulsory, but that such acceptance may not, without

This Declaration was worded as follows :

“ *Declaration.*”

“ The Principality of Monaco, represented by the Minister of State, Director of External Relations, hereby accepts the jurisdiction of the Permanent Court of International Justice, in accordance with the Covenant of the League of Nations and with the terms of the Statute and Rules of the Court, in respect of all disputes which have already arisen or which may arise in the future. The Principality of Monaco undertakes to carry out in full good faith the decision or decisions of the Court and not to resort to war against a State complying therewith.

“ At the same time, the Principality of Monaco accepts as compulsory, *ipso facto* and without special convention, the jurisdiction of the Court, in conformity with Article 36, paragraph 2, of the Statute of the Court and No. 2, paragraph 4, of the resolution of the Council of May 17th, 1922, for a period of five years in any disputes arising after the present Declaration with regard to situations or facts subsequent to this Declaration, except in cases where the Parties have agreed, or shall agree, to have recourse to another method of pacific settlement.

“ Monaco, April 22nd, 1937.

“ [L.S.] (Signed) M. BOUILLOUX-LAFONT,  
Minister of State, Director  
of External Relations.”

“ It being Our pleasure to approve, confirm and ratify all the clauses of the foregoing Declaration, We by these Presents formally approve, confirm and ratify the above Declaration in the name of Ourselves and Our Successors, upon Our Princely Honour promising in Our Own Name and Theirs faithfully and loyally to fulfil, observe and execute the present Declaration.

“ In Faith whereof, We have signed this Ratification with our own hand and have thereto affixed Our Seal.

“ Done at Our Palace in Monaco, this twenty-second day of April one thousand nine hundred and thirty-seven and in the fifteenth year of Our Reign.

“ [L.S.] (Signed) LOUIS ”.

This brings to forty-one the number of States bound by the Optional Clause.

The general situation in regard to the acceptance of the Optional Clause is shown in the table below :

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special convention, be relied upon *vis-à-vis* Members of the League or States mentioned in the Annex to the Covenant which have signed or may thereafter sign the Optional Clause.

STATES WHICH HAVE SIGNED THE OPTIONAL CLAUSE (52)					STATE WHICH HAS ACCEPTED the compulsory jurisdiction of the Court under Article 36, paragraph 2, of the Statute and the resolution of the Council of May 17th, 1922 <sup>1</sup>
without any condition as to ratification or other suspensive conditions		subject to ratification or other suspensive condition		States previously bound but whose engagement has expired	
but which have not ratified the Protocol of Signature of the Statute	and which have ratified the Protocol of Signature of the Statute	and in the case of which the condition(s) is (are) fulfilled	and in the case of which the condition(s) was (were) not fulfilled		
Costa Rica Nicaragua Turkey	Bolivia Brazil Bulgaria Colombia Estonia Haiti Lithuania Luxemburg Netherlands Panama Paraguay Portugal Salvador Spain Sweden Uruguay	Union of S. Africa Albania <sup>2</sup> Australia Austria Belgium United Kingdom Canada Denmark Dominican Republic Finland <sup>2</sup> France <sup>2</sup> Germany Greece Hungary India Iran Irish Free State Latvia New Zealand Norway <sup>2</sup> Peru Roumania <sup>2</sup> Siam Switzerland	Argentina Czechoslovakia Guatemala Liberia Poland	China Ethiopia <sup>2</sup> Italy <sup>2</sup> Yugoslavia	Monaco
States not bound by the clause	<i>States bound by the clause (40)</i>		States not bound by the clause		<i>State bound (1)</i>

<sup>1</sup> See note on page 15.

<sup>2</sup> This State acceded to the clause subject to ratification, but renewed its accession without attaching that condition.

<sup>3</sup> This engagement has expired since the last ordinary session of the Assembly.

## 5. ACTIVITIES OF THE COURT.

In August 1936, the following cases were pending before the Court :

Short title	General List No.	Parties
(a) Losinger & Co. case . . .	64	Switzerland/Yugoslavia.
(b) Pajzs, Czáky, Esterházy case . . . . .	65	Hungary/Yugoslavia.
(c) Moroccan Phosphates case	68	Italy/France.
(d) Waters of the Meuse. . .	69	Netherlands/Belgium.

Since the seventeenth session of the Assembly, the two following cases have been brought before the Court :

Short title	General List No.	Parties
(e) Lighthouses case (Crete and Samos). . . . .	70	France/Greece.
(f) The Borchgrave case . . .	72	Belgium/Spain.

(a) THE CASE OF LOSINGER AND Co. (see : Report on the Work of the League, 1935/36, Part II, page 98).

In the case of Losinger & Co., in which proceedings had been instituted against the Yugoslav Government by an Application filed with the Registry on November 23rd, 1935, by the Swiss Federal Government, a preliminary objection had been lodged by the Respondent, which objection had been joined by the Court to the merits by an Order made on June 27th, 1936. In this Order, the Court had fixed the time-limits for the filing of the Yugoslav Counter-memorial, of the Swiss Reply and of the Yugoslav Rejoinder, so that the case should become ready for hearing on September 11th, 1936 ; the Court had also specified that these time-limits had been fixed without prejudice to any modifications which it might be desirable to make : for instance, in case the Parties should enter into negotiations for an amicable settlement.

The Yugoslav Counter-memorial was duly filed within the time-limit laid down (August 3rd, 1936); but, in a letter of August 7th, 1936, the Agent for the Swiss Government, invoking the above-mentioned clause of the Order of June 27th, 1936, asked for an extension of the time-limit for the filing of the Swiss Reply until October 15th, 1936, in view of the negotiations in progress. This extension was granted by an Order of the acting President, dated August 11th, 1936. The time-limit for the filing of the Reply was further extended until December 1st, 1936, by an Order made by the President of the Court on October 6th, in response to a further request of the Swiss Agent based on the stage reached in the negotiations.

By a letter of November 23rd, 1936, the Agent for the Yugoslav Government informed the Registry that a definite agreement had been reached between the Parties to discontinue the proceedings instituted by the Swiss Application; he gave notice that the Parties were not going on with these proceedings and requested the Court officially to record the conclusion of the settlement. The Agent for the Swiss Government addressed a similar communication to the Registry, dated November 27th.

By an Order made on December 14th, 1936, the Court, under Article 68 of the Rules, placed on record the communications from the Agents to the effect that their Governments were discontinuing the proceedings instituted by the Application of the Swiss Federal Government, and ordered the case to be removed from the list.

(b) THE PAJZS, CSÁKY, ESTERHÁZY CASE  
(see : *Ibid.*, page 94).

Even before the final organisation of the new Yugoslav State after the war of 1914-1918, an agrarian reform had been contemplated in that country. With this end in view, a series of measures having the force of law and relating to the expropriation of large landed estates were promulgated in February 1919 and subsequently.

The steps taken under this legislation in respect of large estates situated in Yugoslav territory but belonging to Hungarian nationals gave rise to actions brought by these nationals

before the Hungaro-Yugoslav Mixed Arbitral Tribunal under Article 250 of the Treaty of Trianon.

The same thing occurred with regard to the other countries of the Little Entente before the Hungaro-Roumanian and the Hungaro-Czechoslovak Mixed Arbitral Tribunals. These tribunals, by a series of decisions rendered in typical cases, held that they had jurisdiction to adjudicate upon the merits of the claims which had been submitted to them. The differences of opinion which arose on this subject between Hungary and Roumania were submitted to the Council of the League of Nations; no settlement had yet been reached when the conferences convened for the settlement of questions concerning liabilities for war reparations met at The Hague in August 1929 and in January 1930. The second of the conferences at The Hague resulted in the adoption of texts laying down the bases on which — at a conference held subsequently at Paris, on April 28th, 1930 — four Agreements relating to the obligations resulting from the Treaty of Trianon were concluded. These Agreements and the general preamble preceding them were signed by Hungary (with the exception of Agreement IV, in which she was not interested) and by the States of the Little Entente.

Article I of Agreement II provides that, in “ any legal proceedings which Hungarian nationals may later institute before the Mixed Arbitral Tribunals in regard to the agrarian reform against Yugoslavia ”, the responsibility will, under certain conditions, be solely incumbent upon a Fund to be called the “ Agrarian Fund ”. The same article also states that “ it has been agreed that Yugoslavia shall promulgate the definitive law ” concerning agrarian reform in that country “ before July 20th, 1931 ”. Lastly, under Article X of Agreement II, the States of the Little Entente and Hungary recognise in certain circumstances “ a right of appeal ” to the Permanent Court of International Justice, while, under articles XVII of Agreement II and 22 of Agreement III, any State interested is entitled, in the event of a difference as to the interpretation or application of these Agreements and subject to certain conditions, to address itself to the Court by written application.

Among the landowners in Yugoslavia affected by the measures of agrarian reform were the Hungarian nationals Pajzs, Csáky and Esterházy. In December 1931, they instituted proceedings

before the Mixed Arbitral Tribunal against the Agrarian Fund created by the Paris Agreements, asking, *inter alia*, for indemnities in respect of their lands which had been expropriated. The Mixed Arbitral Tribunal, however, in judgments reached in April 1933, declared the applications out of time and dismissed the petitioners' claims.

The latter then instituted fresh proceedings before the Mixed Arbitral Tribunal, this time against Yugoslavia as Defendant. The petitioners, invoking Article 250 of the Treaty of Trianon, asked for judgment against Yugoslavia for an indemnity, payable to them in respect of the estates in question. In two of the applications, this indemnity was described as the "local" indemnity which Yugoslavia pays to her own nationals owning large estates expropriated under the agrarian reform.

To these applications the Yugoslav Government lodged a preliminary objection and, on July 22nd, 1935, the Mixed Arbitral Tribunal delivered judgment in the three cases, declaring that the applications could not be entertained because they were based on Article 250 of the Treaty of Trianon. Following upon these judgments, the Hungarian Government, on December 6th, 1935, filed with the Registry of the Court an Application instituting proceedings. Preliminary objections to the Court's jurisdiction having been lodged by the Yugoslav Government, the Respondent, the Court joined the objections to the merits by an Order dated May 23rd, 1936, and fixed the time-limits for the filing of the subsequent documents of the written proceedings on the merits.

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The Court's judgment upon the Application of the Hungarian Government and upon the objections of the Yugoslav Government was delivered on December 16th, 1936.

The Hungarian Government, in its final submissions, asked the Court, *inter alia*, to declare that it had jurisdiction to admit the appeal under Article X of Agreement II of Paris and, preferably, to review the judgments complained of, adjudging that the Mixed Arbitral Tribunal was competent. Alternatively, the Hungarian Government asked the Court to adjudge by means of the interpretation and application of Agreements II and III,

under Article XVII of Agreement II and Article 22 of Agreement III, that the attitude adopted by Yugoslavia towards all Hungarian nationals — an attitude described in the Hungarian submissions — was inconsistent with the provisions of Agreements II and III.

The Yugoslav Government, for its part, prayed the Court, *inter alia*, before entering upon the merits, to declare that the appeal of the Hungarian Government could not be entertained and was contrary to Article X of Agreement II, and to declare that the request of the Hungarian Government for an interpretation could not be entertained because the essential conditions laid down by Article XVII of Agreement II and Article 22 of Agreement III had not been fulfilled. Alternatively, the Yugoslav Government submitted, *inter alia*, first, that the three judgments should be confirmed, and, secondly, that the three cases in question should be declared covered by the settlement on a lump-sum basis in the Paris Agreements.

Accordingly, the Court had first to consider whether it could entertain the appeal of the Hungarian Government. In so doing, it analyses Article X of Agreement II, which runs as follows :

“ Czechoslovakia, Yugoslavia and Roumania, of the one part, and Hungary, of the other part, agree to recognise, without any special agreement, a right of appeal to the Permanent Court of International Justice from all judgments on questions of jurisdiction or merits which may be given henceforth by the Mixed Arbitral Tribunals, in all proceedings other than those referred to in Article I of the present Agreement.

“ The right of appeal may be exercised by written application by either of the two Governments between which the Mixed Arbitral Tribunal is constituted, within three months from the notification to its Agent of the judgment of the said Tribunal. ”

The Court finds that, in the Pajzs, Csáky and Esterházy cases, the judgments of the Mixed Arbitral Tribunal, to the effect that the applications could not be entertained, are based on the view that the Paris Agreements are applicable — *i.e.*, a view involving the actual merits of the applications.

There remains the question whether or not the Pajzs, Csáky, and Esterházy cases were, as laid down in Article X of Agreement II, proceedings referred to in Article I of that Agreement ;

the Court, in this connection, must examine the three applications, not only from the point of view of their form, but also from the point of view of their substance. After analysing Article I of Agreement II, the Court finds that the Pajzs, Csáky and Esterházy cases present the characteristics specified by that article.

This conclusion is not affected by the conditions or terms in which the Pajzs, Csáky and Esterházy cases were instituted. One of the principal arguments adduced by the Hungarian Government was that two of the petitioners claimed the right to be treated on a footing of equality with Yugoslav nationals, and this fact, in their view, entitled them to hold the Yugoslav State liable to pay them the expropriation indemnities granted to Yugoslav nationals by their national laws. The Hungarian Government's contention was that the Paris Agreements did not render the Yugoslav national regime any less applicable to the Hungarian nationals. The legal proceedings referred to in Article I were — it is argued — exclusively proceedings directed, like those that were pending in 1930, against the application of the agrarian reform, having as their object either the restitution or the payment of the full value of the lands expropriated.

The Court does not consider that such an interpretation can be reconciled with the comprehensiveness of the text in question. Moreover, if the scope of the Paris Agreements is restricted, in the manner contended by the Hungarian Government, the Agreements would scarcely appear to give effect to the principle of lump-sum payments which they were intended to establish.

The Court finds that, in view of the express terms of Article I of Agreement II, the three judgments were not delivered in proceedings other than those referred to in that article. The Court therefore finds that it cannot entertain the appeal lodged against these nationals.

The appeal having been rejected, the Court had next to examine the alternative submission of the Hungarian Government concerning the interpretation and application of Agreements II and III.

In regard to this point, the Court first shows that the preliminary objection taken by the Yugoslav Government to the Hungarian Government's alternative submission is ill founded.

With regard to the substance of the Hungarian alternative submission, the Court observes that it relates to the attitude of Yugoslavia, which takes the form of withholding from the Hungarian nationals who are in the same position as the three petitioners and from other Hungarian nationals who have never had any intention of claiming more than Yugoslav national treatment the "local" indemnities, payable under Yugoslav agrarian legislation to other expropriated landowners.

As regards Hungarian nationals who are in the same position as the three petitioners, the Court observes that the reasons why the appeal against the three judgments rendered by the Mixed Arbitral Tribunal on July 22nd, 1935, cannot be entertained by the Court are furnished by the interpretation and application of the Paris Agreements. Where the circumstances are the same, the same interpretation and the same application can but be repeated.

With regard to Hungarian nationals who have never had any intention of claiming more than national treatment, the Court points out that the Hungarian argument really is that the Yugoslav regime of national treatment remains applicable to all Hungarian nationals who have not been admitted to claim against the Agrarian Fund. Here, again, the Court considers that it is really confronted with the argument already put forward by the Hungarian Government as to the limited scope of the Paris Agreements. But the Court has been led to discard that argument precisely by means of interpreting and applying the Agreements.

The Court concludes that the attitude of Yugoslavia towards the Hungarian nationals affected by the agrarian reform measures in Yugoslavia has been consistent with the aforesaid Agreements.

The Court rejects an alternative Yugoslav submission praying it to declare that the three Hungarian nationals in question must be allowed to present their claims against the Agrarian Fund.

(c) THE MOROCCAN PHOSPHATES CASE (see : *ibid.*, page 103).

On December 16th, 1936, the French Government filed preliminary objections in the Moroccan Phosphates case, which had been submitted to the Court on March 30th, 1936, by the

Italian Government by means of a written Application. On July 15th, 1937, the latter Government filed its observations on the above-mentioned objections, and requested the Court to adjudge and declare that the Italian Application was admissible in its entirety.

In July 1937, the Agent of the French Government asked the Court to avail itself of the powers conferred upon it by Article 62, No. 4, of the Rules of Court and to authorise him to reply in writing to the Italian Government's observations on the objections. The Registrar informed both parties that they would be informed on the decision taken by the Court when the latter, having reassembled after its judicial vacation, would be able to decide upon the French Government's request.

(d) THE DIVERSION OF WATER FROM THE MEUSE  
(see : *ibid.*, page 104).

The Meuse, an international river rising in France and traversing Belgium and the Netherlands, fulfils as its most important function, at all events in the two latter countries, that of a reservoir for other waterways. In the nineteenth century, the construction of canals — the Zuid-Willemsvaart from Maestricht to Bois-le-Duc opened in 1826, the Liège-Maestricht Canal (1845), the Canal de la Campine, the Canal de Hasselt, etc., designed to effect a junction with the Scheldt and to provide means of communication for the district of the Campine — as well as the irrigation schemes in the Campine, made it necessary to divert greater quantities of water from the river. Belgium found herself obliged to construct works to enable water to be drawn from the Liège-Maestricht Canal, but this led to an increased current in the Zuid-Willemsvaart which impeded navigation (in consequence of the new frontier between Belgium and the Netherlands, this canal, both ends of which were in Netherlands territory, traversed Belgian territory). Furthermore, at times, the irrigation works in the Campine caused flooding in the Netherlands district of Brabant.

The Belgian and Netherlands Governments negotiated for some ten years with a view to finding a solution of the problem. They concluded a treaty concerning the regime for taking

water from the Meuse, which was signed on May 12th, 1863, together with two other treaties regarding the abolition of tolls on the Scheldt and commercial relations between the two countries.

The main problem to be solved as regards the waters of the Meuse was, as has been stated, the excessive speed of the current in the Zuid-Willemsvaart. The Treaty of 1863 overcame this difficulty by the combined effects of three groups of measures : the raising of the level of the Zuid-Willemsvaart throughout its whole course from Maestricht to Bocholt, so as to increase the transverse section and, consequently, to allow more water to flow along it without increasing the speed of the current ; the concentration of diversions of water from the Meuse at a new intake placed at Maestricht — *i.e.*, further upstream, at a point where it could feed the canal, notwithstanding the raising of the level of the latter ; the extension of the programme of works to be carried out on the common section of the Meuse, so as to make it possible to take more water from the Meuse without affecting the navigability of the common section of the river, a question which at that time was of importance to both countries.

At the beginning of the twentieth century, the expansion of trade led the two Governments to enter into negotiations with a view to improving navigation on the Meuse by means of works to be carried out by mutual agreement. These negotiations had not been concluded when the war of 1914-1918 broke out. In 1925, they led to the signature of a treaty which would have enabled the waterways desired on either side to be constructed ; but this treaty was rejected by the Netherlands First Chamber. The Netherlands then began the construction of the Juliana Canal from Maestricht to Maasbracht, and also of the Borgharen barrage and the lock at Bosscheveld ; while, in 1930, Belgium began the construction of the Albert Canal, designed to connect Liège with Antwerp, and of the Neerhaeren Lock amongst others. These two programmes led to diplomatic correspondence in the course of which each Government expressed doubts as to the compatibility of the works undertaken by the other with the Treaty of 1863. As no progress was made with the settlement of these differences, the Netherlands, on August 1st, 1936, instituted proceedings against Belgium before the

Court, relying upon the declarations made by both States, recognising the jurisdiction of the Court as compulsory, in conformity with Article 36, paragraph 2, of the Statute.

The case related to the question whether, on the one hand, the execution by Belgium of various works in connection with the construction of the Albert Canal and, on the other hand, the manner in which, without the consent of the Netherlands, Belgium at present supplies and appears to intend in future to supply with water existing or projected canals in the north of her territory are consistent with the rights ensuing to the Netherlands from the Treaty signed at The Hague on May 12th, 1863, concerning the regime for taking water from the Meuse.

The Parties duly filed the documents of the written proceedings (Memorial by the Netherlands, Counter-memorial by Belgium, Reply by the Netherlands, Rejoinder by Belgium) within the time-limits which had been fixed. In its Counter-memorial, the Belgian Government presented a counter-claim praying the Court to declare that the Netherlands Government had committed a breach of the Treaty of 1863 by constructing the Borgharen barrage and that the Juliana Canal, being a canal below Maestricht, within the meaning of Article I of the Treaty, was subject, as regards the supply of water to it, to the same provisions as the canals on the left bank of the Meuse below Maestricht.

In the course of public sittings held on May 4th, 5th, 7th, 10th, 11th, 12th, 18th, 20th and 21st, 1937, the Court heard the representatives of the Parties. At the hearing on May 7th, 1937, the Agent for the Belgian Government suggested that the Court should pay a visit to the locality, in order to see on the spot all the installations, canals and waterways to which the dispute related. This suggestion met with no opposition on the part of the Agent for the Netherlands Government, and the Court decided, by an Order made on May 13th, 1937, to comply with it. Adopting the itinerary jointly proposed by the Agents of the Parties, the Court carried out this inspection on May 13th, 14th and 15th, 1937. It heard the explanations given by the representatives who had been designated for the purpose by the Parties and witnessed practical demonstrations of the operation of locks and of installations connected therewith.

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The Court's judgment was delivered on June 28th, 1937.

After summarising the facts, the Court observes that the points submitted to it by the Parties must all be determined solely by the interpretation and application of the Treaty of 1863, without reference to the general rules of international law. Then, after recalling the relevant provisions of this Treaty, the Court proceeds to examine the submissions of the Applicant.

The Netherlands Government, in its first submission, asked the Court to declare that the construction by Belgium of works rendering it possible for a canal situated below Maestricht to be supplied with water taken from the Meuse elsewhere than at the intake at that town was contrary to the Treaty of 1863 ; these works, it was alleged, infringed the Netherlands' privilege of control over diversions of water, and the quantities of water diverted exceeded the maximum fixed by the Treaty. In this connection, the Netherlands Agent laid stress on the fact that the Neerhaeren Lock contained side-channels for filling and emptying the lock chamber, which channels could easily be converted into a lateral conduit enabling water to be discharged in large quantities.

In the Court's view, the Treaty of 1863 did not place the Parties in a situation of legal inequality by conferring on one of them a right of control to which the other could not lay claim : for the Treaty is an agreement freely concluded between two States seeking to reconcile their practical interests with a view to improving an existing situation. Article I of the Treaty is a provision equally binding on the Netherlands and on Belgium. If, therefore, it is claimed on behalf of the Netherlands Government that, over and above the rights which necessarily result from the fact that the new intake is situated on Netherlands territory, the Netherlands possesses certain privileges in the sense that the Treaty imposes on Belgium, and not on them, an obligation to abstain from certain acts connected with the supply to canals below Maestricht of water taken from the Meuse elsewhere than at the Treaty feeder, the argument goes beyond what the text of the Treaty will support.

In its second submission, the Netherlands Government asked the Court to declare that the feeding of certain canals in Belgium

(the Belgian section of the Zuid-Willemsvaart, the Canal de la Campine, the Hasselt Canal, etc.) with water taken from the Meuse elsewhere than at Maestricht was contrary to the Treaty.

Examining the regime of water supply established by the Treaty, the Court finds that this regime consists both in the construction in Netherlands territory of an intake which was to constitute the feeding conduit for all canals situated below Maestricht, and in the fixing of the volume of water to be discharged into the Zuid-Willemsvaart at a quantity which would maintain a minimum depth in that canal and would ensure that the velocity of its current did not exceed a fixed maximum. As regards the canals which the Treaty had in view when it referred to canals situated below Maestricht, these canals are : the Zuid-Willemsvaart and the canals which branch off from it and are fed by it.

Such being the Treaty regime, it is clear, the Court says, that any work which disturbs the situation thus established constitutes an infraction of the Treaty ; and this holds good for works above Maestricht just as much as for works below it. Thus the functioning of an intake other than the Maestricht feeder instituted by the Treaty would not be compatible with the Treaty. With regard to the question whether the passage of water through a lock constitutes an infraction of Article I — as contended by the Netherlands Government and denied by the Belgian Government — the Court holds that neither the Belgian nor the Netherlands contention can be accepted in its entirety. To adopt the Belgian contention to the effect that no lock, when used for navigation, and no volume of water discharged through a lock when being utilised for that purpose, can constitute an infraction of Article I would open the door to the construction of works and the discharge of water in such quantities that the intentions of the Treaty would be entirely frustrated. On the other hand, to adopt the Netherlands contention and to hold that any discharge of water into the Zuid-Willemsvaart through the Neerhaeren Lock, instead of through the Treaty feeder, must result in an infraction of Article I — irrespective of the consequences which such discharge of water might produce on the velocity of the current in the Zuid-Willemsvaart, or on the navigability of the common

section of the Meuse — would be to ignore the objects with which the Treaty was concluded. In the view of the Court, the use of the Neerhaeren Lock would contravene the object of the Treaty if it produced an excessive current in the Zuid-Willemsvaart or a deficiency of water in the Meuse ; but this has not been established. Another circumstance which must be borne in mind in connection with the submission of the Netherlands Government regarding the Neerhaeren Lock is the construction, by the latter Government, of the lock at Bosscheveld, which is even larger than the Neerhaeren Lock and which leads directly from the Meuse into the Zuid-Willemsvaart. The Court cannot refrain from comparing the cases of the two locks, and it holds that there is no ground for treating one more unfavourably than the other. Neither of these locks constitutes a feeder, yet both of them discharge their lock-water into the canal, and thus take part in feeding it with water otherwise than through the treaty feeder, though without producing an excessive current in the Zuid-Willemsvaart. In these circumstances, the Court finds it difficult to admit that the Netherlands are now warranted in complaining of the construction and operation of a lock of which they themselves set an example in the past.

The third submission of the Netherlands Government is fundamentally concerned with the construction and bringing into use of the Albert Canal from Liège to Antwerp. This canal, which is fed from an intake at Liège-Monsin, follows for a certain distance the course of the old Hasselt Canal, and the Court is asked to declare that the feeding of this section with water taken from the Meuse elsewhere than at Maestricht is contrary to the Treaty. The Court rejects this submission. It holds that the Treaty forbids neither the Netherlands nor Belgium to make such use as they may see fit of the canals covered by the Treaty in so far as concerns canals which are situated in Netherlands or Belgian territory, as the case may be, and do not leave that territory. As regards such canals, each of the two States is at liberty, in its own territory, to modify them, to enlarge them, to transform them, to fill them in and even to increase the volume of water in them from new sources, provided that the diversion of water at the Treaty feeder and the volume of water to be discharged therefrom

to maintain the normal level and flow in the Zuid-Willemsvaart is not affected.

Moreover, the contention of the Netherlands Government is invalidated by the singular result to which it would lead in practice. For it would amount to criticising Belgium for having made the new canal follow the line of the old. She need only have sited the new canal a little to one side and then she would not have contravened the Treaty. No such effect can have been intended by the contracting Parties, nor can it result from a proper interpretation of the Treaty.

For the same reasons, the Court rejects the fourth submission of the Netherlands Government, which is similar to the foregoing.

Having thus arrived at the conclusion that there is no justification for the various complaints made by the Netherlands Government against the Belgian Government, the Court proceeds to consider the latter Government's counter-claim, which, as it points out before doing so, is directly connected with the principal claim.

In its first submission, the Belgian Government prays the Court to declare that the Borgharen barrage, by raising the level of the Meuse, has altered the local situation at Maestricht, and that this, having been done without the consent of Belgium, is contrary to the Treaty. The Court rejects this submission; for the Treaty does not forbid the Netherlands to alter the depth of water in the Meuse at Maestricht without the consent of Belgium, provided that neither the discharge of water through the feeder, nor the volume which it must or can supply, nor again the current in the Zuid-Willemsvaart, are thereby affected. Furthermore, the Belgian Government has not produced evidence to show that the navigability of the Meuse has suffered; and, in any case, barge traffic, under whatever flag, now has at its disposal the Juliana Canal, which is much better adapted to its needs.

In the second submission of its counter-claim, the Belgian Government prays the Court to declare that the Juliana Canal is subject, as regards its water supply, to the same provisions as the canals on the left bank of the Meuse below Maestricht. The Court holds that the Juliana Canal, situated on the right bank of the Meuse, cannot be regarded as a "canal situated below Maestricht" within the meaning of Article I of the Treaty.

The question of how the Juliana Canal is, in fact, at present supplied with water would only require to be considered if it were alleged that the method by which it is fed was detrimental to the regime instituted by the Treaty for the canals situated on the left bank. Belgium, however, does not allege that this is the case.

For these reasons, the Court rejects the various submissions both of the Memorial presented by the Netherlands Government and of the counter-claim presented in the Belgian Counter-memorial.

#### *(e)* THE LIGHTHOUSES CASE (CRETE AND SAMOS).

By a Special Agreement signed at Paris on August 28th, 1936, and filed with the Registry of the Court on October 27th, 1936, the French and Greek Governments agreed to submit to the Court the question of the application, in the case of lighthouses situated in Crete, including the adjacent islands, and in Samos, of the principle laid down by the judgment which the Court delivered on March 17th, 1934, in the Lighthouses Case between France and Greece (see : Report on the Work of the League since the Fourteenth Session of the Assembly, Part II, page 76). The question thus put to the Court was regarded by both sides as accessory to the principal question which the Court has already decided.

The written proceedings in this case were closed on June 10th, 1937, and the Court heard oral arguments on June 28th and 29th. The Court then entered upon its deliberations.

#### *(f)* THE BORCHGRAVE CASE.

On March 5th, 1937, the Court was notified of a Special Agreement for Arbitration concluded between the Belgian Government and the Spanish Government, under which the Court is asked to say whether, having regard to the circumstances of fact and of law in connection with the case, the responsibility of the Spanish Government is involved on account of the death of Baron Jacques de Borchgrave.

By an Order dated April 1st, 1937, the President of the Court, complying with an agreed request that had been made by the Parties, fixed time-limits for the filing of a Belgian Memorial, a Spanish Counter-memorial, a Belgian Reply and a Spanish Rejoinder. On June 29th, 1937 — that is to say, before the expiry of the time-limit fixed for the submission of the Counter-memorial — the Spanish Government filed with the Court a document, entitled : “ Memorial submitting preliminary objections ”. By an Order made on July 1st, the Court fixed August 2nd, 1937, as the date of expiry of the time-limit within which the Belgian Government might file a written statement, setting forth its observations on the Spanish Government’s objections. The written statement in question has been filed.

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