

LEAGUE OF NATIONS

---

*League of Nations Publications*

II. B. ECONOMIC AND FINANCIAL

1934

✓ 1-2

TABLE OF CONTENTS.

---

*League of Nations Publications.*

II. B. ECONOMIC AND FINANCIAL.

*Pages*

✓ Ser.L.o.N.P. 1934.II.B.1.	Economic Committee — Report to the Council on the Work of the Forty-first Session, held at Geneva from July 17th to 19th, 1934.	5-13
✓ 1934.II.B.2.	Draft Conventions on Veterinary Questions — Meeting of Delegates of Governments for the Examination of Three Draft Conventions, held at Geneva, October 20th, 1934.	14-21

---

**LEAGUE OF NATIONS**

---

*League of Nations Publications*

**II. B. ECONOMIC AND FINANCIAL**

**1935**

✓  
**1-13**

TABLE OF CONTENTS.

*League of Nations Publications.*

II. B. ECONOMIC AND FINANCIAL.

Ser. L.o.N. P.		<i>Pages</i>
1935.II.B.1.	International Convention for the Campaign against Contagious Diseases of Animals.	<u>22-28</u>
1935.II.B.2.	International Convention concerning the Transit of Animals, Meat and Other Products of Animal Origin.	<u>29-36</u>
1935.II.B.3.	International Convention concerning the Export and Import of Animal Products (other than Meat, Meat Preparations, Fresh Animal Products, Milk and Milk Products).	<u>37-43</u>
1935.II.B.4.	Etudes relatives au problème des rapprochements économiques européens — Troisième série — Chiffres essentiels du commerce des « pays du bloc-or » ( <i>only in French</i> ).	<u>44-90</u>
1935.II.B.5.	Draft International Agreement for the Purpose of Facilitating Commercial Propaganda — Document prepared for the Meeting convened at Geneva for July 1st, 1935.	<u>91-101</u>
1935.II.B.6.	Enquiry into Clearing Agreements.	<u>102-177</u>
1935.II.B.7.	Considerations on the Present Evolution of Agricultural Protectionism.	<u>178-202</u>
1935.II.B.8.	Economic Committee — Report to the Council on the Work of its Forty-second Session (Geneva, April 29th to May 4th, 1935).	<u>203-204</u>
1935.II.B.9.	Draft Convention for the Purpose of facilitating Commercial Propaganda — Meeting of Government Delegates for the Examination of the Draft Convention (Geneva, July 1st to 4th, 1935).	<u>205-208</u>
1935.II.B.10.	International Convention relating to the Simplification of Customs Formalities, signed at Geneva, November 3rd, 1923 — Application of Articles 10 and 11 of this Convention.	<u>209-212</u>
1935.II.B.11.	Remarks on the Present Phase of International Economic Relations.	<u>213-238</u>
1935.II.B.12.	Economic Committee — Report to the Council on the Work of its Forty-third Session (Geneva, September 2nd to 6th, 1935).	<u>239-240</u>
1935.II.B.13.	International Convention relating to the Simplification of Customs Formalities, signed at Geneva, November 3rd, 1923 — Application of Articles 10 and 11 of this Convention.	<u>241-246</u>

Geneva, August 15th, 1934.

LEAGUE OF NATIONS

**ECONOMIC COMMITTEE**

**REPORT TO THE COUNCIL ON THE WORK OF THE  
FORTY-FIRST SESSION**

*Held at Geneva from July 17th to 19th, 1934.*

The following members attended:

M. F. DOLEZAL (*Chairman*).  
M. A. DI NOLA.  
M. P. ELBEL.  
M. N. ITO.  
Sir Frederick LEITH-ROSS.  
M. A. DE NICKL.

M. R. SCHÜLLER.  
M. G. COMOLLI (replacing M. Brebbia).  
M. LIEFTINCK (replacing M. Hirschfeld).  
M. V. IBL (replacing M. Peroutka).  
Mr. W. THORP (replacing Professor H. Rogers).

\* \* \*

**I. EXCHANGE OF VIEWS ON THE GENERAL POSITION OF INTERNATIONAL ECONOMIC RELATIONS**

The forty-first session of the Economic Committee was devoted mainly to an exchange of view on the general position of international economic relations at the present time, one year after the London Monetary and Economic Conference.

In view of the short duration of its present session, the Committee thinks it preferable to postpone presenting a detailed report until its next session. It thinks it opportune, however, to append, for the information of the Council, a note (document E.849) relating to the development of commercial policy since the economic depression. This note was prepared by the Secretariat for the purposes of discussion.

**2. TOURIST TRAFFIC AS A FACTOR IN INTERNATIONAL ECONOMIC AFFAIRS.**

Being convinced of the importance of tourist traffic as a factor in international economic affairs,<sup>1</sup> the Economic Committee decided to place this question on its agenda and to consider it with special attention. Studies will be undertaken on the following points:

- (1) Improvement and standardisation of methods of compiling tourist statistics;
- (2) Simplification of unnecessary and excessive formalities hampering the development of tourist traffic;
- (3) Preparation of a joint tourist programme between certain countries.

For this purpose the Council might draw the attention of the Committee of Expert Statisticians set up by the Convention of December 14th, 1928, to the first of these problems. In studying the problems mentioned under Nos. (2) and (3), the Economic Committee intends to consult very small committees of experts specially competent in these matters, but as a preliminary step it has requested some of its members jointly to examine the different questions raised and to define the precise limits of the studies to be undertaken.

<sup>1</sup> In this connection, see Appendix I which was drawn up by the Secretariat with a view to the study of this question (document E.853).

3. PROGRESS OF WORK ON VARIOUS ECONOMIC SUBJECTS ON WHICH THE LONDON MONETARY AND ECONOMIC CONFERENCE PROPOSED THAT FURTHER ACTION SHOULD BE TAKEN.

The Economic Committee reviewed the progress of the work on various subjects on which the London Monetary and Economic Conference proposed that further action should be taken:

- (a) Draft veterinary conventions.
- (b) Customs formalities:
  - (1) Draft Convention for the purpose of facilitating commercial propaganda;
  - (2) Draft international rules applicable to the notion of weight (gross, net) and to the regime of packing.
- (c) Dairy products.
- (d) Sugar.
- (e) Wheat.
- (f) Wine.
- (g) Cocoa.
- (h) Timber.
- (i) Coal.
- (j) Tin.
- (k) Copper.

With regard to the question of wheat, the Economic Committee requested the Secretariat in consultation with the Secretariat of the Wheat Advisory Committee and the International Institute of Agriculture, to make a study of the consequences, in industrial countries, of increased agricultural protectionism and the effects of this policy in countries concerned mainly in agriculture.

4. LONDON CONFERENCE FOR THE REVISION OF THE CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY.

The Economic Committee noted with interest the report submitted by Sir Frederick Leith-Ross on the Conference for the revision of the Convention for the protection of industrial property, at which he represented the Economic Committee.

5. REPORT OF THE TECHNICAL AGENT OF THE COUNCIL ON HIS MISSION IN CHINA.

The Committee noted this report which the Secretary-General had communicated to it in accordance with a decision of the Committee of the Council.

The Director of the Permanent Office of the Chinese Delegation accredited to the League of Nations, who was invited by the Chairman of the Economic Committee to attend the meeting, designated M. Y. C. Koo, Financial Expert of the Chinese Government's National Economic Council for this purpose. After Dr. Rajchman had added a few verbal explanations to his report, M. Koo made a statement explaining the aims and procedure of the Chinese National Economic Committee.

---

Appendix 1.

TOURIST TRAFFIC CONSIDERED AS AN INTERNATIONAL ECONOMIC FACTOR.

(Note by the Secretariat [Document E.853] drawn up for the Economic Committee.)

I. UNDER THE INFLUENCE OF THE CRISIS, INTEREST IN THE TOURIST TRAFFIC HAS BEEN RE-AWAKENED, BUT FROM A PURELY NATIONAL POINT OF VIEW.

The difficulties of all kinds which stand in the way of the international tourist traffic have led Governments to realise the genuine importance of this movement, a process which has been assisted by the losses suffered as a result of the falling off or cessation of this traffic.

Unfortunately only the strictly national aspect of the question is considered as a rule, and the conviction is being established that *only a certain number of countries* which attract a large number of foreign tourists, such as Switzerland, Italy, France, Austria, Sweden, etc., are interested in the prosperity of the international tourist traffic.

(a) It is of course easy to understand that these countries should take a particularly keen interest in the question. The prosperity of their agriculture, their industry, their commerce and their transport undertakings is clearly bound up with this traffic. They have made costly installations to improve their services and their road systems, and they have invested much capital in establishments for sheltering tourists: in Switzerland for example the hotel industry occupies a leading position among the national economic activities. The income derived from the tourist traffic plays an important part in the balance of accounts of these countries and the decline which has occurred in this income causes them the acutest anxiety.

It is therefore natural that these countries should make increasing efforts to attract the greatest possible number of foreign tourists to their territory. They carry out propaganda on a

large scale—generally directed by the national tourist offices and supported by the public authorities—and advertise the natural beauties of particular districts, their artistic resources, the healthiness of their climate, the excellence of their hotels or the abundance and safety of their means of transport. With the same purpose in view they organise festivities, holiday-seasons, “weeks”, “week-ends”, combined circular tours, etc., and offer considerable reductions on railway or steamship tickets, etc.

(b) In addition these same countries take a great deal of trouble to protect the tourist traffic against the obstacles which it encounters in all directions. They are thus induced to negotiate on this subject with other countries, particularly with those in monetary difficulties, and the international tourist traffic is thus *tending to assume an increasingly important place in international economic negotiations.*

In several cases a direct relationship has been established between the tourist traffic and the exchange of goods. Country A desires to import tourists; country B desires to export certain goods. Country A will therefore agree to take a certain number of waggon-loads of the goods, in question on condition that country B allows a certain number of tourists to leave its territory, possibly at the same time granting them certain *particular* facilities to induce them to go to country A rather than elsewhere. Ingenious means (*e.g.*, *buoni di turismo*) have been devised to facilitate this movement, while as far as possible preventing the foreign exchange market from being affected.

(c) Despite all this, it is curious that even the countries which, through their long traditions, ought to have understood better than the others the truly *international character* of the tourist traffic, *always regard it purely from their own individual point of view.* Thus, few French people trouble to enquire whether Switzerland has had a good or bad tourist season, and even a Swiss hotel-keeper—*i.e.*, the typical hotel-keeper—is probably indifferent to the number of tourists who visit Austria at any particular time. Again, all three are no doubt convinced that the touristic organisation of “Holy Year” is a thing which concerns Italy alone and in which they have no reason to be interested.

What is to be said of the countries which are not visited regularly by a large number of *foreign* tourists, and for which such traffic has consequently only a small direct and visible importance? For the public opinion of these countries—among which may be mentioned England, Germany and the United States of America—the prosperity or distress of the French, Swiss or Italian tourist traffic is a matter entirely devoid of interest.

## 2. INTERNATIONAL CHARACTER OF THE ECONOMIC FACTOR CONSTITUTED BY THE TOURIST TRAFFIC.

Needless to say, this individualist conception of the tourist traffic is quite incompatible with economic reality.

(a) For a country like Switzerland, for example, a good tourist season means an increasing income, which may be estimated—the statistics being very unreliable—at several hundred millions of Swiss francs. A considerable part of this sum will necessarily flow back to the foreign countries which are Switzerland’s usual suppliers of all that she needs to transport, house, feed and amuse all these tourists, who constitute a temporary increase in the population sometimes amounting to as much as 10 per cent.

A Switzerland in which the mountain resorts are empty, half the hotels closed, the workers engaged in the hotel industry unemployed—in short, a Switzerland whose income falls sharply in a particular year—will necessarily be a poorer customer for France, Italy and Germany. She may even be induced, in order to remedy the deficit thus created in her balance of accounts, to reduce her imports still further; possibly the time will come, if the situation gets worse, when she will find herself obliged, in the interest of her hotel industry, to keep her own nationals within the country instead of leaving them free to make pleasure and holiday trips in France, Italy Austria, etc.

Another familiar example is that of France: In ordinary times, for example in 1929, it was calculated—although on a somewhat doubtful basis—that the income derived from the tourist traffic was sufficient to make up to a very large extent for the deficit in the balance of trade. In other words, the tourist traffic helped France very materially to carry this large deficit and to continue to buy a much greater quantity of goods from foreign countries, such as Germany, the United Kingdom, the United States, etc., than she sold to them.

In 1929 it was calculated that the tourist traffic left the United States a deficit of 685 million gold dollars. Of this sum 500 millions were probably spent in Europe and thus helped to reduce the debit of the European countries in question in respect of their imports of raw materials and of their payments to the United States.

*Other examples could be quoted to show how greatly the tourist traffic helped to balance accounts.*

(b) This international character of the tourist traffic is also evident if we examine in slightly more detail the effect of certain measures aimed at fostering it. Thus when a country like Italy enables those with the most modest purses to travel the whole length of the peninsula for a trifling sum, or when it grants them all kinds of facilities for pilgrimages to Rome, *it would be a mistake to imagine that this measure is useful to Italy alone.*

All measures of this kind give an impetus to a further category of tourists, who swell the numbers of ordinary tourists. They appeal to small purses—*i.e.*, to persons who, if these special terms had not been offered, would very likely never have thought of undertaking a journey abroad at all.

On the assumption that the number of these additional tourists amounts to 300,000, coming from the Scandinavian countries, the United Kingdom, Germany, the Netherlands and all the

Catholic countries of Europe, this means, in our opinion, that in 300,000 cases, all these countries being taken in the aggregate, 300,000 additional incomes have been created.

From the outset there is a considerable difference between the expenses of a man who stays at home and the expenses of one undertaking a pleasure trip. In the first place, the money which he had spent on the journey had probably not yet been put to any productive use. As soon as he sets out, this small capital will be put into circulation with a hundred per cent activity. Moreover, however small his means, the tourist will incur a number of small expenses to prepare for the journey.

A Belgian workman or a middle-class Belgian Catholic who, tempted by the reductions granted by the Italian Government, decides to go to Rome for Holy Year, will probably never have visited the different towns or countries on his route. Probably, therefore, he will wish to make the most of his journey, which will perhaps be the only one he will undertake in his life. He will first of all have to cross part of his own country's territory; he will therefore probably stop at some town or other in which, besides the expenditure represented by the railway ticket, he will have to incur expenses for accommodation, food and sundry purchases.

On leaving Belgium, he will go through France and will almost certainly stay a few days in Paris. On his return, he may say to himself that he will probably never have another opportunity of seeing Switzerland, and will perhaps also stop there for a time.

A Czechoslovak tourist will almost certainly stop at Vienna, at Salzburg, in Switzerland, etc.

All this series of intermediate expenses will be still more important in the case of a German or English tourist for example. As regards the American tourist, even if he is especially attracted by the facilities granted by a particular country or is inspired by religious, sentimental or other reasons, he will certainly take the opportunity of his trip—perhaps his only one—to Europe to visit the principal countries and the principal capitals.

Moreover, our tourist will eat Swiss cheese in France, will drink French wine in Switzerland, will buy in Italy fancy articles made at Nuremberg; if he is travelling by car, he will consume American petrol, and if he travels more modestly by rail, all the special trains organised for the tourist traffic will consume British coal and so on.

Thus we have a Belgian, a Czechoslovak, an Englishman, an American or a German who, having set out as a result of the attraction exercised by the facilities offered in a particular country, brings in additional income—in respect of transport and other expenses—both to his own country and to a whole series of intermediate countries through which he passes or in which he stops.

(c) Lastly, it is as mistaken to consider the *home tourist traffic* as something essentially different from the *international tourist traffic* as it is to ignore the fact that a country's economic activity is indissolubly linked with its foreign trade. Indeed, the desire to travel from one place to another in a person's own country in no way differs from the desire which will lead the same person one day to cross his country's frontiers.

Thirty years ago a Paris workman certainly never dreamed of visiting Italy, but neither did he think of spending his holidays in Brittany. The increase of travelling is a growing social development which by no means stops at the frontiers of each country.

To endeavour to attract the greatest possible number of tourists to one's own country and at the same time to do all in one's power to prevent one's own nationals from visiting neighbouring countries (as appears to be the aim of certain advertisement campaigns and of a series of vexatious measures against foreign travel advertisements) is as serious a breach of economic good sense as to endeavour to export everything and to import nothing.

(d) Lastly, it should not be imagined that the tourist movement will remain confined to certain countries particularly favoured by nature, such as Italy, Switzerland, France, Austria, etc.

In point of fact, nearly every country possesses a certain variety of climatic and geographical conditions and, moreover has a national civilisation of some value, and every country can therefore exercise, and does constantly exercise, a growing attraction for the traveller from abroad. There can be no doubt that if the countries of Europe realise that it is to the general interest to set in motion larger and larger sections of the population, and hence acquire the conviction that travelling is in the common interest, and act accordingly by making *concerted efforts* to provide travelling facilities for a growing number of people, however modest their purses, there is hardly a country in Europe which will not directly or indirectly derive considerable advantage.

### 3. OBSTACLES IN THE WAY OF THE INTERNATIONAL TOURIST TRAFFIC AT THE PRESENT TIME.

The slump in the tourist traffic, which undoubtedly constitutes an important factor in the impoverishment of the world, is due to-day to a series of difficulties which owe their origin to the depression and particularly to the present monetary disequilibrium.

#### (a) *Decline in Income.*

In nearly every country the majority of people have suffered considerable losses, have seen the whole or part of their savings disappear, and have to live on a reduced income. This obliges them to renounce the travels they had previously been accustomed to undertake. The absence of rich Americans in the Etoile quarter in Paris is a particularly striking example.



The general fall in incomes is undoubtedly one of the most serious causes of the decline in the tourist traffic.

(b) *Disparity in Price Levels.*

It happens that the three chief countries visited by tourists—France, Italy and Switzerland—have remained on the gold standard and have also for a long time past applied a Customs policy preventing too large a decline in their internal prices. Hence there is a disparity between the price levels in the countries of origin and the countries of destination of tourists.

This disparity is, however, only relative and varies from country to country. Moreover, for some time past the three countries in question have been making every effort to combat the high cost of living, and this deflationary movement is also extending to the prices which particularly concern foreign tourists. Considerable efforts are being made to lower the transport costs, hotel prices, etc. Despite these efforts, foreigners still think that these countries are "dear". Whether correct or not, this opinion naturally constitutes a serious obstacle.

These three gold standard countries would undoubtedly find it to their advantage, as far as the tourist traffic is concerned, to embark still more resolutely upon the path of deflation. Their policy of protection has certainly had the result of maintaining at a high level the price of foodstuffs in particular, which constitute an important item in the daily expenses of a tourist.

It is curious that people in these countries very rarely connect their Customs policy with the effects which it undoubtedly exercises on the tourist traffic. If it were realised that the two were closely related, the Governments of those countries would perhaps more often consider whether it would not be wiser to renounce the protection of certain interests, often of a limited and local character, for the sake of effecting a reduction in the cost of living, and particularly in that of foodstuffs, which would infallibly lower the prices of hotels and pensions.

In ordinary times, too, the income derived from the tourist traffic contributes to a large extent, in countries like France, Italy and Switzerland, towards counterbalancing the trade balance deficit.

(c) *Disparity in the Gold Standard Currencies.*

It is true that a disparity in the normal value of two currencies can be completely counterbalanced by an equality of prices. But only a small minority of people have any idea of economics. The majority rely on purely external signs. Before the war, when the four currencies—Swiss, French, Italian and Belgian—were on the same footing, a large number of French, Italians and Belgians were in the habit of going regularly to Switzerland to spend the holidays. To-day a middle-class Frenchman, if he thinks of going to Switzerland, considers that he will have to pay five French francs for a Swiss franc, and this will probably be sufficient to deter him.

(d) *Monetary Depreciation.*

This obstacle appears particularly serious when it is considered that the majority of the countries of the world, and among them the United Kingdom and the United States, have depreciated currencies.

Even if he has not lost much during the slump, an American wishing to come to Europe calculates that for his dollar he can now only obtain three Swiss francs, fifteen French francs or about twelve lire. He will not enquire whether Switzerland, Italy and France have not made the necessary efforts to bring their costs of transport and hotels into line with this new situation. The mere fact of the disparity in the value of the currencies will often prevent him from setting out.

(e) *Control of the Foreign Exchange Traffic.*

The most direct and formidable obstacle to the international tourist traffic undoubtedly consists in the restrictions which certain Governments have imposed on the supply of foreign currency to their nationals wishing to travel abroad.

Naturally enough a country possessing only an inadequate quantity of foreign exchange and seeing its gold reserves diminishing is prone to stop or restrict travelling for pleasure, just as it will be likely to abolish or restrict, in the first instance, imports of luxury articles. Moreover, that country will tend to maintain a certain equilibrium between the foreign exchange which it grants for imports, payments and travelling. On the basis of these three factors combined, it will endeavour to conclude agreements with the countries concerned. Thus, by a singular detour, it will come back to the old formula of the three forms of circulation, that of men, goods and capital.

But the tourist traffic inevitably loses in this extremely complicated game, since in a period of crisis it cannot be regarded as a necessity.

#### 4. PLACING OF THE PROBLEM OF THE INTERNATIONAL TOURIST TRAFFIC ON THE PROGRAMME OF THE ECONOMIC COMMITTEE.

What has been said above will surely convince the members of the Economic Committee, if they need convincing, of the utility of devoting constant attention to the development of the tourist traffic as a factor of international economic activity.

Obviously, however, there can be no question of combating evils as serious as those enumerated in the foregoing chapter simply from the point of view of the tourist traffic.

Pending a return of better times, the Economic Committee will probably have to confine its studies for the moment to the three following points:

1. Improvement and standardisation of the methods employed for the compilation of tourist statistics.
2. Elimination of unnecessary or excessive formalities hindering the development of tourist traffic.
3. Study of joint tourist programmes between certain countries.

*1. Improvement and Standardisation of the Methods employed for the Compilation of Tourist Statistics.*

The conception of tourist traffic has hitherto remained somewhat vague, if not in its definition at least in the limits to be assigned to it in practice. In the majority of the countries concerned the tourist traffic has given rise to the compilation of certain statistical data which often constitute unreliable estimates rather than information with any claim to accuracy.

In some countries reform of tourist statistics is already being undertaken, and technical experts have indicated numerous improvements which could be made in the data hitherto compiled. Before this process has gone very far, with the inevitable result that different methods of calculation and estimation will be adopted, it might be useful to endeavour to lay down general basic rules for compiling the tourist statistics of the different countries, thus enabling comparisons to be made and the tourist traffic to be considered from a uniform standpoint.

The compilation of such data raises certain problems which a number of national offices have endeavoured or are endeavouring to solve.

For example, the great majority of tourist statistics comprise in the same statistical series—and therefore without establishing any distinction—nationals and foreigners living in hotels and pensions, while they ignore, in part or entirely, the seasonal tenants of villas or bungalows. To be anything like representative, tourist traffic statistics should differentiate between tourists proper, diplomatists, magistrates, lawyers and officials in the exercise of their duties or on mission, traders or commercial travellers on business journeys, patients undergoing a cure, foreign students, whether boarders or not, attending educational establishments of every category, migrants in transit, the staff of transport undertakings (at ports of call, for example), and so on.

Similarly, a considerable proportion of tourist statistics merely indicate per week, month or season, the number of national and foreign "tourists", sometimes divided by nationalities, who have stayed in hotels and pensions, and accompany these particulars by only a summary estimate, made in most cases on the basis of questionable averages, of the duration of stays. This latter information appears, however, to be all that enables a reliable estimate of income from tourist traffic to be made and for this reason an endeavour is being made in certain countries to introduce new census methods which will improve the statistical data regarding "tourist-days".

Lastly, estimates of tourist expenditure are most divergent and usually most inadequate.

*It would undoubtedly be desirable to hold a meeting of a few particularly competent experts to submit these different statistical problems to careful examination.*

*2. Elimination of Unnecessary or Excessive Formalities hindering the Development of the Tourist Traffic.*

In many countries there exists a series of measures, based on fiscal, Customs or other considerations, which, without constituting a serious hindrance, are vexations to foreigners, discourage them from visiting the countries which have introduced the measures, and in any case tend to hinder travelling.

In this connection, mention may be made of the amount and method of collection of residence taxes on foreigners, Customs complications, formalities hindering the passage of motor vehicles at the frontier, the absence of co-ordination between certain railway, maritime and river services, compulsory passports and visas and the charges made therefor, etc.

*3. Study of Joint Tourist Programmes between Certain Countries.*

Certain countries which are visited by large numbers of tourists, especially Italy, provide programmes of the greatest interest, offering very considerable facilities as regards both transport and other matters and likely to attract even tourists whose means are very limited, as well as others.

More particularly in the case of adjacent countries, the advantages accruing to economic systems from tourist traffic might be considerably increased if the countries concerned, acting in concert, could establish joint programmes based on close co-operation in transport undertakings, the hotel industry, etc.

A tourist programme from Iselle to Brindisi, with reductions of 50 per cent in railway charges, is certainly very useful. A similar programme covering, for example, France, Switzerland and Italy, might perhaps have still greater advantages for the three countries, and indirectly, as we have shown, for other countries too.

There are, besides, numerous technical questions, particularly those mentioned in paragraph 2 above, for the solution of which co-operation between the official bodies responsible in certain countries for the management of the tourist traffic might be of great value. Account should also

be taken of the semi-official or unofficial organisations which are interested in these problems and which in some cases are already accustomed to co-operate with the official bodies.

*With a view to undertaking the studies connected with points 2 and 3 above, the Economic Committee might consider the constitution of a very small group of experts selected from among the leading tourist associations.*

## Appendix 2.

### EVOLUTION OF COMMERCIAL POLICY SINCE THE ECONOMIC CRISIS.

(Note by the Secretariat [document E.849] drawn up for the Economic Committee.)

#### CONTENTS.

#### A. FIRST SECTION.

I. Strengthening of Customs Protection:	Page
(a) United States of America . . . . .	8
(b) United Kingdom . . . . .	8
(c) Protectionism and Agriculture . . . . .	8
II. Quantitative Restrictions on Imports:	
(a) Import Quotas . . . . .	9
(b) Import Monopolies . . . . .	10
III. Foreign Exchange Control . . . . .	10
IV. Currency Depreciation . . . . .	10
V. General Considerations . . . . .	10

#### B. SECOND SECTION.

I. Most-favoured-nation Clause and Principle of Reciprocity:	
(a) France . . . . .	12
(b) United Kingdom . . . . .	13
(c) Germany . . . . .	14
(d) Italy . . . . .	15
(e) Other European Countries . . . . .	15
(f) United States of America . . . . .	15
(g) Japan . . . . .	15
II. Economic Groups:	
(a) United States and Latin America . . . . .	16
(b) Italy, Austria, Hungary . . . . .	16
(c) United Kingdom Trade Agreements . . . . .	16
(d) Economic Groups and the Most-favoured-nation Clause . . . . .	17
(e) Schemes for Economic Agreements . . . . .	17
III. Conclusions . . . . .	18

The starting-point of the present note is that moment when the crisis which has been shaking and dislocating the economic structure of the world for the last five years assumed its full extent and intensity. Though the deep-seated causes of this crisis, like those of all large-scale social phenomena, go far back into the past, it is not until the end of 1929 that we find the disproportion between the supply and the demand of goods—due to the fact that consumption had not kept up with production—making itself felt and rapidly developing, with its corollary in the sudden and tremendous fall in prices, especially of cereals and staple raw materials. Balances of payments were affected and disturbed in all countries, whether those which require a favourable trade balance to meet their financial obligations or those which in the ordinary way off-set their adverse trade balance by returns on capital lent out to others. A situation of exceptional seriousness thus arose all at once, with which the different countries have been forced to cope without hesitation and without delay.

#### A. FIRST SECTION.

##### I. STRENGTHENING OF CUSTOMS PROTECTION.

The first reaction against the economic depression and the fall of prices took the form of a general strengthening of Customs barriers. One after another, all countries endeavoured, either by partial and successive changes or by complete remodelling of their tariffs, to check the import of foreign goods, so as to prevent serious disturbances of the national market as a result of

uncontrolled influx of foreign products. The first remedy sought, therefore, was the classic remedy of Customs protection.

It may perhaps be useful to recall briefly certain developments in the field of tariff policy which have been of the first importance owing to their international repercussions.

(a) *United States of America.*

Immediately after the International Conference with a View to Concerted Economic Action, held at Geneva at the beginning of 1930, failed in its attempt to conclude a Customs truce—a setback which was an alarming sign of the times and which opened up gloomy prospects with regard to the future—the United States of America put in force a new tariff (in June 1930) with such high rates of duty as to give rise to a feeling of dismay throughout the world. It is true that the preparatory work for the Hawley-Smoot Tariff, the original intention of which was to restore the balance between the privileges granted to agriculture and the very much higher privileges granted to industry, had been started long before the crisis. But its entry into force, involving as it did an increase of agricultural protection and at the same time an intensification of the protection already accorded to industry,<sup>1</sup> and coming at a moment when the severe effects of the economic depression were already making themselves painfully felt in every part of the world, could only add to the prevailing difficulties; the more so as the country thus surrounding itself with a tariff wall in many cases entirely unsurmountable—mainly with the object of making possible a continuance of the policy of high wages on which American economy is fundamentally based—was at the same time creditor of a large number of States for a sum of over twenty milliards of dollars. By its refusal to purchase from foreign countries, the United States made it impossible for the debtors to keep up the service of their debts.

The Hawley-Smoot Tariff, which it proved impossible to mitigate by diplomatic representations (of which there was no lack) inevitably led, in a number of other countries, to tariff increases directed against typical American exports.

The Democrats, who had always severely criticised the ultra-protectionist tariff of 1930, have not yet succeeded in drawing up a definite scheme for the reduction of Customs duties, other more urgent and more acute problems having had to be solved first. Nevertheless, the approval by Congress in June 1934 of a Bill authorising the President to negotiate commercial treaties on a basis of reciprocity (further details will be given below as to the scope of this Bill) justifies the assumption that there will probably be some mitigation of the protectionist policy pursued, if not by reduction of the autonomous tariff, at any rate by treaty negotiations. The abolition of prohibition in December 1933, which was replaced as from January 1934 by controlled freedom of trade in spirituous liquors, was also an event of considerable importance, not only from the domestic point of view, in which connection its importance was threefold—viz., from the standpoint of agriculture, industry and revenue—but also from the international standpoint. The return of the United States to "wet" conditions has, in fact, stimulated trade in alcoholic liquors, especially as, when the quotas for the first four months of the year (based on the average quantities for the years 1910-1914) were rapidly exhausted, the United States Government negotiated an increase in the quotas in return for considerable advantages for American products on the part of liquor-exporting countries.

(b) *United Kingdom.*

Another circumstance which was also calculated to have a profound effect on world trade was the final abandonment of free trade by the United Kingdom. After the introduction in 1931 of duties imposed to check abnormal imports and to "safeguard" market-garden produce, the United Kingdom set up an organic and permanent tariff by the imposition in March 1932 of a general 10 per cent duty *ad valorem* (subject to exceptions) upon imports from foreign countries. Provision was also made for the imposition of "additional duties" on the recommendation of an "Import Duties Advisory Committee". Numerous such duties have been imposed. Mention may be made, in particular, of the duties imposed at the end of 1932 in execution of the Ottawa Agreements with a view to consolidating and extending the preferential treatment accorded to the products of British Colonies and Dominions, and the duties protecting the iron and steel industry. These latter duties were originally imposed for three months; they were twice extended temporarily, and, in June 1934, they were prolonged indefinitely in order to facilitate the reorganisation of the industry through the British Iron and Steel Federation, which had been constituted for the purpose by the industry.

(c) *Protectionism and Agriculture.*

Study of the tariff changes since 1930 brings to light several interesting features. It is indisputable in the first place that, in the industrial countries of Europe (Germany, France, Italy, Czechoslovakia, Switzerland, etc.), the changes relate particularly to agricultural products. In all these countries there is a more or less marked "back-to-the-land" movement which originated in the collapse of grain prices on the world market and in the necessity of safeguarding production threatened by powerful foreign competition. But to these economic considerations there have been added social and political reasons. The aim is to restore the balance between the towns and the country, which has been dangerously disturbed by exaggerated urban development, and to ensure social peace and stability by fostering the growth of a stable, prosperous and numerous peasant class. At the same time, the countries which have hitherto concentrated mainly on the

<sup>1</sup> It has been calculated that the American duties in the period June 1930-December 1933 amounted to 52.8 per cent of the value of the goods assessed, while the duties of the Dingley Tariff (1897-1907), the highest duties ever imposed in the United States before the Hawley-Smoot Tariff, represented only 46.5 per cent.

development of manufacturing industries and have relied largely on foreign countries for their food supply, are induced by a period so uncertain as the present to reflect that the process of supply would become extremely difficult, if not impossible, in the event of conflict. They have accordingly been concerned to stimulate internal production of foodstuffs as much as possible.<sup>1</sup>

Finally, it is essential to bear in mind the influence exercised by peasants in the political life of all countries. It is responsible for certain abuses and excesses which in certain industrial countries have carried the policy of agricultural protection beyond reasonable limits and have led to very serious drawbacks—in the first place to over-production of wheat on such a scale that countries which are traditionally importers of wheat now have export surpluses, while at the same time internal prices of wheat are twice or three times the world market rate. The result is higher cost of living and an increase in the cost price of manufactured products, making them increasingly difficult to market in other countries. The difficulties in the way of the export of these products have been intensified by the fact that the agricultural countries which used habitually to supply foodstuffs and to purchase in return the products of the manufacturing industries of the industrial countries have reacted against the policy of the latter by multiplying the obstacles in the way of the import of manufactured products and intensifying their efforts to create powerful national industries. The movement for the *agrarianisation* of the industrial countries has thus had the effect of intensifying and accelerating the movement for the *industrialisation* of the agricultural countries.

## II. QUANTITATIVE RESTRICTION ON IMPORTS.

The effect on international trade of the strengthening of Customs protection have been what might be expected. But the decline of world trade has been intensified by other measures which have been applied with a view to sheltering national markets from foreign competition. The quantitative trade prohibitions and restrictions, of which it was hoped that the Geneva Convention of 1928 had ushered in the abolition, have taken on new life and are perhaps an even more powerful factor than excessive duties in the fall of the figures of world trade. Among these restrictions quotas have rapidly come to be of major importance.

### (a) *Import Quotas.*

Adopted at the outset by certain countries because of the impossibility of altering duties which were consolidated in commercial treaties, and because they constituted a very effective means of checking the influx of foreign goods without (like high duties) involving dangerous rises in the internal price-level, quotas have been introduced on the widest possible scale in a large number of countries (chiefly in Europe) in the most diverse and complex forms and for the most varied of reasons—whether to remedy an unfavourable trade balance or to combat dumping, subsidies, or the monetary depreciation by which the exports of certain countries benefit.

The drawbacks of quotas are well known. Technically, they are extremely complicated; they tend to encourage arbitrary action by Governments and administrations, and frequently lead other States to adopt similar measures of retaliation. On the other hand, it is undeniable that, since they only require the issue of a decree by the executive for their application, quotas afford a prompt remedy in all cases calling for immediate action. They also readily allow of frequent revision and adjustment to the continually changing conditions of the market.

It will therefore be understood why in many countries there is an increasing tendency to treat quotas, not as they were treated at the outset, as a form of transient protection or an expedient to be resorted to in extreme emergencies and to be discarded with the passing of the extraordinary circumstances in which they originate, but as an *instrument* of commercial policy or a permanent element in the organisation of the internal market and foreign trade. French treaty policy has been based since January 1st, 1934, on a quota system.<sup>2</sup> In Spain, according to recent official statements, it is also proposed to use quotas as a weapon with which to obtain reciprocal treatment. In the United Kingdom, the Agricultural Marketing Act of 1933 empowers the Government, under certain conditions, to regulate imports, where there are schemes for the reorganisation of production and marketing of products within the country. The regulation of imports thus becomes the complement of the policy of an organised national market. The United Kingdom has already imposed quotas under this Act on the import of bacon. In addition, the Government has, in agreement with the main supplying countries, established a temporary voluntary control of the imports of potatoes and eggs. Imports of chilled and frozen meat are subject to regulation under the Ottawa Agreements Act, 1932, and additional voluntary measures have been taken to limit imports of chilled beef.

<sup>1</sup> In this connection, it will be remembered that, at the International Conference of 1930 referred to above, a number of States, in agreeing to the proposal for a Customs truce, excluded duties on agricultural produce and live-stock.

<sup>2</sup> In June 1933, the French Parliament opposed the abolition of quotas, and the General Customs Committee rejected a Bill for the replacement of quotas by high duties to be imposed by the Government by decree.

(b) *Import Monopolies.*

A number of States have had recourse by decree to expedients even more radical than quotas. The most recent steps in this direction have been taken by Germany. Germany began by instituting a control of the import of oils, fats, eggs, milk and milk products with a view to adjusting imports to market requirements at any given moment. In March 1934, the Minister for Economic Affairs, who had been given powers to control and regulate the purchase, distribution and sale of raw materials and producers' goods, instituted Government Import Offices for cotton, wool, flax, hemp, jute, hides and skins and raw metals other than iron and steel. The object of this monopoly of the supply of raw materials is twofold: it is to ensure every industry a more economical distribution of the materials it requires, and to neutralise as much as possible the restrictive effects of the rationing of the foreign exchange required for the payment of the goods imported.

### III. FOREIGN EXCHANGE CONTROL.

In addition to high tariffs, quotas and other forms of import restrictions *directly* affecting foreign trade, there are a number of other *indirect* causes for the decline in the volume of international trade; and the first of these is foreign exchange control. Countries with heavy financial obligations, which they are less and less able to meet in proportion as their export markets have been curtailed, have established a control of foreign exchange dealings in order to secure the resources indispensable for keeping up the service of the debts. But this system, which at the outset had no other object except to avoid cessation in the debt service payments, soon became an instrument for the limitation and control of imports, and a means of achieving a bilateral balance in trade exchanges. It has thus come to operate as a powerful factor in the contraction of trade in spite of all the special agreements concluded with a view to mitigating its effects. Special interest attaches, in this connection, to the particularly grave steps taken in Germany in recent months as a result of the progressive falling off in the gold and foreign exchange reserves of the Reichsbank. The amount of foreign exchange assigned to the payment of imports, after being reduced in April 1932 to 50 per cent of the monthly average of the total payments for goods in the period July 1st, 1930, to June 30th, 1931, was cut down still further to 45 per cent in March 1934, 35 per cent in April, 25 per cent in May and finally in June to 10 per cent—which is to say, only one-twentieth of the monthly average for 1930-31. The latest reduction is accompanied by a provision of great importance, making goods the import of which is under State control exempt from the foreign exchange control, so as not to interfere with the supply of essential raw materials. This introduces the principle of discrimination in the treatment of imports according to their importance for the economic life of Germany; hitherto, the foreign exchange control has been applied without distinction to all goods.

The latest decree in the matter provides that, as from June 23rd, the allotment of foreign exchange is to be subject to the amount in hand—that is to say, the *daily* allotments by the Reichsbank will be dependent on the daily receipts.

Another step, the consequences of which for international trade are incalculable, is the transfer moratorium declared by Germany on June 14th to take effect as from July 1st, 1934. The opposition which this measure has encountered, more especially in the United Kingdom, France, Switzerland and the Netherlands, has led Germany to enter into negotiations with these countries with a view to an amicable settlement of this very thorny question.

### IV. CURRENCY DEPRECIATION.

Finally, a fundamentally disturbing element in international economic relations is the currency disorder of the present period. The depreciation of the £ sterling in September 1931, and of the dollar in April 1933, followed by that of the currencies dependent on these two main currencies governing the international monetary exchanges, has created an instability of prices which is extremely prejudicial to trade. This depreciation<sup>1</sup> excites apprehensions on the part of countries remaining on the gold standard lest it operate as an export premium on the products of the depreciating countries, at any rate until internal prices are adapted to the new rates of exchange, and has induced the gold-standard countries to mobilise their opposition and adopt new measures of defence (surtaxes, tariff increases, etc.)—in other words, to add to existing obstacles to trade. The situation of the gold-standard countries has been still further aggravated by the fact that, faced with fierce competition by the countries with depreciated currencies in the markets of third parties, they are also confronted with the painful problem of adjusting their costs and prices to the currency devaluations of others.<sup>2</sup>

<sup>1</sup> The depreciation has not always been due to financial causes but also in certain cases (e.g., the United States) to internal economic motives, and in other cases (e.g., Czechoslovakia) to a definite intention to stimulate exports and correct an adverse trade balance.

<sup>2</sup> It is only fair, however, to observe that the gold-standard countries have profited considerably by the monetary depreciation in the other countries, in that it has meant an enormous reduction of the prices of the raw materials they import.

## V. GENERAL CONSIDERATIONS.

### *Bases of Economic Nationalism.*

On numerous occasions and on various sides, men who are authorities on the subject have warned Governments and peoples against the dangers of exaggerated nationalism. The London Monetary and Economic Conference of June-July 1933 was the last and the greatest effort made to induce countries to adopt a policy of wider comprehension of their mutual interests, of collaboration and solidarity. The outcome is only too well known. The drive towards economic self-sufficiency has continued unceasingly, and attempts to justify it on theoretical grounds have been plentiful. The principle of the economic interdependence of nations is being challenged at the very moment when a crisis of unprecedented intensity and duration is spreading from country to country and from continent to continent, severely shaking even those countries whose economic structure had been thought sound beyond the possibility of impairment, thus demonstrating in the most striking manner the existence of indissoluble bonds between nations. It is argued that science, technical progress and suitable administrative and organisatory action are capable of freeing each individual country from dependence on others, and making it more or less self-supplying, and that the possibilities (which, it is suggested, are unlimited) of manufacturing substitute products are destined to deprive national and territorial specialisation of all value.

There may, perhaps, be something to be said for all these various arguments. At the same time, it seems difficult to reject the view that economic nationalism, when pushed beyond certain limits, involves a squandering of wealth detrimental, not only to the common general interests of peoples, but also to the purely selfish interests of the countries embarking on such a policy. The fact is that the economic conceptions current in the present period can only be explained, and within limits justified, in the light of considerations of a social and political character, as has already been pointed out. So long as the different countries take the view that they are compelled to make provision for certain fundamental political interests, such as security, it is useless to expect them to modify their commercial policy. Political considerations will always outweigh economic considerations. Moreover, the economic development since the beginning of the present century, and in particular since the great war, the changes—mainly in the direction of industrialisation—which have taken place in different countries in all continents, suggest that a direct return to former conditions and methods of trade is scarcely possible. The persistent and systematic efforts made particularly in the larger countries to achieve self-sufficiency, to organise economic activities and to establish relations with other peoples on new bases cannot be eliminated without leaving their traces behind them. They will lead no doubt to a new equilibrium, and to some form of reconciliation (the nature of which it is impossible yet to divine) of the interests of each with the interests of the community.

## B. SECOND SECTION.

### I. MOST-FAVOURED-NATION CLAUSE AND PRINCIPLE OF RECIPROCITY.

The increasing importance of the home market, the organisation of which is in a great many countries gradually becoming a function of Government, has thrust foreign trade into second place. The first result of this fact has been the gradual abandonment of the unconditional and unrestricted most-favoured-nation clause. Henceforth it is the principle of reciprocity or, more correctly, of the bilateral balancing of trade which will come to occupy a more and more dominant position in international commercial relations. Such a development is, moreover, readily understandable.

It is during periods of development and economic expansion that the unconditional most-favoured-nation clause is of the greatest value and that its insertion in commercial treaties becomes an absolute necessity. For at such times both the commodity-absorption capacity of markets and purchasing power are everywhere on the increase, while prices are stable or show an upward tendency, which gives a strong impetus to the export industries of the various countries. It is in the—at that time predominant—interests of such industries that each country endeavours, through the most-favoured-nation clause, to secure to its home products in all foreign markets equality of treatment as compared with all competitors: the advantages of having obtained most-favoured-nation treatment from other countries far outweigh the risks and drawbacks of having had to concede similar treatment in return to the other countries concerned.<sup>1</sup>

In times of crisis and economic depression, on the other hand, the tendencies are reversed (over-production, decreased purchasing power, falling prices, etc.) and the interests of the industries working primarily for home consumption come to the fore. It is essential to prevent wholesale imports of foreign goods at constantly reduced prices from weakening the economic structure of

<sup>1</sup> This explains why the great period of the unconditional most-favoured-nation clause lay between the years 1860 and 1913. Throughout this period world trade followed an upward course:

	£ (000,000's omitted)		£ (000,000's omitted)
1860 . . . . .	1,450	1900-1904 . . . . .	4,791
1869-1870 . . . . .	2,317	1905-1908 . . . . .	6,106
1880-1884 . . . . .	3,283	1913 . . . . .	7,781
1890-1894 . . . . .	3,508		

The value (and the volume) of world trade was on the increase, especially after 1902, when the working of the Transvaal gold mines led to a general rise in prices.

the nation. At the same time and for the same reasons, the export industries are confronted by all manner of obstacles and lose their power of expansion. It is clear that, when such conditions prevail, the negative side of the unconditional clause is thrown into full relief: to grant the clause becomes dangerous, whereas to obtain it on behalf of home exports is of only very slight benefit, especially as it is possible to evade the equality of treatment which the clause guarantees through prohibitions, quotas and the other exceptional measures used to check the inflow of foreign goods.

There are also other concomitant circumstances which have materially contributed to undermine the position of the unconditional clause. In most countries to-day, the depression affects, not only foreign trade, but the other items in the balance of payments as well. Revenues from freights, foreign tourist traffic, debt service, etc., have constantly declined. Hence, it becomes much more difficult to balance payments—a condition *sine qua non* of currency stability. Certain Governments are thus led to concentrate all their efforts upon bringing about an improvement in the only item in the balance of payments over which they have any direct influence—namely, the trade balance. This policy leads to the view that the effects of any concession made to the exports of a given country must be restricted and that no third country must be allowed to benefit by the advantages which have been secured from the other contracting party at the price of reciprocal concessions; in other words, it is essential that the extension to third countries of the reciprocal facilities embodied in commercial treaties should no longer follow automatically without a *quid pro quo*.

A brief summary of the agreements concluded by certain of the leading commercial countries will make clear the part which the principle of reciprocity has now come to play in treaty-making policy.

(a) *In France*, the Government decided in September 1933 to use quotas as bargaining-counters in order to restore the commercial balance, which showed a permanent deficit (between 1930 and 1933 the unfavourable balance remained constant at a figure of approximately ten thousand million francs). As from January 1st, 1934, France only allowed each country 25 per cent of the quotas which could be assigned to it, the remaining allocation of 75 per cent being negotiated in such a way as to ensure a reasonable concession in return. In the opinion of the French Government, this policy would not have the effect of restricting trade but rather of increasing its volume. These negotiations proved to be extremely arduous and have not always been fully successful.

On January 11th, 1934, France signed a Treaty of Commerce, to remain in force until December 31st, 1934, with the *Union of Soviet Socialist Republics*, under which, in exchange for tariff facilities and quota concessions in favour of her own exports, the Union of Soviet Socialist Republics undertook to place orders to a total value of 250 millions in France during 1934.

By a Decree dated January 23rd, 1934, the exchange surtax of 25 per cent which had been applied to Soviet imports on March 20th, 1933, was therefore abolished.

Under another agreement concluded in January, the quotas on imports from *Belgium* were restored to 100 per cent in return for tariff concessions on French goods.

In March, a Treaty of Commerce and Navigation (together with a supplementary agreement) was concluded with *Spain*, by the terms of which the most-favoured-nation clause was limited to articles of importance to the mutual trade of the two contracting parties. In addition, Spain secured the maintenance of her quotas at 100 per cent in return for reductions in the duties on champagne, cognac, etc., together with an undertaking to purchase stated quantities of Algerian tobacco and French wheat.

Another agreement concluded in the same month put an end to the tariff war which broke out between France and *Portugal* in April 1933, following the increase of the French Customs duties on port and Madeira wines.<sup>1</sup> The agreement included an undertaking on the part of the French Government to revert to the former scale of duties (this was done under a law passed on March 16th); at the same time, Portugal agreed to the limitation of her wine exports by quota, withdrew all the discriminatory measures applied to French exports and reduced the duties on French wines and liqueurs.

In the same month (March), a Convention (concluded for six months with a provision for tacit extension) together with a supplementary agreement were signed with *Switzerland*. The Convention abolished the unconditional and unrestricted most-favoured-nation clause, together with tariff consolidation in respect of commodities not limited by quota. In addition, quotas were fixed in respect of the Swiss cheese and condensed milk to be admitted into France and of French products (wine, fruit, vegetables, wheat, etc.) to be introduced into Switzerland.

On April 22nd, an agreement was concluded with *Italy* which, though of limited scope, was nevertheless a new departure in the relations of the two countries. Italy—which does not practise the policy of quantitative restrictions on imports except in regard to countries applying measures prejudicial to her own exports—had adopted measures of retaliation in reply to the quotas applied by France to Italian agricultural produce and also to the taxation of import licences first introduced in France in February 1933 and rendered more severe in the following December. As a result of these measures, the balance of trade between the two countries had been influenced in favour of France. Through concessions by France in respect both of quotas and the taxes on import licences, the Agreement of April 1934 was designed to restore the balance and to enable Italy to export to

<sup>1</sup> The *France-Portuguese Treaty* in force up to that date obliged France to admit such wines in unlimited quantities. France was therefore compelled to have recourse to increased tariffs in order to check the importation of these wines in what she regarded as excessive quantities.



France a volume of goods equivalent to the surplus of French exports to Italy: in return, Italy was to adopt measures favourable to the importation of French coke and leather.

The Agreement of April 22nd was followed by a Protocol dated May 19th, which laid down the basis for future co-operation. By this Protocol, the two Governments recorded their determination to pursue a policy of trade balancing while at the same time increasing the volume of trade between their respective countries. The paramount need for protecting French agriculture set certain limits to the concessions which France was able to offer to Italy in this respect, and the efforts of both parties were therefore directed to increasing their mutual trade in manufactured goods. To that end, the Protocol provided for direct conversations between Italian and French industrialists.

In May, an agreement with *Brazil* put an end to the difficulties which had arisen in connection with blocked French credit balances in Brazil and the application of the French Customs surtax and quota to Brazilian coffee imports.

On the other hand, the difficulties to which the new quota system gave rise in the case of the United Kingdom were only removed after long and laborious negotiations; similar difficulties with *Germany* and *Poland* have not yet been overcome.

The *United Kingdom* took the view that this system was incompatible with the most-favoured-nation clause and that, as other States were enjoying their full quotas (that is, 100 per cent), she herself was the victim of discriminatory treatment. France, on the other hand, held that there could be no question of discrimination, as the new quota policy was being applied equally to all foreign countries and that, like the other countries, the United Kingdom had been invited to negotiate in respect of the remaining 75 per cent of her quotas. As no agreement could be reached on this point, the United Kingdom resorted, as from February 12th, 1934, to reprisals (application of a discriminatory duty of 20 per cent *ad valorem* to a number of French products, more especially silk goods), while, on the date on which these measures came into force, France denounced the Treaties of Commerce and Navigation of January 26th, 1826, and January 28th, 1882. These Treaties would in any case have expired on May 12th, 1934. Negotiations for the conclusion of a new Treaty were opened on March 14th, and it was agreed that during negotiations the Conventions would remain provisionally in force, but that the quantitative restrictions on imports should not come under the operation of the Conventions. Although the negotiators were genuinely desirous of reaching a successful conclusion,<sup>1</sup> the conversations had soon to be interrupted on account of the fundamental divergence of view as between the two parties. The negotiations which were resumed towards the end of May after an interruption resulted in the signature of an Agreement on June 27th, which has been published. It provides, among other things, for the re-establishment of the full quotas for the United Kingdom goods to be admitted into France and the abolition of the United Kingdom retaliatory duties on French imports, and for the mutual grant of most-favoured-nation rates of Customs duty, on each side, with a few exceptions not representing any important volume of trade.

As regards relations with *Germany*, the Reich Government Decree of January 13th, 1934, applying quotas to various French commodities was followed on January 19th by France's denunciation of the Convention of August 17th, 1927. Though this Convention had been an important factor in maintaining tariff stability in Europe, its denunciation had long been demanded in France, where it was thought to be over-favourable to the interests of the Reich (the commercial balance between the two countries had, in fact, been unfavourable to France since 1929). Negotiations for a new Convention between the two countries are still in progress.

It is therefore clear that the quota policy has involved France in serious difficulties which are not yet at an end. It should also be borne in mind that, while supported by the agricultural classes,<sup>2</sup> it has provoked the unqualified hostility of commercial interests, while in industrial circles the view is that quotas should be regarded as exceptional measures of defence and should be limited in scope.

(b) *The United Kingdom* also concluded a series of commercial treaties in 1933. The other parties were the countries on which it mainly relies for its food supplies (Denmark [April], Sweden [May 15th], Norway [May 15th], Finland [September 29th], Latvia [July 6th], Estonia [July 11th] and the Argentine [May 1st and September 26th]). As the British trade balance with each of these countries showed a deficit, the purpose of the British authorities in concluding these agreements was to induce the other parties to increase their purchases of British products (more especially coal). In several cases commercial concerns in the other contracting country themselves undertook to purchase stated proportions of their requirements in the United Kingdom. In return, the United Kingdom promised that, if quotas were applied to the importation of goods of special importance to the other parties, such quotas would be so calculated as to enable the other countries to maintain as far as possible their previous position in the British market relative to other foreign countries.

In calculating these quotas, efforts would also be made to reconcile the agricultural interests of the United Kingdom, the Dominions and the countries with which the agreements have been concluded.

It should be added that these treaties provide in many cases for tariff reductions on both sides (which is to be attributed to the fact that the United Kingdom now possesses a fairly elaborate Customs tariff).

<sup>1</sup> France and the United Kingdom had an equal interest in reaching an agreement, as each country is one of the other's most important customers.

<sup>2</sup> As the result of the application of severe quotas to agricultural produce and the products of stockbreeding, the importation of such goods into France during the first four months of 1934 showed, as compared with the same period in 1933, a reduction of 457,553 tons in quantity and nearly a thousand million francs in value.

It may be argued that these agreements result to some extent in a kind of *de facto* reciprocity. It should, however, be noted that the agreements take account of invisible exports and do not attempt merely to balance visible trade.

The principle of balancing trade exchanges is more obvious in the temporary commercial agreement concluded by the United Kingdom with the *Union of Soviet Socialist Republics* on February 16th, 1934, though, of course, the organisation of the foreign trade of the Union of Soviet Socialist Republics as a State monopoly introduced special considerations in this instance. The agreement put an end to a Customs war that had been in progress for ten months. This agreement was, indeed, designed gradually to level out the balance of payments between the two countries which for some years had been unfavourable to the United Kingdom. For this purpose, the Union of Soviet Socialist Republics undertook to use the proceeds of sales of goods in the United Kingdom to increase its purchases of British commodities and whenever possible to employ English mercantile shipping to carry its goods. Approximate equality of payments between the two contracting parties (which was to be calculated in accordance with highly complicated formulæ) must be brought about by 1938.

Each country granted the other most-favoured-nation treatment in all matters connected with prohibitions, import and export restrictions, Customs duties and other revenue charges, etc. In order, however, that the low prices of Soviet goods might not become a danger to similar British products or neutralise the effects of Imperial preferences (Canada's apprehensions regarding Russian timber, for example, are well known), it is provided that, should need arise and failing agreement after discussion with the other party, either party should be entitled to suspend most-favoured-nation treatment so far as prohibitions and restrictions were concerned in respect of any particular commodity.

It is clear from the commercial policy of the United Kingdom that the Government always requires the application of the unconditional most-favoured-nation clause, both from the point of view of tariffs and as regards quotas, and it also grants this treatment in the two spheres. It applies quotas, however, for the sole purpose of facilitating the maintenance of an economic price-level through the organisation of production and sales. One article in the Anglo-Danish agreement of April 1933 specifies in this connection that the application of quotas to foreign imports should merely be one feature of a general system of regulation of the market in the products concerned. But, given a quota system, the United Kingdom also applies the maxim *do ut des*. She is prepared to grant most-favoured-nation treatment, but only to countries which undertake in return to grant reasonable facilities in respect of British goods, and, in particular, not to subject them to discriminatory treatment.

There is a considerable body of opinion in industrial and commercial circles in the country which favours at any rate a partial adoption of the system of reciprocity. A recent memorandum of the Manchester Chamber of Commerce strongly recommends that the United Kingdom trade agreements should be drafted in such a way that the country may be reasonably assured of obtaining a volume of trade at least comparable to that of the other contracting party on the British market.<sup>1</sup>

(c) A similar policy is also practised by *Germany*. Recent agreements concluded by that country contain provisions of great interest. The quantitative limitation of the import of certain agricultural produce therein stipulated is not, like the British quotas, merely an effort to organise the market for this produce in a general way, but forms an integral part of the treaty policy of Germany, in the sense that the other contracting party is asked to collaborate in this work of organisation in exchange for the advantages received by it. Thus, the *German-Dutch Treaty* of December 15th, 1933, guarantees a certain tariff rate to the Dutch milk product exports; but the import of these products may only take place with the approval of the competent German office. This office will collect the difference between the purchase price of the produce in the Netherlands and the sale price in Germany, this difference being used for the establishment of a price-regulating fund. Further, mixed committees of German and Dutch experts have been set up to investigate the most suitable methods of ensuring a regular supply for the German market and at the same time maintaining prices. In a similar way, the agreement of March 1934 between the *Reich* and Denmark provides for the setting up of a mixed committee for the import of Danish cattle into Germany.

Amongst other agreements concluded by Germany, that with *Poland* of March 1934 may specially be mentioned, as putting an end to a long Customs conflict; also those with Roumania in virtue of which Germany undertakes to buy wheat and vegetable oils in exchange for purchases by Roumania of German industrial products to an equivalent value; also the treaties with *Yugoslavia*, *Finland* and *Hungary*. That with Hungary (March 1934) is designed to increase trade exchanges between the two countries by about 100 per cent. In return for tariff reductions by Hungary on German industrial products, Germany grants annual quotas for Hungarian cattle and cereals. It is to be noted that, in order to comply with the Treaty, Hungary will have to adapt its agriculture progressively to the requirements of the German market; in particular,

<sup>1</sup> The Manchester Chamber of Commerce (in May 1934) asked the British Government to investigate the effects of most-favoured-nation policy. The Government was unwilling itself to set up an enquiry, but suggested that the Chamber or the Association of British Chambers of Commerce might consider the question and promised them assistance and information on the subject.

It may be noted that the National Union of Manufacturers also asked the Board of Trade to appoint a Government Committee to consider the question of the revision of the most-favoured-nation clause, or to explain why such revision would be impracticable. Lastly, a memorandum on British commercial policy submitted to the Government by the Federation of British Industries, while recognising that it would not be in the interests of industry that there should be any general abandonment of the most-favoured-nation clause in tariff matters, urged that most-favoured-nation treatment should be withdrawn from countries which treat British exports in an unfavourable manner.

she will have to increase her cultivation of hard wheat in place of soft wheat, and to develop linseed production.

(d) In *Italy*, a Decree of April 14th, 1934, lays down in clear terms the principle of the balancing of trade exchanges. The Decree provides that, in purchasing supplies of certain raw materials (oil-seeds, copper, wool, coffee), Italy will henceforward have regard to the purchases of Italian goods which selling countries are willing to make.

(e) It has already been said above that *Spain* has also decided to make the allocation of its quotas a matter of negotiation with countries with which she has an unfavourable trade balance. *Greece*, *Turkey* and many other European countries have adopted the same policy of offsetting trade.

(f) Outside Europe, the *United States of America*, in fixing quotas for the import of spirituous liquors, made use of these to promote the export of their own produce. In return for the increase of these quotas they secured increases in purchases of, or the import quotas allotted to, American products, by Italy (tobacco), France (apples and pears), Greece (rice), Poland (apples and prunes), etc.

In June 1934, Congress passed a Bill marking a turning-point in the history of the United States commercial policy; for it authorises the abandonment of the hitherto jealously guarded tariff autonomy. The law in fact grants the President of the United States for a period of three years the power to increase or diminish (up to 50 per cent) existing tariffs, for the purpose of concluding reciprocal commercial agreements—not to be submitted to ratification by Congress—with foreign countries. In view of the constant fall in United States trade (in 1933 the volume of exports was only 52 per cent of the 1929 figures and the value 32 per cent), and while recognising that it was essential for the country to produce, within its boundaries, a sufficient variety of goods to enable it to live and perform the important task of national defence, President Roosevelt, when asking Congress for this power, declared that evidently the re-establishment of national prosperity depended in part on the recovery of international trade, and that it was impossible to increase American exports<sup>1</sup> without increasing imports to a corresponding extent.

The new law, which came into operation on June 12th, re-established the full force of the most-favoured-nation clause, and this resulted, *inter alia*, in the immediate and automatic abrogation of the *penalising duties* on imports from countries imposing a higher tariff on American produce than that contained in the American tariff for similar produce. It should be noted that the Act authorises the President to suspend the application of its benefits to any country because of discriminatory treatment of American commerce or because of other acts of policies which, in his opinion, tend to defeat the purposes of this Act.

Clearly, the use which the President of the United States now intends to make of his new powers will have a profound influence on international trade.

The determination of President Roosevelt to revive trade exchanges between the United States and foreign countries is also to be observed in the resumption of diplomatic relations with the Union of Soviet Socialist Republics (exchange of letters of November 16th, 1933). It was from this angle, in particular, that the event was approached by public opinion in America, where an annual export of 350 million dollars to the Union of Soviet Socialist Republics is hoped for, and the return to work in a few months of 300,000 unemployed.<sup>2</sup> In any case, a Federal Export and Import Bank for trade with the Union of Soviet Socialist Republics has already been founded.

(g) One last typical example of trade balancing is to be found in the Delhi Agreement (January 3rd, 1934) between *India* and *Japan*.

The growing imports of manufactured cotton from Japan into India, to the detriment of the home industry and of British industry—which enjoys lower rates of duty—led the Indian Government to adopt very severe measures of restriction. Notice was given to terminate the Indo-Japanese Treaty, and the new treaty provides for the restriction of Japanese imports of cotton-piece goods into India to a figure dependent upon Japan's purchases of raw cotton from India. At the same time, the Indian Government undertook not to place a higher import duty on manufactured cotton goods from Japan than 50 per cent *ad valorem*.

The phenomenon of Japanese economic expansion, one of the most striking of our time, is giving rise to constant apprehension and even to opposition. Japan is one of the comparatively few countries in the world which has succeeded in the past two years in increasing the value of its exports.<sup>3</sup> Japanese competition is favoured by a number of circumstances: longer hours of work (Japan has never ratified the Washington Eight-Hours Convention), very low wage-rates, admirably equipped undertakings, concentration of production, organisation of export (to the exclusion of middlemen and agents), a mercantile marine (the third in the world) with very reduced rates, depreciation of the yen, etc. All these factors combined have enabled Japan to make formidable inroads on all markets—in particular, those of Asia, Africa and South America. This penetration naturally gives rise to stubborn resistance; tariffs have been raised to drive out the invading Japanese goods in many countries (South Africa, etc.), and even in the United States,

<sup>1</sup> In a message to Congress, the President also mentioned the products which he intended to deal with: cotton, pork, rice, tobacco, fruits and mass-produced industrial goods.

<sup>2</sup> Calculations made by Professor Donaldson, of Cleveland, at the request of the Department of State.

<sup>3</sup> Nevertheless, the League of Nations survey shows that the quantum of world trade in 1933 had slightly increased in volume as compared with 1932.

although trade exchanges between Japan and America to a great extent counterbalance each other.<sup>1</sup> But the severest blow has been to British trade—in particular, textiles.

After fruitless conversations between manufacturers concerned, with a view to organising a system of fair competition, affording possibilities of trade to producers in each country, the United Kingdom Government has introduced restrictions on cotton and artificial silk imports into certain of the colonies and protectorates, on the basis of the imports from 1927 to 1931. This action does not affect the Dominions. It may be noted that some of them (such as Canada and Australia) have a favourable trade balance *vis-à-vis* Japan, and India has already concluded a treaty with Japan by which Japanese imports of cotton goods are limited.

Japan has not remained idle.

In view of "the tendency of other countries to ignore the conditions of reciprocal interdependence and the necessity of international co-operation, a tendency which has taken the form of an attempt to limit imports of foreign goods", the Government enacted a law, in April 1934, designed to enable Japan to adapt her trade to the new conditions, to balance her international payments and, if necessary, to adopt measures (raising of tariffs, import prohibitions or restrictions) to protect her trade.

## II. ECONOMIC GROUPS.

In contrast with the rising wave of economic nationalism, but in obedience to the requirements of reality, another movement has been taking shape since the crisis, as the network of trade obstacles was drawn tighter. This is the movement of countries politically or economically associated, or whose geographical proximity is particularly favourable to mutual trade, towards the formation of *groups* within which trade relations may be conducted with the maximum of facilities.

### (a) *United States and Latin America.*

An economic group of this kind is in process of formation, with the United States as a centre and the countries of Latin America as participants. The United States are already among the best customers of those countries, where they purchase large quantities of raw materials and have invested much capital. The Latin-American countries, which are in a continuous state of development, are becoming increasingly capable of absorbing the manufactured products of the North American Confederation. Certain resolutions adopted by the Seventh Pan-American Conference at Montevideo (December 1933) show that there is a movement in the direction of a very close union between the American countries. In accordance with these resolutions, the Governments of the American Republics undertake to institute negotiations with a view to promoting trade between them and lowering the Customs barriers which are hampering that trade. For this purpose an extensive programme of economic co-operation has been drawn up, providing, *inter alia*, for the creation of an Inter-American Organisation of Economic Co-operation, the conclusion of bilateral agreements with a view to eliminating prohibitions and restrictions and reducing Customs duties, etc.

### (b) *Italy, Austria, Hungary.*

A further example of an economic agreement—limited, it is true, as will be seen later—is to be found in the arrangements concluded by Italy in 1934 (Protocols of March 17th and Agreements of May 14th) with Austria and Hungary, to facilitate and develop the mutual counterbalancing of trade between the three contracting parties. Under these agreements, Hungary can dispose annually in Italy and Austria of 4.2 million quintals of grain at a remunerative price; Austria can import into Italy and Hungary, with tariff facilities, fairly considerable quotas of her industrial products; Hungary and Austria, in their turn, have granted Italian staple exports Customs concessions under the system of the most-favoured-nation clause. The agreements are further supplemented by arrangements relating to traffic through the ports of Trieste and Fiume.

### (c) *United Kingdom Trade Agreements.*

It is a matter of opinion whether the agreements concluded between the United Kingdom on the one hand and the Scandinavian countries and the Argentine on the other can be regarded as an example of the tendency towards the formation of economic groups. These countries are big producers of foodstuffs and the United Kingdom is their best customer. Taking advantage of this situation, the latter aimed, by means of these agreements, at securing an adequate outlet for her industrial production. In that she has been successful. In 1933, the countries in question absorbed more British goods than in 1932 (whereas British trade with Germany, France, the Netherlands, etc., dropped considerably in 1933 compared with the previous year). But these agreements do not contain any provisions for preferential tariff treatment and are governed by reciprocal most-favoured-nation rights.

The British Commonwealth of Nations stands, of course, in a different category, and mutual preferences within it are no new thing. The principle was given a considerable extension in practice as a result of the Ottawa Agreements of 1932. The essential purpose of these agreements was to

---

<sup>1</sup> 40 per cent of Japan's sales and purchases are with the United States. Japan imports from America, in particular, *causa* 60 million dollars per year, iron, steel, petrol, wood, wheat.

stimulate inter-Imperial trade, and this was, in the main, to be brought about by the extension of reciprocal preferential tariffs. The quantitative regulation of the imports of meat into the United Kingdom was also envisaged. These agreements have borne fruit. If the inter-Imperial trade for 1933 is compared with that of 1932, it will be found that imports from the Dominions into the United Kingdom increased by 10 millions sterling; United Kingdom exports to the Dominions also increased, though to a lesser degree (3 millions sterling).

(d) *Economic Groups and the Most-favoured-nation Clause.*

The constitution of economic groups has encountered one obstacle that has hitherto proved insurmountable. After the interests of the parties desirous of forming these groups—interests necessarily divergent on certain points—had been harmonised and reconciled, the question of relations with third parties still had to be settled. If the groups are to yield all the results anticipated, it is essential that the mutual facilities that the parties grant one another shall not be affected by the unconditional most-favoured-nation clause.<sup>1</sup> The latter appears in a large number of commercial treaties, and States which benefit are not prepared to relinquish it. Proposals for admitting exceptions to the clause in agreements of the type referred to here were submitted at the London Conference, but unanimity was not reached on the subject. Despite some unofficial expressions of opinion—*e.g.*, by the Manchester Chamber of Commerce in favour of preferential tariff treatment, within reasonable limits, between countries which are economically interdependent—the British Government maintains its claims to unlimited most-favoured-nation treatment and has not seen its way to accept derogations in favour of multilateral regional agreements such as the Treaty of Ouchy.

But it is even more interesting to see what is happening in America. There it is not industrial or commercial groups, but the Governments themselves that have adopted certain measures. The Conference of Montevideo, already referred to, adopted in the matter a resolution deserving of special attention. After having recommended the maintenance of the most-favoured-nation clause in its unconditional and unrestricted form, it declared in favour of the conclusion of regional economic and Customs agreements based on the reciprocal granting of *preferential* tariffs, with a view to a partial or total Customs union, on condition that the regional agreement should be open to third States. An international convention would be concluded recognising that agreements complying with such conditions constituted a legal exception to the most-favoured-nation clause.

(e) *Schemes for Economic Agreements.*

It may perhaps not be superfluous to note what are the schemes for regional economic agreements that it is now desired to put into effect.

There is first the Little Entente, which has been trying since May 1933 to create an economic union between the three countries members of the Entente.<sup>2</sup> An economic council, appointed to seek the best means of achieving such agreement, has already outlined the main features of economic co-operation between the three parties. The Committee's plan seems, however, to have encountered serious difficulties owing to the fact that Czechoslovakia, whose agriculture is highly developed and protected, cannot readily absorb the agricultural products of Yugoslavia and Roumania, who, on the other hand, with their low purchasing power and limited requirements, do not offer an adequate market for Czech industry.

The countries parties to the Balkan Pact of February 1934 (Greece, Yugoslavia, Roumania and Turkey) have also decided to co-operate in the economic sphere, in order to extend the existing clearing agreements for the exchange of their products; they also contemplate reciprocal tariff concessions and undertake to purchase from one another, as far as possible, goods which they at present obtain from abroad.

Lastly, there are the proposals of the Belgian Minister for Foreign Affairs (December 1933) for an agreement between the European countries still on the gold standard. (The first suggestion for an agreement of this kind was put forward in London during the International Monetary and Economic Conference.) The main arguments advanced in the Belgian declaration and by others who are in favour of the scheme are as follows: The monetary policy to which those countries intend to adhere undoubtedly creates a bond of solidarity between them. They might agree to levy moderate tariffs on each other's goods, so as to give an impetus to trade between them and to form, as it were, a sound economic "island" by providing a living basis for stable currencies.

<sup>1</sup> In the case of the Ottawa Agreements, the preferential tariffs instituted between members of the same community—the British Commonwealth of Nations—are a purely domestic affair; they cannot, therefore, be claimed by any other State under the most-favoured-nation clause.

<sup>2</sup> Various plans have been framed for economic reconstruction in the Danube Basin, ever since the urgent necessity of a solution was brought out by the League Financial Committee in March 1932. There were the recommendations of the Stresa Conference (September 1932), providing, *inter alia*, for the granting of Customs advantages to cereals of those countries and to products, particularly industrial products, of Austria, subject to the rights of third parties. (The agreements between Italy, Austria and Hungary—mentioned above—took as their starting-point the Stresa recommendations.) There was also a plan of the French Government (Tardieu scheme) providing for co-operation between Austria, Hungary, Czechoslovakia, Roumania and Yugoslavia and for the financial assistance of France and the United Kingdom, and an Italian scheme (October 1933) for the conclusion of bilateral agreements between the Danube States and the States whose trade balance is generally on the debit side *vis-à-vis* those countries. But none of these schemes came to anything.

Such a *rapprochement* between countries with the same economic structure would contribute towards reorganisation in Europe. The most-favoured-nation clause should not be quoted as an argument against a preferential regime of this nature, which would, moreover, be open to the accession of other States.

Another plan of economic agreement between the gold-standard countries of Western Europe was also contemplated. In order to avoid injuring the rights of third States, it provides, not for Customs preference, but for facilities in the matter of quotas and other quantitative import restrictions—that is, facilities which, in the opinion of the authors of this plan, would not be affected directly by the most-favoured-nation clause.

However, it is not yet known whether the other countries would be favourably disposed towards this collective action on the part of the gold-standard countries. In particular, the views expressed by the British Government at the time the Ouchy Agreement was concluded appear to conflict with the ideas set forth above.

Lastly may be mentioned the movement that is taking shape in France for closer union on the lines of the British Commonwealth with the French colonies.

### III. CONCLUSIONS.

It would be risky to advance any hypothesis as to the future development of world economy. There are too many circumstances determining or influencing that development, which is, moreover, the result of the interplay and reciprocal reactions of the whole mass of social phenomena. It seems clear, however, that the organisation of the production and sale of goods on the home market, and the formation of economic groups in international relations, are destined to form a powerful factor in the restoration and recovery of world economy.

One thing, at all events, is certain: a type of mechanism is now ready which would produce an equitable adjustment of commercial relations between the peoples as soon as circumstances permit of utilising it in such a way that it may yield the maximum results—that is, as soon as monetary instability and price disequilibrium have been eliminated. All the countries—including the United Kingdom and the United States, which, for different reasons, it is true, have hitherto followed quite a different policy—are now in a position to conclude, and are desirous of concluding, *tariff* commercial treaties. The upward trend in international trade which must inevitably follow will undoubtedly facilitate a return to the unconditional and unlimited most-favoured-nation clause.

That clause, be it noted, is not simply a guarantee in favour of the exports of each State—that is to say, it does not possess, as it were, merely an *individual* value. It is, in addition, as experience has shown, a matchless instrument for the *collective* reduction of Customs tariffs; further, by eliminating disparity in the treatment of goods originating in different countries, it simplifies Customs operations and, more important still, eliminates the causes of friction between States. In view of the general advantages inherent in the application of the clause, one must hope that its present eclipse is merely a passing phenomenon.

---

Geneva, November 23rd, 1934.

LEAGUE OF NATIONS

**DRAFT CONVENTIONS  
ON VETERINARY QUESTIONS**

**MEETING OF DELEGATES OF GOVERNMENTS FOR THE EXAMINATION  
OF THREE DRAFT CONVENTIONS**

*Held at Geneva, October 20th, 1934*

**NOTE BY THE SECRETARY-GENERAL.**

At the London Monetary and Economic Conference, Sub-Commission III B adopted a resolution (see document C.435.M.220.1933.II.B, page 21) to the effect that an international diplomatic conference should be convened by the Council on the basis of the three International Draft Conventions drawn up by the Economic Committee and reproduced as an annex to document C.427.M.197.1931.II.B, pages 23 and following.

These drafts had previously been submitted to all Governments. The observations received by the Secretariat as a result of their communication to the Governments were reproduced as an annex to C.L.106.1933.II.B of June 29th, 1933.

The Economic Committee was consulted as to the best procedure to follow with a view to giving effect to the resolution of the Sub-Commission of the London Conference in question and, in a report addressed to the Council at its fortieth session (document C.643.M.306.1933.II.B), expressed the opinion that the best procedure in view of the existing situation "might consist in holding a preliminary meeting of representatives of a limited number of countries whose co-operation seems essential". The Committee at the same time specified the countries which it considered should be invited to take part in the meeting, with the object of framing a total or partial agreement that the delegates might recommend to their Governments' acceptance.

The Economic Committee's report having been approved by the Council at its session in January 1934, the Secretary-General, by letter dated June 19th, 1934, invited the Governments specified by the Economic Committee to meet at Geneva on October 15th, 1934.

The meeting concluded with the signature of a common declaration in regard to the three draft Conventions *as revised and completed by the delegates*. The texts of the declaration and of the three drafts are attached to the present note.

The Secretary-General proposes to include in the agenda of the coming session of the Council the question of the action to be taken in regard to the drafts approved at the meeting in October 1934.

## DECLARATION

signed at Geneva on October 20th, 1934, by the Delegates of Governments met to examine the Texts of Three Draft Veterinary Conventions drawn up by the Economic Committee of the League of Nations.

---

In compliance with the invitation sent to them by the Secretary-General of the League of Nations on June 19th, 1934, the Governments of the following countries :

Austria	Hungary
Belgium	Italy
Bulgaria	Netherlands
Czechoslovakia	Poland
Denmark	Roumania
Estonia	Switzerland
France	Yugoslavia

appointed as delegates :

H.E. M. Nicolas ANTONOFF (Bulgaria)  
M. Zoltán BARANYAI (Hungary)  
Prof. H. C. L. E. BERGER (Netherlands)  
Dr. C. BISANTI (Italy)  
M. J. BOES (Belgium)  
M. William BORBERG (Denmark)  
M. V. DROUIN (France)  
Dr. FLÜCKIGER (Switzerland)  
M. IONESCO-BRAÏLA (Roumania)  
H.E. M. Emerich VON PFLÜGL (Austria)  
Assistant : Dr. Karl KASPER  
H.E. Count Edward RACZYŃSKI (Poland)  
Assistant : M. Martin MARCZEWSKI  
Dr. V. Jeroným RUZIČKA (Czechoslovakia)  
H.E. M. A. SCHMIDT (Estonia)  
M. Milan STEVANOVITCH (Yugoslavia)  
Assistant : M. Miloutine GUETZ

to take part in a meeting which took place at Geneva from October 15th to 20th, 1934.

The United Kingdom Government further appointed Captain W. G. Wragg, M.R.C.V.S., as an observer.

The delegates proceeded to re-examine the three draft veterinary Conventions previously drawn up by the Economic Committee of the League of Nations, taking into account the observations submitted by the Governments to which the drafts in question were communicated and the discussions to which they gave rise. The delegates drew up the attached texts in the conviction that the adoption of the Conventions therein contained would facilitate international trade, while at the same time providing for the safeguards desirable from a health point of view.

They accordingly agreed to recommend the adoption of the drafts in question to their respective Governments.

M. RUZIČKA (Czechoslovakia) and M. STEVANOVITCH (Yugoslavia), while associating themselves with the above recommendation, made a reservation in respect of Article 1, paragraph 2, of the Convention relating to the Transit of Animals and Animal Products. They are of opinion that the only way of giving transit countries the safeguards imperatively required to protect them from the introduction of animal diseases is to give them the right to be able to subject traffic in transit across their territory to previous authorisation, as provided in the preliminary draft submitted to their Governments in 1931.

Geneva, October 20th, 1934.

(Signed) :

E. PFLÜGL.  
KASPER.  
J. BOES.  
N. ANTONOFF.  
William BORBERG.  
A. SCHMIDT.  
V. DROUIN.  
Dr. Jeroným RUZIČKA.

M. STEVANOVITCH.  
Miloutine GUETZ.  
C. BISANTI.  
BERGER.  
E. RACZYŃSKI.  
MARCZEWSKI.  
G. IONESCO-BRAÏLA.  
G. FLÜCKIGER.

---



I.

**DRAFT INTERNATIONAL CONVENTION FOR THE CAMPAIGN  
AGAINST CONTAGIOUS DISEASES OF ANIMALS.**

[List of Heads of States.]

Being convinced that an unceasing and increasingly effective campaign against contagious diseases of animals can only be successfully prosecuted by concerted action by the countries concerned ;

Recognising unanimously, moreover, that, in any action intended to facilitate international trade in live-stock and animal products, the first item in the programme must be the improvement of veterinary health conditions by every possible means, including closer and more frequent international co-operation :

Have appointed as their Plenipotentiaries :

[List of Plenipotentiaries.]

Who, having communicated their full powers, found in good and due form, have agreed upon the following provisions :

*Article 1.*

The High Contracting Parties undertake to enact the necessary legislation and take the necessary administrative measures for ensuring joint and effective action against the appearance and spread of contagious diseases of animals.

These measures should more particularly provide for :

(1) Control over farm animals and over establishments which are of special importance in the campaign against animal diseases, such as slaughter-houses, knackers' yards, cattle and meat markets, fattening establishments, dairies, the stables of inns, traders and relay stations, establishments utilising animal products ; supervision over the production of and trade in sera, viruses and microbe cultures, whether attenuated or not, and biological diagnostic products ; supervision over the means of transport and of loading and unloading places and quarantine stations ;

(2) The discovery of any outbreak of contagious disease of animals, together with an indication of the areas infected ;

(3) The methods of preventing and dealing with contagious diseases of animals ;

(4) The regulation of transport in all its forms, and particularly with a view to the disinfection of vehicles ;

(5) The penalties to be imposed in the event of an infringement of the measures enacted.

*Article 2.*

The High Contracting Parties undertake to establish and maintain in their respective countries, where not already existing, an official veterinary health organisation to ensure the execution of the measures referred to in Article 1. In principle, this official organisation should comprise :

(1) A Government veterinary health service, the chief functions of which would be :

(a) To supervise the places and establishments referred to in Article 1 for the purpose of ascertaining the outbreak and development of contagious diseases of animals ;

(b) To apply the measures concerning contagious diseases of animals, as well as measures for preventing and combating these diseases ;

(c) To inspect animals and animal products ;

(d) To issue certificates regarding the origin and health of animals and the origin and soundness of animal products ;

(2) Teaching and research institutions for the training of the personnel of veterinary health services ; scientific laboratories necessary for the satisfactory working of these services.

*Article 3.*

The High Contracting Parties undertake to organise their respective veterinary health services on the principles specified hereinafter and recognised as essential for the proper organisation of a veterinary service :

(1) The Government veterinary health service should be under the authority of a chief veterinary officer directly responsible to the competent Minister.

(2) The number and the duties of Government veterinary officers and of veterinary surgeons approved by the State for certain official duties should be adequate, regard being had to the extent of stock-breeding, the area of land under cultivation, and the volume of traffic; be such as to ensure effective and rapid veterinary supervision of the whole territory, which should be divided up into definite geographical sanitary districts, as well as of all the domestic animals.

This veterinary health service should enable the State to determine the origin and, so far as scientific knowledge permits, the state of health of animals and the soundness of animal products intended for export. The personnel should be in proportion to the quantity of live-stock to be supervised.

(3) Government veterinary officers or veterinary surgeons approved for certain duties should hold a State diploma in veterinary medicine or a diploma recognised by the State.

Only veterinary surgeons who are employed and paid by the State may be regarded as Government veterinary officers.

In exceptional cases, other veterinary surgeons may be entrusted with certain duties provided that the State is responsible for any action they may take.

(4) Veterinary inspection at the frontiers should be carried out only by Government veterinary officers or veterinary surgeons approved by the State for that purpose.

(5) (a) In principle, the inspection of meat intended for sale and public consumption must be entrusted to approved veterinary surgeons placed under the supervision of the Government veterinary service.

(b) Veterinary health inspection of meat and meat preparations intended for export must be carried out by Government veterinary officers or veterinary surgeons approved by the State for that purpose.

#### Article 4.

The existence of a veterinary health organisation in conformity with the provisions of Articles 2 and 3 shall be notified by each of the High Contracting Parties by means of a memorandum, summarising the main features of the organisation and forwarded, at latest at the moment of depositing the ratification of the Convention, to the Secretary-General of the League of Nations, who will notify the other High Contracting Parties thereof.

#### Article 5.

The High Contracting Parties undertake on the basis of the recommendations of the International Office for Contagious Diseases of Animals to publish regularly a veterinary health bulletin in accordance with the rules laid down below:

(1) The veterinary health bulletins should be published on the 1st and 15th of each month and give all information for the previous fortnight.

(2) They should be exchanged between the central veterinary authorities without recourse to diplomatic channels.

(3) They should give all statistical information regarding the following diseases: cattle plague (*Pestis bovum*), foot-and-mouth disease (*Aphix epizootix*), contagious peri-pneumonia (*Pleuro-pneumonia bovum contagiosa*), anthrax fever (*Anthrax*), sheep-pox (*Variola ovium*), rabies, glanders (*Malleus*), dourine (*Exanthema coilale paralyticum*), swine fever (*Pestis suum*).

(4) Each country may also give statistical or other information regarding other diseases.

The veterinary health bulletins should necessarily indicate the veterinary health situation on the date of publication — *i.e.*, the number and names of the large territorial divisions (provinces, departments, districts), the number of communes and premises infected at the date on which the bulletin is published, and the number of communes and premises which have become infected during the period under consideration.

#### Article 6.

When an outbreak of cattle plague, swine fever or fowl plague, foot-and-mouth disease, rabies, contagious peri-pneumonia of bovines or dourine is first discovered in the territory of one of the High Contracting Parties, the central veterinary authorities of the other High Contracting Parties must immediately be notified by the chief of the veterinary service of the outbreak of the disease and the position of the various infected centres. Such notification shall be made by telegraph or wireless to all contiguous States and in all cases in which an exchange of animals or animal products takes place between the High Contracting Parties.

The High Contracting Parties further undertake to require their veterinary health authorities of the first instance who are posted at the frontier to notify directly and without delay the corresponding authorities of the other neighbouring High Contracting Parties of the outbreak and extent of the diseases mentioned in the above paragraph and, in addition, of the outbreak and extent of sheep-pox, glanders, and fowl cholera. Such communications must in all urgent cases be made by telegraph without prejudice to the special provisions arising out of bilateral agreements in force between any of the High Contracting Parties.

*Article 7.*

The High Contracting Parties undertake to give favourable consideration to :

(a) The admission of students, professors, lecturers and assistants of the countries of the other High Contracting Parties to the institutions and laboratories of their countries ;

(b) Temporary exchanges of veterinary officers between their various administrations ;

(c) The permanent or temporary establishment of veterinary officers of one High Contracting Party in the territory of another if, in view of the special relations between the countries concerned, substantial advantages might be derived therefrom ;

(d) The organisation of missions for study composed of veterinary officers of one or more of the High Contracting Parties for the purpose of enquiring into the research work or methods pursued in one or other of the countries of the High Contracting Parties, and, on the request of one of the High Contracting Parties, to negotiate direct on such questions.

*Article 8.*

The High Contracting Parties recognise the right of the chiefs of veterinary health services to communicate with one another direct, when difficulties of a veterinary nature arise in connection with the trade in animals and animal products. Copies of all such communications shall be forwarded through diplomatic channels.

The High Contracting Parties undertake to require the chiefs of their veterinary health services to get into touch with the corresponding chiefs of another High Contracting Party if serious difficulties should arise in connection with the trade in live-stock or animal products with such country.

**FINAL PROVISIONS.**

*Article 9 (Settlement of Disputes).*

1. If there should arise between the High Contracting Parties a dispute of any kind relating to the interpretation or application of the present Convention, and if such dispute cannot be satisfactorily settled by diplomacy, it shall be settled in accordance with any applicable agreements in force between the Parties providing for the settlement of international disputes.

2. In case there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the Permanent Court of International Justice if all the Parties to the dispute are Parties to the Protocol of December 16th, 1920, relating to the Statute of that Court and, if any of the Parties to the dispute is not a Party to the Protocol of December 16th, 1920, to an arbitral tribunal constituted in accordance with the Hague Convention of October 18th, 1907, for the Pacific Settlement of International Disputes.

*Article 10 (Languages and Date).*

The present Convention, of which the English and French texts are both authoritative, shall bear this day's date.

*Article 11 (Signature and Ratification).*

1. The present Convention may be signed until ... (one year from the date of its being opened for signature) on behalf of any Member of the League of Nations or any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention for the purpose.

2. The present Convention shall be ratified. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations, who will notify the deposit thereof to all the Members of the League of Nations and to the non-member States referred to in the preceding paragraph.

*Article 12 (Accession).*

1. On and after..... any Member of the League of Nations and any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention may accede to it.

2. The instruments of accession shall be deposited with the Secretary-General of the League of Nations, who will notify such deposit to all the Members of the League of Nations and to the non-member States referred to in the preceding paragraph.

*Article 13 (Entry into Force).*

1. The Secretary-General of the League of Nations will draw up a *procès-verbal* when five ratifications or accessions have been received.

2. A certified true copy of this *procès-verbal* shall be transmitted by the Secretary-General of the League of Nations to all the Members of the League and to all non-members mentioned in Article 12.

*Article 14.*

The present Convention shall be registered by the Secretary-General of the League of Nations ninety days after the date of the *procès-verbal* mentioned in Article 13. It will come into force on that date.

In respect of each Member or non-member State on whose behalf any instrument of ratification or accession is subsequently deposited, the Convention shall come into force ninety days after the date of the deposit of such instrument.

*Article 15 (Duration and Denunciation).*

1. The duration of the present Convention shall be for two years from its entry into force.
2. It shall remain in force for a further period of four years, and subsequently in respect of such Contracting Parties as have not denounced it at least six months before the expiry of the period.
3. The denunciation shall be effected by a written notification addressed to the Secretary-General of the League of Nations, who will inform all the Members of the League and the non-member States referred to in Article 12.

*Article 16 (Application to Colonies, Protectorates etc.).*

1. In the absence of a contrary declaration by one of the High Contracting Parties at the time of signature, ratification or accession, the provisions of the present Convention shall not apply to colonies, protectorates, oversea territories, territories under its suzerainty or territories in respect of which a mandate has been entrusted to it.
2. Nevertheless, the High Contracting Parties reserve the right to sign the Convention or to accede thereto, in accordance with the provisions of Articles 11 and 12, for their colonies, protectorates, oversea territories, territories under their suzerainty or territories in respect of which a mandate has been entrusted to them.
3. They further reserve the right to denounce the Convention separately, in accordance with the provisions of Article 15.

*Article 17 (Revision).*

1. Conferences for the revision of the present Convention may be called with a view to making such changes therein as experience may have shown to be useful.
2. A Conference for the revision of the present Convention shall be called by the Secretary-General of the League of Nations whenever so requested by not less than five of the High Contracting Parties.  
The latter shall indicate succinctly the changes they propose and the reasons for such changes.
3. In default of the unanimous consent of the High Contracting Parties, no demand for the calling of a conference for the revision of the present Convention within less than two years from the entry into force of the Convention or four years from the end of a previous Conference for its revision shall be admissible.
4. The Secretary-General of the League of Nations shall prepare the work of conferences for the revision of the present Convention with the co-operation of the International Office for Contagious Diseases of Animals.

IN FAITH WHEREOF the above-mentioned Plenipotentiaries have signed the present Convention.

DONE at Geneva the . . . . .  
in a single copy, which shall be kept in the archives of the Secretariat of the League of Nations, and of which a certified true copy shall be delivered to all the Members of the League and to the non-member States referred to in Article 12.

DECLARATION ATTACHED.

In proceeding to the signature of the International Convention for the Campaign against Contagious Diseases of Animals dated . . . . . the undersigned declare on behalf of their several Governments that they regard the Government Veterinary Health Service as at present organised in Italy as complying, as an exceptional case, with the requirements of Article 3, paragraph (1), of the said Convention.

II.

**DRAFT INTERNATIONAL CONVENTION CONCERNING THE TRANSIT OF ANIMALS, MEAT AND OTHER PRODUCTS OF ANIMAL ORIGIN.**

[List of Heads of States.]

Being convinced that it is both desirable and necessary to establish a fair balance between the health interests of transit countries, on the one hand, and the legitimate desires of the international trade in animals, meat and other products of animal origin;

Being desirous, on the other hand, of affording the transit of animals, meat and other products of animal origin the fullest measure of freedom consistent with the requirements of veterinary health inspections and public health;

Have appointed as their Plenipotentiaries :

[List of Plenipotentiaries.]

Who, having communicated their full powers, found in good and due form, have agreed upon the following provisions :

*Article 1.*

1. The High Contracting Parties undertake to permit the transit of cattle, horses, asses, mules, etc., pigs, sheep, goats, poultry, and all animal products originating in countries Parties to the International Convention for the Campaign against Contagious Diseases of Animals.

2. The transit of the animals to which paragraph 1 above relates shall be subject to previous notification of the consignments to the veterinary authority designated by the transit country for that purpose, and shall be carried out under the conditions laid down in the articles hereinafter following, due regard being had to the following provisions of the present article.

No notification shall be required for the transit of the animal products to which paragraph 1 above relates.

3. The existence of cattle plague in the country of origin justifies absolute refusal of transit.

The discovery of swine fever, foot-and-mouth disease, sheep-pox or contagious peripneumonia of bovines may justify refusal by the transit countries of the transit of animals susceptible to these diseases, regard being given to the number and position of the centres of infection in the country of origin.

4. In the case of an outbreak of cattle plague in the country of origin, the transit of meat and animal products derived from the various species of ruminants may be prohibited.

5. Transit may in no case be refused for animals and products originating in countries with which the transit country has — at the time the request for transit is made — an import trade in animals and animal products of the same kind.

*Article 2.*

1. In order to be allowed to pass in transit a certificate of origin and health must accompany the animals; this certificate, drawn up in accordance with the principles laid down by the International Office for Contagious Diseases of Animals, shall conform to the specimen attached to the present Convention.

2. Certificates may be drawn up in the language of either the exporting or the importing country. The veterinary authorities of the transit country shall be entitled to demand a translation in case of doubt as to the contents of the document.

*Article 3.*

In principle, animals may only be transported in wagons constructed to prevent the escape or dissemination of excreta and other materials liable to transmit infection. Such animals should at any rate only be conveyed in wagons so constructed as to reduce the dissemination of infectious materials to a minimum.

*Article 4.*

1. The transit of live cattle, horses, asses, mules, etc., pigs, sheep, goats and poultry shall be effected through Customs offices and ports of landing open to traffic of this character. The transit country is entitled to inspect the sanitary condition of the animals passing in transit, check their certificate of origin and health and endorse it accordingly.

2. Except where there is a permanent inspection service at the point of entry selected, the competent veterinary officers for frontier inspection must be given due notice — not later than twenty-four hours before their arrival — of consignments of animals in transit as well as of the number of such animals.

3. Consignments which do not comply with the conditions laid down in Article 2, as well as consignments of animals found by the frontier veterinary surgeons to be affected with,

or suspected of, a contagious disease and consignments of animals which have been conveyed with or been in contact with affected or suspected animals may be refused admittance at the frontier station of entry of the first transit country. The reason for refusal must be stated in the accompanying papers.

4. If the frontier veterinary surgeons of the successive transit countries find that consignments of animals are affected with, or suspected of, a contagious disease, the consignments shall be dealt with in the manner referred to in Article 6, paragraph 2, if the frontier veterinary surgeons of the first transit country found that it was healthy, and provided that this fact was noted and mentioned on the certificates of origin and health.

#### *Article 5.*

Animals in transit may only be unloaded with the permission and under the control of a Government veterinary officer of the transit country or a veterinary surgeon duly authorised for the purpose by the State. They may only be watered, fed, cleaned, or subjected to any treatment in the wagons themselves under veterinary control and subject to the so-called "chain-sealing" system or any other system offering similar guarantees.

With a view to meeting the various difficulties arising in the course of transit, the exporting countries shall take steps to see that the animals are properly loaded and suitably fed and that they receive all necessary attention, in order to avoid unnecessary suffering.

#### *Protocol to Article 5.*

The High Contracting Parties shall take all necessary measures to avoid overloading.

In the loading of ruminants and pigs, the floors of the transporting vehicles shall be covered with proper litter.

Consignments of live animals which are not transported in properly closed portable containers (baskets, boxes, cages, etc.) must be accompanied by a person in charge on long journeys. The latter must not be in charge of a greater number of animals than he can look after.

Transports of live animals must be sent by the quickest route and, as far as possible, by specially accelerated goods trains.

#### *Article 6.*

1. The High Contracting Parties, through whose territory the transit is to be effected, may make the transit subject to a previous undertaking by the country of destination or other transit countries to admit such animals unconditionally.

2. If cattle plague, swine fever, fowl plague, foot-and-mouth disease or contagious peri-pneumonia of cattle is discovered, the transit countries may, at the forwarder's expense, slaughter the infected consignments. In such cases, the circumstances must be clearly stated in a report drawn up by the veterinary officers who took part in the inspection. If there is a veterinary representative of the country of origin in the transit country, he shall be immediately notified in order that he may be present at the slaughter. A copy of the report must be sent to the central veterinary authority of the country of origin by the central veterinary authority of the transit country concerned.

#### *Article 7.*

Meat, fresh, chilled, frozen or preserved in a fresh state otherwise than by cold, as well as meat preparations, must, in order to be allowed to pass in transit, be accompanied by a certificate of origin and of freedom from contamination drawn up in accordance with the provisions of Article 2, paragraph 2.

#### *Article 8.*

1. Meat shall be conveyed in transit by rail in wagons closed and sealed by the Customs authorities, or by boat in isolated compartments, closed and sealed by the Customs authorities.

2. Meat preparations and pork-butcher's wares may also be conveyed in transit in closed packages or cases.

3. Wagons used for the transit of fresh meat must have impermeable floors.

4. As regards the transit of the meat and meat preparations referred to in Article 7, the High Contracting Parties undertake to confine frontier inspection to a simple examination of the certificates. Wagons will usually only be opened if the Customs authorities concerned consider this necessary in order to check the contents.

5. The High Contracting Parties concerned will endeavour as far as possible to arrange for joint inspection of the certificates.

#### *Article 9.*

1. When the transit transport of meat to which Article 7 relates is to be effected through the territory of one or more of the High Contracting Parties and has as its destination the territory of one of the High Contracting Parties, it shall not be subject to any previous authorisation.

2. If a consignment of meat to which Article 7 relates is refused by the country of destination, in respect of which the present Convention is in force, it shall rest with the latter to take such steps as it may consider desirable, other than turning back the consignment on to the territory of the last country of transit.

3. In the case of transit of meat to which Article 7 relates having as its destination a country in respect of which the present Convention is not in force, the High Contracting Parties may make the transit subject to a previous undertaking by the country of destination to admit such meat unconditionally.

4. The same previous undertaking may be required from a transit country in respect of which the present Convention is not in force.

*Article 10.*

The High Contracting Parties undertake to allow animal products other than those referred to in Article 7 to pass also in transit, provided that such products are accompanied, when necessary, by the certificate referred to in that article.

*Article 11.*

The transit of meat and of all other animal products liable to carry infection shall be effected through Customs offices and ports of landing open to traffic of this kind. In selecting these, regard shall be had as far as possible to the legitimate interests of international trade.

*Article 12.*

The Customs offices and ports to which Articles 4 and 11 relate shall be equipped with installations to permit of sanitary duties being efficiently carried out.

*Article 13.*

Should the measures above referred to prove inadequate and should contagious disease be introduced into a country as a result of the transit of live animals, meat or animal products, the country so infected may, while the danger exists, refuse to allow transit from the countries from which the contagion was conveyed.

*Article 14.*

The High Contracting Parties undertake to notify one another without delay of all prohibitions and restrictions affecting the transit of live animals, meat and animal products, or the cancellation of such measures.

*Article 15.*

Nothing in the present Convention shall affect the provisions of any other Convention, Treaty or Agreement at any time concluded between any of the High Contracting Parties, under which more favourable treatment than that laid down in the present Convention for the Transit of Animals, Meat and Other Animal Products is, or may in the future be, granted for the transit of the said animals and products of another High Contracting Party.

**FINAL PROVISIONS.**

*Article 16 (Settlement of Disputes).*

1. If there should arise between the High Contracting Parties a dispute of any kind relating to the interpretation or application of the present Convention and if such dispute cannot be satisfactorily settled by diplomacy, it shall be settled in accordance with any applicable agreements in force between the Parties providing for the settlement of international disputes.

2. In case there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the Permanent Court of International Justice if all the Parties to the dispute are Parties to the Protocol of December 16th, 1920, relating to the Statute of that Court and if any of the Parties to the dispute is not a Party to the Protocol of December 16th, 1920, to an arbitral tribunal constituted in accordance with the Hague Convention of October 18th, 1907, for the Pacific Settlement of International Disputes.

*Article 17 (Languages and Date).*

The present Convention, of which the English and French texts are both authoritative, shall bear this day's date.

*Article 18 (Signature and Ratification).*

1. The present Convention may be signed until . . . (one year from the date of its being opened for signature) on behalf of any Member of the League of Nations or any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention for the purpose.

2. The present Convention shall be ratified. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations.

3. The ratification shall not take effect unless the High Contracting Party is already bound by the International Convention for the Campaign against Contagious Diseases of Animals by a definitive act of ratification or accession and that Party's obligation under the same has already entered into force.

4. The Secretary-General of the League of Nations shall notify the deposit of the instruments of ratification to all Members of the League of Nations and to the non-member

States referred to in paragraph 1 of the present article, at the same time stating whether the condition specified in paragraph 3 is fulfilled.

*Article 19 (Accession).*

1. On and after . . . any Member of the League of Nations and any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention may accede to it.

2. The instruments of accession shall be deposited with the Secretary-General of the League of Nations.

3. Accession shall not take effect unless the High Contracting Party is already bound by the International Convention for the Campaign against Contagious Diseases of Animals by a definitive act of ratification or accession, and that Party's obligation under the same has already entered into force.

4. The Secretary-General of the League of Nations shall notify the deposit of the instruments of ratification to all Members of the League of Nations and to the non-member States referred to in paragraph 1 of the present article, at the same time stating whether the condition specified in paragraph 3 is fulfilled.

*Article 20 (Entry into Force).*

1. The Secretary-General of the League of Nations will draw up a *procès-verbal* when five ratifications or accessions, complying with the condition laid down in paragraph 3 of Article 18 and in paragraph 3 of Article 19, have been received.

2. A certified true copy of this *procès-verbal* shall be transmitted by the Secretary-General of the League of Nations to all the Members of the League and to all non-members mentioned in Article 18.

*Article 21.*

1. The present Convention shall be registered by the Secretary-General of the League of Nations ninety days after the date of the *procès-verbal* mentioned in Article 20. It will come into force on that date.

2. In respect of each Member or non-member on whose behalf any instrument of ratification or accession is subsequently deposited, the Convention shall come into force ninety days after the date of the deposit of such instrument.

*Article 22 (Duration and Denunciation).*

1. The duration of the present Convention shall be for two years from its entry into force.

2. It shall remain in force for a further period of four years, and subsequently in respect of such Contracting Parties as have not denounced at least six months before the expiry of the period.

3. The denunciation shall be effected by a written notification addressed to the Secretary-General of the League of Nations.

4. The present Convention shall cease to be in force when, as a result of denunciation by a High Contracting Party of the International Convention for the Campaign against Contagious Diseases of Animals, the High Contracting Party has ceased, such denunciation having duly taken effect, to be a party to the present Convention.

5. The Secretary-General of the League of Nations shall inform all Members of the League of Nations and non-member States referred to in paragraph 1 of Article 18 of all notices of denunciation of the present Convention or of the International Convention for the Campaign against Contagious Diseases of Animals, denunciation of the latter being counted as denunciation of the present Convention.

*Article 23 (Application to Colonies, Protectorates, etc.).*

1. In the absence of a contrary declaration by one of the High Contracting Parties at the time of signature, ratification or accession, the provisions of the present Convention shall not apply to colonies, protectorates, oversea territories, territories under its suzerainty or territories in respect of which a mandate has been entrusted to it.

2. Nevertheless, the High Contracting Parties reserve the right to sign the Convention or to accede thereto, in accordance with the provisions of Articles 18 and 19, for their colonies, protectorates, oversea territories, territories under their suzerainty or territories in respect of which a mandate has been entrusted to them.

3. They further reserve the right to denounce the Convention separately, in accordance with the provisions of Article 22.

4. The present Convention shall not be applicable to colonies, protectorates, oversea territories, territories under the suzerainty of a High Contracting Party or territories in respect of which a mandate has been entrusted to it if the International Convention for the Campaign against Contagious Diseases of Animals is not in force, or has ceased to be in force in so far as the said High Contracting Party is concerned, in the above-mentioned countries.

*Article 24 (Revision).*

1. Conferences for the revision of the present Convention may be called with a view to making such changes therein as experience may have shown to be useful.



2. A conference for the revision of the present Convention shall be called by the Secretary-General of the League of Nations whenever so requested by not less than five of the High Contracting Parties.

The latter shall indicate succinctly the changes they propose and the reasons for such changes.

3. In default of the unanimous consent of the High Contracting Parties, no demand for the calling of a conference for the revision of the present Convention within less than two years from the entry into force of the Convention or four years from the end of a previous conference for its revision shall be admissible.

4. The Secretary-General of the League of Nations shall prepare the work of conferences for the revision of the present Convention with the co-operation of the International Office for Contagious Diseases of Animals.

IN FAITH WHEREOF the above-mentioned Plenipotentiaries have signed the present Convention.

DONE at Geneva the . . . . .

in a single copy, which shall be kept in the archives of the Secretariat of the League of Nations and of which a certified true copy shall be delivered to all the Members of the League and to non-member States referred to in Article 18.

**Annex.**

**1. SPECIMEN CERTIFICATE OF ORIGIN AND HEALTH.**

I, the undersigned . . . . . [name and qualification of the Government veterinary officer or veterinary surgeon in private practice approved by the State] certify having inspected on . . . . . [date in words of the inspection] the animal/animals hereinunder described :

and found them to be healthy and free from any contagious disease.

I, the undersigned, further certify that there has not been any case of contagious peri-pneumonia, foot-and-mouth disease, sheep-pox, swine fever or fowl plague for the last forty days either in the commune of origin or in neighbouring communes within a radius of twenty kilometres, or in the districts traversed on the way to the place of loading by rail/water.

Done at . . . . . [date in words].

[Signature of veterinary surgeon, stating qualifications.]

[Official stamp or seal.]

**2. SPECIMEN CERTIFICATE OF ORIGIN AND FREEDOM FROM CONTAMINATION.**

I, the undersigned . . . . . [name and qualification of the Government veterinary officer of the State of provenance] certify that the animal products hereinunder described :  
 . . . . . [weight] . . . . .  
 . . . . . [nature of goods] . . . . .  
 marked as under :

consigned from [place of consignment]

by [name and address of consignor]

to [name and address of consignee] in

transport by [form of transport and, if transport is by water, name of vessel]

are entirely derived from animals submitted to veterinary inspection and found in healthy condition before and after slaughter, and contain no preservative substance, and have been prepared and consigned in accordance with the requirements of food hygiene.

Done at . . . . . on [date in full] . . . . .

[Signature of veterinary surgeon, stating qualifications.]

[Official stamp or seal.]

III.

**DRAFT INTERNATIONAL CONVENTION CONCERNING THE EXPORT  
AND IMPORT OF ANIMAL PRODUCTS  
(OTHER THAN MEAT, MEAT PREPARATIONS, FRESH ANIMAL  
PRODUCTS, MILK AND MILK PRODUCTS).**

[List of Heads of States.]

Being desirous of affording the traffic in animal products (other than meat, meat preparations, fresh animal products, milk and milk products) the fullest measure of freedom compatible with the requirements of veterinary inspection and public health ;

Have appointed as their Plenipotentiaries :

[List of Plenipotentiaries.]

Who, having communicated their full powers, found in good and due form,  
Have agreed upon the following provisions :

*Article 1.*

The High Contracting Parties undertake to admit to free traffic such animal products (other than meat, meat preparations, fresh animal products, milk and milk products) as come from countries which have ratified the International Convention for the Campaign against Contagious Diseases of Animals and as are hereinafter specified :

- (a) Hides, dried or salted skins and dried, salted or limed hides for glue ;
- (b) Horns, hoofs, claws, tusks, teeth either dried or having been subjected to a process of scalding, and without particles of soft matter adhering thereto ;
- (c) Bones, dried or boiled, likewise without particles of soft matter adhering thereto, and bone-meal sterilised by steam under pressure ;
- (d) Dried crude wool, woollen waste, wool from tanneries, dried hair of the various animals (bristles, horsehair) in a crude state, dried feathers of every kind, provided that all such products are packed in sacks or covers ;
- (e) Dried or salted guts, dried stomachs and bladders, packed in barrels or boxes, or made up in bales ;
- (f) All products enumerated in the five previous paragraphs, provided that they have undergone any other treatment recognised as adequate, from the point of view of veterinary prophylaxis, by the High Contracting Parties concerned.

Nevertheless, as regards cattle plague, swine fever, foot-and-mouth disease, sheep-pox and anthrax, the High Contracting Parties shall be entitled to make their traffic conditional upon the application of the provisions hereinafter indicated.

*Protocol to Article 1.*

For the purposes of the present article, the terms " dried " and " salted " are exclusively applied to substances completely dried or completely saturated with salt.

*Article 2.*

Should cattle plague appear in the territory of one of the High Contracting Parties, the other High Contracting Parties shall have the right, as long as the danger of infection lasts, to prohibit the import of parts of animals and animal products which might convey infection.

*Article 3.*

If anthrax takes a malignant form or appears in numerous scattered centres, or if swine fever, foot-and-mouth disease or sheep-pox take a malignant or epidemic form in the territory of one of the High Contracting Parties, the other Parties may require that the animal products mentioned in Article 1 shall be accompanied, in order to be admitted on import, by a certificate of origin and freedom from contamination enabling the products to be identified in conformity with the specimen attached to the present Convention.

This certificate must be signed or countersigned by a Government veterinary official or by a veterinary surgeon duly authorised by the State to do so. It may only be issued if the origin and soundness of the products can be certified by veterinary inspection.

When anthrax or sheep-pox are prevalent in the country of origin, the High Contracting Parties may require that the animal products mentioned in Article 1, which may carry

infection, be imported direct to establishments specially authorised for this purpose. The High Contracting Parties shall be entitled to lay down special provisions for the transport of the products to those establishments and their industrial use.

It shall be clearly understood that the measures described above must not be adopted in regard to countries in which anthrax is prevalent in a sporadic form.

*Article 4.*

In addition to the certificate of origin and freedom from contamination mentioned in the previous article, attestations may, in the case of a recrudescence of anthrax in the country of origin, be required on the importation of hides, skins, wool, hair bristles, bones and bone-meal. Such attestations shall indicate that these animal products have been subjected, under the responsibility of the exporting State and by methods recognised by the High Contracting Parties concerned to be of proved effectiveness, either to disinfection or to examination with a view to ascertaining the presence of disease. Special agreements regarding bones and bone-meal shall be necessary if treatment affording adequate guarantees that all anthrax germs have been destroyed appears to be impracticable.

The attestations issued must state very accurately the methods of disinfection or examination employed. They should also indicate the measures taken to prevent, after disinfection, re-infection during transport.

As regards completely salted skins and hides coming from public abattoirs under permanent veterinary supervision, it will be sufficient to produce the certificates of origin and freedom from contamination mentioned in Article 3.

*Article 5.*

When, as a result of the traffic in animals or animal products, an infectious disease (other than rabies, dourine, contagious peri-pneumonia of cattle and glanders), notification of which in the *health bulletin* is obligatory under the International Convention for the Campaign against Contagious Diseases of Animals of . . . . ., has been introduced from the territory of one of the High Contracting Parties into the territory of one of the other Parties, the latter shall have the right, so long as the danger lasts, to prohibit the import of raw material of animal origin which might convey infection.

The High Contracting Parties shall have the same right in the event of one of the diseases mentioned in the preceding paragraph being prevalent in the territory of one of them.

Trade in industrially scoured wool shall be exempt from this provision.

*Article 6.*

In the case of goods covered by a collective sanitary attestation, the veterinary sanitary authorities of the ports, stations and warehouses may issue valid partial attestations to the same effect to accompany re-shipments forming parts of a consignment.

It shall be open to the High Contracting Parties to require a certified copy of the collective sanitary attestation to be attached to the partial attestations.

*Article 7.*

Should the certificates of origin and freedom from contamination or the attestations provided for above not satisfy the requirements laid down in the preceding articles and thus not afford adequate guarantees, importing countries are authorised to refuse consignments at the frontier station, or to require either disinfection on import or examination with a view to ascertaining the presence of disease.

*Article 8.*

If one of the High Contracting Parties discovers that irregularities have occurred, on importation, in the issue of the necessary certificates or attestations, it may prohibit the importation of the products enumerated in Article 1, but it shall at the same time inform the High Contracting Party or Parties concerned — country of origin, of provenance or of transit — in order that they may adopt measures and impose penalties to punish such abuses and prevent their recurrence. If the complainant High Contracting Party considers that the measures adopted by the country or countries concerned do not afford the guarantees that it considers necessary, it may continue to prohibit the importation of the products enumerated in Article 1, originating in or coming from the countries in question. It must nevertheless be prepared to take into consideration the proposals of the other High Contracting Party or Parties intended to allow of the resumption of this trade and to enter into negotiations with them on this subject.

*Article 9.*

Nothing in the present Convention shall affect the provisions of any other Convention, Treaty or Agreement concluded or to be concluded between any of the High Contracting Parties, under which more favourable treatment than that laid down in the present Convention for the export or import of the animal products enumerated in Article 1 is or may in the future be granted for the export or import of the said products of a High Contracting Party.

FINAL PROVISIONS.

*Article 10 (Settlement of Disputes).*

1. If there should arise between the High Contracting Parties a dispute of any kind relating to the interpretation or application of the present Convention and if such dispute cannot be satisfactorily settled by diplomacy, it shall be settled in accordance with any applicable agreements in force between the Parties providing for the settlement of international disputes.

2. In case there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the Permanent Court of International Justice if all the Parties to the dispute are Parties to the Protocol of December 16th, 1920, relating to the Statute of that Court and, if any of the Parties to the dispute is not a Party to the Protocol of December 16th, 1920, to an arbitral tribunal constituted in accordance with the Hague Convention of October 18th, 1907, for the Pacific Settlement of International Disputes.

*Article 11 (Languages and Date).*

The present Convention, of which the English and French texts are both authoritative shall bear this day's date.

*Article 12 (Signature and Ratification).*

1. The present Convention may be signed at any time before one year from its being open to signature on behalf of any member of the League of Nations or any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention for the purpose.

2. The present Convention shall be ratified. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations.

3. The ratification shall not take effect, unless the High Contracting Party is already bound by the International Convention for the Campaign against Contagious Diseases of Animals by a definitive act of ratification or accession, and his obligation under the same has already entered into force.

4. The Secretary-General of the League of Nations shall notify the deposit of the instruments of ratification to all Members of the League of Nations and to the non-member States referred to in paragraph 1 of the present Article, at the same time stating whether the condition specified in paragraph 3 is fulfilled.

*Article 13 (Accession).*

1. On and after..... any Member of the League of Nations and any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention may adhere to it.

2. The instruments of accession shall be deposited with the Secretary-General of the League of Nations.

3. Accession shall not take effect unless the High Contracting Party is already bound by the International Convention for the Campaign against Contagious Diseases of Animals by a definitive act of ratification or accession and his obligation under the same has already entered into force.

4. The Secretary-General of the League of Nations shall notify the deposit of the instruments of ratification to all Members of the League of Nations and to the non-member States referred to in paragraph 1 of the present article, at the same time stating whether the condition specified in paragraph 3 is fulfilled.

*Article 14 (Entry into Force).*

1. The Secretary-General of the League of Nations will draw up a *procès-verbal* when five ratifications or accessions complying with the condition laid down in paragraph 3 of Article 12 and in paragraph 3 of Article 13 have been received.

2. A certified true copy of this *procès-verbal* shall be transmitted by the Secretary-General of the League of Nations to all the Members of the League and to all non-members mentioned in Article 12.

*Article 15.*

1. The present Convention shall be registered by the Secretary-General of the League of Nations ninety days after the date of the *procès-verbal* mentioned in Article 14. It will come into force on that date.

2. In respect of each Member or non-member on whose behalf any instrument of ratification or accession is subsequently deposited, the Convention shall come into force ninety days after the date of the deposit of such instrument.

*Article 16 (Duration and Denunciation).*

1. The duration of the present Convention shall be for two years from its entry into force.

2. It shall remain in force for a further period of four years, and subsequently in respect of such Contracting Parties as have not denounced it at least six months before the expiry of the period.

3. The denunciation shall be effected by a written notification addressed to the Secretary-General of the League of Nations.

4. The present Convention shall cease to be in force when, as a result of denunciation by a High Contracting Party of the International Convention for the Campaign against Contagious Diseases of Animals, the High Contracting Party has ceased, such denunciation having duly taken effect, to be a party to the present Convention.

5. The Secretary-General of the League of Nations shall inform all Members of the League of Nations and non-member States referred to in paragraph 1 of Article 15 of all notices of denunciation of the present Convention or of the International Convention for the

Campaign against Contagious Diseases of Animals, denunciation of the latter being counted as denunciation of the present Convention.

*Article 17 (Application to Colonies, Protectorates, etc.).*

1. In the absence of a contrary declaration by one of the High Contracting Parties at the time of signature, ratification or accession, the provisions of the present Convention shall not apply to colonies, protectorates, oversea territories, territories under its suzerainty or territories in respect of which a mandate has been entrusted to it.

2. Nevertheless, the High Contracting Parties reserve the right to sign the Convention or to accede thereto, in accordance with the provisions of Articles 12 and 13, for their colonies, protectorates, oversea territories, territories under their suzerainty or territories in respect of which a mandate has been confided to them.

3. They further reserve the right to denounce the Convention separately, in accordance with the provisions of Article 16.

4. The present Convention shall not be applicable to colonies, protectorates, oversea territories, territories under the suzerainty of a High Contracting Party or territories in respect of which a mandate has been confided to it, if the International Convention for the Campaign against Contagious Diseases of Animals is not in force, or has ceased to be in force in so far as the said High Contracting Party is concerned in the above-mentioned countries.

*Article 18 (Revision).*

1. Conferences for the revision of the present Convention may be called with a view to making such changes therein as experience may have shown to be useful.

2. A conference for the revision of the present Convention shall be called by the Secretary-General of the League of Nations whenever so requested by not less than five of the High Contracting Parties.

The latter shall indicate succinctly the changes they propose and the reasons for such changes.

3. In default of the unanimous consent of the High Contracting Parties, no demand for the calling of a conference for the revision of the present Convention within less than two years from the entry into force of the Convention or four years from the end of a previous conference for its revision shall be admissible.

**Annex.**

**SPECIMEN CERTIFICATE OF ORIGIN AND FREEDOM FROM CONTAMINATION.**

I, the undersigned [name and qualification of the Government veterinary officer of the State of provenance], certify that the animal products hereinunder described :

[weight]

[nature of goods]

marked as under :

consigned from [place of consignment] by [name and address of consignor] to [name and address of consignee] in transport by [form of transport and, if transport is by water, name of vessel], come from a district in which no anthrax, swine fever, foot-and-mouth disease or sheep-pox are prevalent in malignant or epidemic form, and comply with the conditions in respect of freedom from contamination laid down in Article 1 of the International Convention of.....

Done at . . . . .

on [date in full].

[Signature of veterinary surgeon, stating qualifications.]

[Official stamp or seal.]

[Communiqué au Conseil et  
aux Membres de la Société.]

N° officiel: **C. 77. M. 33.** 1935. II. B.

Genève, le 1<sup>er</sup> mars 1935.

**SOCIÉTÉ DES NATIONS**

I.

**Convention internationale pour la lutte  
contre les maladies contagieuses des animaux**

---

**LEAGUE OF NATIONS**

I.

**International Convention for the Campaign  
against Contagious Diseases of Animals**

---

Série de Publications de la Société des Nations

II. QUESTIONS ÉCONOMIQUES  
ET FINANCIÈRES ✓  
1935. II. B. 1.

## CONVENTION INTERNATIONALE POUR LA LUTTE CONTRE LES MALADIES CONTAGIEUSES DES ANIMAUX

.....

Convaincus qu'une lutte sans trêve et toujours plus efficace contre les maladies contagieuses des animaux ne peut être menée à bonne fin que par une action concertée des pays intéressés ;

Unanimes, d'autre part, à reconnaître que toute action destinée à faciliter les échanges internationaux de bétail et de produits animaux doit porter en tête de son programme l'amélioration des conditions sanitaires vétérinaires par tous les moyens, y compris une collaboration internationale plus étroite et plus fréquente ;

Ont désigné pour leurs plénipotentiaires :

.....

Lesquels, après avoir produit leurs pleins pouvoirs trouvés en bonne et due forme, sont convenus des dispositions suivantes :

### *Article premier.*

Les Hautes Parties contractantes prendront les mesures législatives et administratives nécessaires pour assurer une action concertée et efficace contre l'apparition et la diffusion des maladies contagieuses des animaux.

Ces mesures devront spécialement viser :

1° La surveillance des divers effectifs d'animaux domestiques, celle de tous les établissements offrant un intérêt spécial pour la lutte contre les épizooties, tels que les abattoirs, les ateliers d'équarrissage, les marchés aux bestiaux ou aux viandes, les établissements d'engraissement, les laiteries, les étables des auberges, des commerçants et des relais, les établissements utilisant des produits animaux ; le contrôle de la production et du commerce des sérums, des virus et des cultures microbiennes atténuées ou non et des produits biologiques diagnostiques, celle de tous moyens de transport, des lieux d'embarquement, de débarquement des animaux et des stations de quarantaine ;

2° La constatation de l'apparition des maladies contagieuses des animaux, ainsi que l'indication des localités atteintes ;

3° Les moyens de prévention et de lutte contre les maladies contagieuses des animaux ;

4° La réglementation des transports sous toutes leurs formes, notamment au point de vue de la désinfection des véhicules ;

5° Les sanctions à prendre en cas d'infraction aux mesures édictées.

### *Article 2.*

Les Hautes Parties contractantes s'engagent à créer, au cas où elle n'existerait pas encore, et à entretenir dans leurs pays respectifs, une organisation sanitaire vétérinaire officielle destinée à assurer l'exécution des mesures visées à l'article premier. Cette organisation officielle comprendra en principe :

1° Un service sanitaire vétérinaire d'Etat ayant notamment pour mission :

a) La surveillance des lieux et établissements visés à l'article premier, en vue de constater l'apparition et l'évolution des maladies contagieuses des animaux ;

b) L'application des mesures relatives aux maladies contagieuses des animaux ainsi que de celles destinées à les prévenir et à les combattre ;

c) L'inspection des animaux et des produits animaux ;

d) La délivrance des certificats concernant l'origine et l'état sanitaire des animaux ou l'origine et la salubrité des produits animaux.

2. Des établissements d'enseignement et de recherches propres à la formation du personnel des services sanitaires vétérinaires ; des laboratoires scientifiques nécessaires au bon fonctionnement de ces services.

**INTERNATIONAL CONVENTION FOR THE CAMPAIGN  
AGAINST CONTAGIOUS DISEASES OF ANIMALS**

.....

Being convinced that an unceasing and increasingly effective campaign against contagious diseases of animals can only be successfully prosecuted by concerted action by the countries concerned ;

Recognising unanimously, moreover, that, in any action intended to facilitate international trade in live-stock and animal products, the first item in the programme must be the improvement of veterinary health conditions by every possible means, including closer and more frequent international co-operation ;

Have appointed as their Plenipotentiaries :

.....

Who, having communicated their full powers, found in good and due form, have agreed upon the following provisions :

*Article 1.*

The High Contracting Parties undertake to enact the necessary legislation and take the necessary administrative measures for ensuring joint and effective action against the appearance and spread of contagious diseases of animals.

These measures should more particularly provide for :

- (1) Control over farm animals and over establishments which are of special importance in the campaign against animal diseases, such as slaughter-houses, knackers' yards, cattle and meat markets, fattening establishments, dairies, the stables of inns, traders and relay stations, establishments utilising animal products ; supervision over the production of and trade in sera, viruses and microbe cultures, whether attenuated or not, and biological diagnostic products ; supervision over the means of transport and of loading and unloading places and quarantine stations ;
- (2) The discovery of any outbreak of contagious disease of animals, together with an indication of the areas infected ;
- (3) The methods of preventing and dealing with contagious diseases of animals ;
- (4) The regulation of transport in all its forms, and particularly with a view to the disinfection of vehicles ;
- (5) The penalties to be imposed in the event of an infringement of the measures enacted.

*Article 2.*

The High Contracting Parties undertake to establish and maintain in their respective countries, where not already existing, an official veterinary health organisation to ensure the execution of the measures referred to in Article 1. In principle, this official organisation should comprise :

- (1) A Government veterinary health service, the chief functions of which would be :
  - (a) To supervise the places and establishments referred to in Article 1 for the purpose of ascertaining the outbreak and development of contagious diseases of animals ;
  - (b) To apply the measures concerning contagious diseases of animals, as well as measures for preventing and combating these diseases ;
  - (c) To inspect animals and animal products ;
  - (d) To issue certificates regarding the origin and health of animals and the origin and soundness of animal products ;
- (2) Teaching and research institutions for the training of the personnel of veterinary health services ; scientific laboratories necessary for the satisfactory working of these services.



### Article 3.

Les services sanitaires vétérinaires de chacune des Hautes Parties contractantes seront organisés suivant les principes énumérés ci-dessous, reconnus comme essentiels et indispensables pour l'organisation régulière d'un service vétérinaire :

1° Le service sanitaire vétérinaire d'Etat doit être placé sous la direction d'un chef vétérinaire responsable, relevant directement du ministre compétent.

2° Le nombre et les attributions des vétérinaires d'Etat et des vétérinaires agréés par l'Etat pour certaines fonctions officielles doivent garantir, compte tenu de l'importance de l'élevage et de l'étendue du terrain cultivé, et de l'intensité du trafic, l'exercice d'un contrôle vétérinaire sanitaire efficace et rapide sur toute l'étendue du territoire, divisé en circonscriptions sanitaires géographiquement définies, ainsi que sur la totalité des animaux domestiques.

Ce service sanitaire vétérinaire doit permettre à l'Etat d'attester l'origine et, conformément aux connaissances scientifiques, les conditions sanitaires des animaux et des produits animaux destinés à l'exportation. Il disposera d'un personnel proportionné à l'importance du cheptel à surveiller.

3° Les vétérinaires d'Etat, et ceux qui seraient agréés pour certaines fonctions, doivent être pourvus d'un diplôme d'études vétérinaires d'Etat ou reconnu par l'Etat.

Ne peuvent être considérés comme vétérinaires d'Etat que les vétérinaires fonctionnaires d'Etat indemnisés par lui.

D'autres vétérinaires que les fonctionnaires d'Etat peuvent être chargés exceptionnellement de certaines interventions sanitaires, à cette condition que l'Etat soit responsable de leurs interventions.

4° Le contrôle sanitaire vétérinaire aux frontières ne doit être exercé que par des vétérinaires d'Etat ou agréés par lui à cet effet.

5° a) L'inspection des viandes destinées à la vente et à la consommation publique doit être confiée, en principe, à des vétérinaires placés sous le contrôle des services vétérinaires de l'Etat.

b) Le contrôle sanitaire vétérinaire des viandes et des préparations de viande destinées à l'exportation sera exercé par des vétérinaires de l'Etat ou agréés par lui à cet effet.

### Article 4.

L'existence d'une organisation sanitaire vétérinaire conforme aux dispositions des articles 2 et 3 sera notifiée par chacune des Hautes Parties contractantes à l'aide d'un mémoire résumant les modalités essentielles de l'organisation et remis au plus tard au moment du dépôt de la ratification au Secrétaire général de la Société des Nations, qui en informera les autres Hautes Parties contractantes.

### Article 5.

Les Hautes Parties contractantes, s'inspirant des recommandations de l'Office international des épizooties, s'engagent à publier régulièrement un bulletin sanitaire vétérinaire répondant aux modalités fixées ci-après :

1° Les bulletins sanitaires vétérinaires devront être publiés le 1<sup>er</sup> et le 15 de chaque mois et fournir tous les renseignements concernant la quinzaine précédente.

2° Ils devront être échangés entre les autorités vétérinaires centrales sans avoir recours à la voie diplomatique.

3° Ils donneront tous renseignements statistiques sur les maladies désignées ci-après : peste bovine (*Pestis bovum*), fièvre aphteuse (*Aphthæ epizootiæ*), péripneumonie contagieuse (*Pleuro-pneumonia bovum contagiosa*), fièvre charbonneuse (*Anthrax*), clavelée (*Variola ovium*), rage (*Rabies*), morve (*Malleus*), dourine (*Exanthema coilale paralyticum*), peste porcine (*Pestis suum*).

4° Chaque pays pourra donner en outre des renseignements statistiques ou autres concernant d'autres maladies.

Le bulletin sanitaire vétérinaire devra nécessairement indiquer la situation sanitaire vétérinaire à la date de la publication : c'est-à-dire le nombre et l'indication des grandes divisions territoriales (provinces, départements, districts), le nombre des communes et exploitations infectées à la date de la parution du bulletin et celui des communes et exploitations nouvellement infectées dans la période considérée.

*Article 3.*

The High Contracting Parties undertake to organise their respective veterinary health services on the principles specified hereinafter and recognised as essential for the proper organisation of a veterinary service :

(1) The Government veterinary health service should be under the authority of a chief veterinary officer directly responsible to the competent Minister.

(2) The number and the duties of Government veterinary officers and of veterinary surgeons approved by the State for certain official duties should, regard being had to the extent of stock-breeding, the area of land under cultivation, and the volume of traffic, be such as to ensure effective and rapid veterinary supervision of the whole territory, which should be divided up into definite geographical sanitary districts, as well as of all the domestic animals.

This veterinary health service should enable the State to determine the origin and, so far as scientific knowledge permits, the state of health of animals and the soundness of animal products intended for export. The personnel should be in proportion to the quantity of live-stock to be supervised.

(3) Government veterinary officers or veterinary surgeons approved for certain duties should hold a State diploma in veterinary medicine or a diploma recognised by the State.

Only veterinary surgeons who are employed and paid by the State may be regarded as Government veterinary officers.

In exceptional cases, other veterinary surgeons may be entrusted with certain duties provided that the State is responsible for any action they may take.

(4) Veterinary inspection at the frontiers should be carried out only by Government veterinary officers or veterinary surgeons approved by the State for that purpose.

(5) (a) In principle, the inspection of meat intended for sale and public consumption must be entrusted to approved veterinary surgeons placed under the supervision of the Government veterinary service.

(b) Veterinary health inspection of meat and meat preparations intended for export must be carried out by Government veterinary officers or veterinary surgeons approved by the State for that purpose.

*Article 4.*

The existence of a veterinary health organisation in conformity with the provisions of Articles 2 and 3 shall be notified by each of the High Contracting Parties by means of a memorandum, summarising the main features of the organisation and forwarded, at latest at the moment of depositing the ratification of the Convention, to the Secretary-General of the League of Nations, who will notify the other High Contracting Parties thereof.

*Article 5.*

The High Contracting Parties undertake on the basis of the recommendations of the International Office for Contagious Diseases of Animals to publish regularly a veterinary health bulletin in accordance with the rules laid down below :

(1) The veterinary health bulletins should be published on the 1st and 15th of each month and give all information for the previous fortnight.

(2) They should be exchanged between the central veterinary authorities without recourse to diplomatic channels.

(3) They should give all statistical information regarding the following diseases : cattle plague (*Pestis bovum*), foot-and-mouth disease (*Aphthæ epizootiæ*), contagious peri-pneumonia (*Pleuro-pneumonia bovum contagiosa*), anthrax fever (*Anthrax*), sheep-pox (*Variola ovium*), rabies, glanders (*Malleus*), dourine (*Exanthema coilale paralyticum*), swine fever (*Pestis suum*).

(4) Each country may also give statistical or other information regarding other diseases.

The veterinary health bulletins should necessarily indicate the veterinary health situation on the date of publication — *i.e.*, the number and names of the large territorial divisions (provinces, departments, districts), the number of communes and premises infected at the date on which the bulletin is published, and the number of communes and premises which have become infected during the period under consideration.

*Article 6.*

Lorsque, sur le territoire de l'une des Hautes Parties contractantes, on constate la première apparition de la peste bovine, porcine ou aviaire, de la fièvre aphteuse, de la rage, de la péripneumonie contagieuse des bovidés ou de la dourine, l'autorité centrale vétérinaire des autres Hautes Parties contractantes sera immédiatement informée par la direction du Service vétérinaire de l'apparition de la maladie et de la répartition de ses foyers. Cette communication sera faite par voie télégraphique ou radiotélégraphique aux Etats immédiatement voisins et dans tous les cas où des échanges d'animaux ou de produits d'origine animale ont lieu entre les Hautes Parties contractantes.

De plus les Hautes Parties contractantes s'engagent à exiger de leurs autorités sanitaires vétérinaires du premier degré établies à la frontière qu'elles communiquent directement et sans retard aux autorités correspondantes des autres Hautes Parties contractantes limitrophes l'apparition et l'extension dans les zones de leurs attributions, des maladies visées dans l'alinéa précédent et, en outre, l'apparition et l'extension de la clavelée, de la morve et du choléra aviaire. Ces communications doivent être faites, dans tous les cas d'urgence, par voie télégraphique, sans préjudice des dispositions spéciales résultant d'accords bilatéraux en vigueur entre certaines des Hautes Parties contractantes.

*Article 7.*

Les Hautes Parties contractantes s'engagent à favoriser :

- a) L'admission d'étudiants, de professeurs, d'agréés et d'assistants des pays des autres Hautes Parties contractantes dans les institutions et laboratoire de leurs pays ;
- b) Les échanges temporaires de fonctionnaires vétérinaires entre leurs différentes administrations ;
- c) L'établissement permanent ou temporaire de fonctionnaires vétérinaires d'une Haute Partie contractante sur le territoire d'une autre si, pour les relations particulières entre les pays en cause, de sérieux avantages peuvent en résulter ;
- d) L'organisation de missions d'étude composées de fonctionnaires vétérinaires d'une ou de plusieurs Hautes Parties contractantes en vue de suivre les études ou méthodes en cours dans l'un ou l'autre des pays des Hautes Parties contractantes, et, à ce sujet, d'entrer en pourparlers directs dès qu'une demande émanant d'une des Hautes Parties contractantes leur sera adressée.

*Article 8.*

Les Hautes Parties contractantes reconnaissent le droit des directions des services sanitaires vétérinaires de s'informer directement entre elles des difficultés d'ordre vétérinaire qui surgissent dans les échanges réciproques des animaux et des produits d'origine animale. Copie de toutes ces communications sera transmise par la voie diplomatique.

Les Hautes Parties contractantes s'engagent à exiger de leurs directions des services sanitaires vétérinaires qu'elles se mettent en rapport avec les directions correspondantes d'une autre Haute Partie contractante si des difficultés sérieuses surgissent dans les échanges réciproques du bétail ou des produits animaux avec ce pays.

DISPOSITIONS FINALES.

*Article 9 (Règlement des différends).*

1. S'il s'élève entre les Hautes Parties contractantes un différend quelconque relatif à l'interprétation ou à l'application de la présente Convention et si ce différend n'a pu être résolu de façon satisfaisante par voie diplomatique, il sera réglé conformément aux dispositions en vigueur entre les parties concernant le règlement des différends internationaux.

2. Au cas où de telles dispositions n'existeraient pas entre les parties au différend, elles le soumettront à une procédure arbitrale ou judiciaire. A défaut d'un accord sur le choix d'un autre tribunal, elles soumettront le différend, à la requête de l'une d'elles, à la Cour permanente de Justice internationale, si elles sont toutes parties au Protocole du 16 décembre 1920, relatif au Statut de ladite Cour, et, si elles n'y sont pas toutes parties, à un tribunal d'arbitrage constitué conformément à la Convention de La Haye du 18 octobre 1907 pour le règlement pacifique des conflits internationaux.

*Article 10 (Langues, date).*

La présente Convention, dont les textes français et anglais feront également foi, portera la date de ce jour.

*Article 6.*

When an outbreak of cattle plague, swine fever or fowl plague, foot-and-mouth disease, rabies, contagious peri-pneumonia of bovines or dourine is first discovered in the territory of one of the High Contracting Parties, the central veterinary authorities of the other High Contracting Parties must immediately be notified by the chief of the veterinary service of the outbreak of the disease and the position of the various infected centres. Such notification shall be made by telegraph or wireless to all contiguous States and in all cases in which an exchange of animals or animal products takes place between the High Contracting Parties.

The High Contracting Parties further undertake to require their veterinary health authorities of the first instance who are posted at the frontier to notify directly and without delay the corresponding authorities of the other neighbouring High Contracting Parties of the outbreak and extent of the diseases mentioned in the above paragraph and, in addition, of the outbreak and extent of sheep-pox, glanders, and fowl cholera. Such communications must in all urgent cases be made by telegraph without prejudice to the special provisions arising out of bilateral agreements in force between any of the High Contracting Parties.

*Article 7.*

The High Contracting Parties undertake to give favourable consideration to :

(a) The admission of students, professors, lecturers and assistants of the countries of the other High Contracting Parties to the institutions and laboratories of their countries ;

(b) Temporary exchanges of veterinary officers between their various administrations ;

(c) The permanent or temporary establishment of veterinary officers of one High Contracting Party in the territory of another if, in view of the special relations between the countries concerned, substantial advantages might be derived therefrom ;

(d) The organisation of missions for study composed of veterinary officers of one or more of the High Contracting Parties for the purpose of enquiring into the research work or methods pursued in one or other of the countries of the High Contracting Parties, and, on the request of one of the High Contracting Parties, to negotiate direct on such questions.

*Article 8.*

The High Contracting Parties recognise the right of the chiefs of veterinary health services to communicate with one another direct, when difficulties of a veterinary nature arise in connection with the trade in animals and animal products. Copies of all such communications shall be forwarded through diplomatic channels.

The High Contracting Parties undertake to require the chiefs of their veterinary health services to get into touch with the corresponding chiefs of another High Contracting Party if serious difficulties should arise in connection with the trade in live-stock or animal products with such country.

**FINAL PROVISIONS.**

*Article 9 (Settlement of Disputes).*

1. If there should arise between the High Contracting Parties a dispute of any kind relating to the interpretation or application of the present Convention, and if such dispute cannot be satisfactorily settled by diplomacy, it shall be settled in accordance with any applicable agreements in force between the Parties providing for the settlement of international disputes.

2. In case there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the Permanent Court of International Justice if all the Parties to the dispute are Parties to the Protocol of December 16th, 1920, relating to the Statute of that Court and, if any of the Parties to the dispute is not a Party to the Protocol of December 16th, 1920, to an arbitral tribunal constituted in accordance with the Hague Convention of October 18th, 1907, for the Pacific Settlement of International Disputes.

*Article 10 (Languages and Date).*

The present Convention, of which the English and French texts are both authoritative, shall bear this day's date.

*Article 11 (Signature, ratification).*

1. La présente Convention pourra être signée jusqu'au 15 février 1936 au nom de tout Membre de la Société des Nations ou de tout Etat non membre auquel le Conseil de la Société des Nations aura communiqué à cet effet copie de la présente Convention.
2. La présente Convention sera ratifiée. Les instruments de ratification seront déposés auprès du Secrétaire général de la Société des Nations, qui en notifiera le dépôt à tous les Membres de la Société des Nations et aux Etats non membres visés au paragraphe précédent.

*Article 12 (Adhésion).*

1. A partir du 16 février 1936, tout Membre de la Société des Nations et tout Etat non membre auquel le Conseil de la Société des Nations aura communiqué copie de la présente Convention pourra y adhérer.
2. Les instruments d'adhésion seront déposés auprès du Secrétaire général de la Société des Nations, qui en notifiera le dépôt à tous les Membres de la Société des Nations et aux Etats non membres visés au paragraphe précédent.

*Article 13 (Entrée en vigueur).*

1. Un procès-verbal sera dressé par le Secrétaire général de la Société des Nations dès que cinq ratifications ou adhésions auront été déposées.
2. Une copie certifiée conforme de ce procès-verbal sera remise à chacun des Membres de la Société des Nations et à tout Etat non membre visé à l'article 11 par les soins du Secrétaire général de la Société des Nations.

*Article 14.*

1. La présente Convention sera enregistrée par les soins du Secrétaire général de la Société des Nations quatre-vingt-dix jours après la date du procès-verbal visé à l'article 13. Elle entrera alors en vigueur.
2. A l'égard de chacun des Membres ou Etats non membres au nom desquels un instrument de ratification ou d'adhésion sera ultérieurement déposé, la Convention entrera en vigueur le quatre-vingt-dixième jour après la date du dépôt de cet instrument.

*Article 15 (Durée, dénonciation).*

1. La présente Convention aura une durée de deux ans à partir de sa mise en vigueur.
2. Elle restera en vigueur pour une nouvelle période de quatre ans et ainsi de suite vis-à-vis des Parties contractantes qui ne l'auront pas dénoncée six mois au moins avant l'expiration du terme.
3. La dénonciation se fera par notification écrite adressée au Secrétaire général de la Société des Nations, qui en informera tous les Membres de la Société et les Etats non membres mentionnés à l'article 11.

*Article 16 (Application aux colonies, protectorats, etc.).*

1. Sauf déclaration contraire d'une Haute Partie contractante lors de la signature, lors de la ratification ou lors de l'adhésion, les dispositions de la présente Convention ne s'appliquent pas aux colonies, protectorats, territoires d'outre-mer, territoires placés sous sa suzeraineté ou territoires pour lesquels un mandat lui a été confié.
2. Cependant les Hautes Parties contractantes se réservent le droit de signer la Convention ou d'y adhérer suivant les conditions des articles 11 et 12 pour leurs colonies, protectorats, territoires d'outre-mer, territoires placés sous leur suzeraineté ou territoires pour lesquels un mandat leur a été confié.
3. Elles se réservent également le droit de la dénoncer séparément suivant les conditions de l'article 15.

*Article 17 (Révision).*

1. Des conférences de révision pourront être convoquées en vue d'apporter à la Convention les changements dont l'expérience aurait fait apparaître l'utilité.
2. Une conférence de révision sera convoquée par le Secrétaire général de la Société des Nations chaque fois que la demande lui en sera faite au moins par cinq des Hautes Parties contractantes.  
Celles-ci indiqueront sommairement les changements qu'elles proposent et les motifs de ces changements.
3. A moins que l'unanimité des Hautes Parties contractantes n'y consente, aucune demande visant la convocation d'une conférence de révision qui se tiendrait moins de deux ans après la mise en vigueur de la Convention ou quatre ans après la clôture d'une précédente conférence de révision ne sera recevable.
4. Le Secrétaire général de la Société des Nations préparera avec le concours de l'Office international des épizooties les travaux des conférences de révision.

*Article 11 (Signature and Ratification).*

1. The present Convention may be signed until February 15th, 1936, on behalf of any Member of the League of Nations or any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention for the purpose.

2. The present Convention shall be ratified. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations, who will notify the deposit thereof to all the Members of the League of Nations and to the non-member States referred to in the preceding paragraph.

*Article 12 (Accession).*

1. On and after February 16th, 1936, any Member of the League of Nations and any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention may accede to it.

2. The instruments of accession shall be deposited with the Secretary-General of the League of Nations, who will notify such deposit to all the Members of the League of Nations and to the non-member States referred to in the preceding paragraph.

*Article 13 (Entry into Force).*

1. The Secretary-General of the League of Nations will draw up a *procès-verbal* when five ratifications or accessions have been received.

2. A certified true copy of this *procès-verbal* shall be transmitted by the Secretary-General of the League of Nations to all the Members of the League and to all non-member States mentioned in Article 11.

*Article 14.*

1. The present Convention shall be registered by the Secretary-General of the League of Nations ninety days after the date of the *procès-verbal* mentioned in Article 13. It will come into force on that date.

2. In respect of each Member or non-member State on whose behalf any instrument of ratification or accession is subsequently deposited, the Convention shall come into force ninety days after the date of the deposit of such instrument.

*Article 15 (Duration and Denunciation).*

1. The duration of the present Convention shall be for two years from its entry into force.

2. It shall remain in force for a further period of four years, and subsequently in respect of such Contracting Parties as have not denounced it at least six months before the expiry of the period.

3. The denunciation shall be effected by a written notification addressed to the Secretary-General of the League of Nations, who will inform all the Members of the League and the non-member States referred to in Article 11.

*Article 16 (Application to Colonies, Protectorates, etc.).*

1. In the absence of a contrary declaration by one of the High Contracting Parties at the time of signature, ratification or accession, the provisions of the present Convention shall not apply to colonies, protectorates, overseas territories, territories under its suzerainty or territories in respect of which a mandate has been entrusted to it.

2. Nevertheless, the High Contracting Parties reserve the right to sign the Convention or to accede thereto, in accordance with the provisions of Articles 11 and 12, for their colonies, protectorates, overseas territories, territories under their suzerainty or territories in respect of which a mandate has been entrusted to them.

3. They further reserve the right to denounce the Convention separately, in accordance with the provisions of Article 15.

*Article 17 (Revision).*

1. Conferences for the revision of the present Convention may be called with a view to making such changes therein as experience may have shown to be useful.

2. A Conference for the revision of the present Convention shall be called by the Secretary-General of the League of Nations whenever so requested by not less than five of the High Contracting Parties.

The latter shall indicate succinctly the changes they propose and the reasons for such changes.

3. In default of the unanimous consent of the High Contracting Parties, no demand for the calling of a conference for the revision of the present Convention within less than two years from the entry into force of the Convention or four years from the end of a previous Conference for its revision shall be admissible.

4. The Secretary-General of the League of Nations shall prepare the work of conferences for the revision of the present Convention with the co-operation of the International Office for Contagious Diseases of Animals.

EN FOI DE QUOI les plénipotentiaires sus-  
mentionnés ont signé la présente Convention.

IN FAITH WHEREOF the above-mentioned  
Plenipotentiaries have signed the present  
Convention.

FAIT à Genève le vingt février mil neuf  
cent trente-cinq, en un seul exemplaire, qui  
sera conservé dans les archives du Secrétariat  
de la Société des Nations et dont copie  
certifiée conforme sera remise à tous les Mem-  
bres de la Société et aux Etats non membres  
visés à l'article 11.

DONE at Geneva on the twentieth day  
of February, one thousand nine hundred and  
thirty-five, in a single copy, which shall be  
kept in the archives of the Secretariat of the  
League of Nations, and of which a certified  
true copy shall be delivered to all the Mem-  
bers of the League and to the non-member  
States referred to in Article 11.

BULGARIE

N. ANTONOFF

BULGARIA

FRANCE

V. DROUIN

FRANCE

ITALIE

C. BISANTI

ITALY

LETTONIE

J. FELDMANS.

LATVIA

PAYS-BAS

Pour le Royaume en Europe<sup>1</sup>  
C. VAN RAPPARD.

THE NETHERLANDS

<sup>1</sup> Translation:  
For the Kingdom in Europe.

POLOGNE

Titus KOMARNICKI

POLAND

ROUMANIE

C. ANTONIADE

ROUMANIA

SUISSE

FLÜCKIGER

SWITZERLAND

TCHÉCOSLOVAQUIE

Rodolphe KŮNZL-JIZERSKÝ.

CZECHOSLOVAKIA

Copie certifiée conforme.

Certified true copy.

Pour le Secrétaire général :

For the Secretary-General :

*Conseiller juridique du  
Secrétariat.*

*Legal Adviser of the  
Secretariat.*

---



## DÉCLARATION ANNEXE

Au moment de procéder à la signature de la Convention internationale pour la lutte contre les maladies contagieuses des animaux portant la date du 20 février 1935, les soussignés déclarent au nom de leurs gouvernements respectifs qu'ils considèrent, à titre exceptionnel, que le service sanitaire vétérinaire d'Etat, tel qu'il est actuellement organisé en Italie, répond aux exigences des prescriptions de l'article 3, chiffre 1), de ladite Convention.

EN FOI DE QUOI les soussignés ont signé la présente Déclaration.

FAIT à Genève, le vingt février mil neuf cent trente-cinq, en un seul exemplaire, qui sera conservé dans les archives du Secrétariat de la Société des Nations et dont copie certifiée conforme sera remise à tous les Membres de la Société et aux Etats non membres visés à l'article 11 de la Convention.

## DECLARATION ATTACHED

In proceeding to the signature of the International Convention for the Campaign against Contagious Diseases of Animals dated February 20th, 1935, the undersigned declare on behalf of their respective Governments that they regard the Government Veterinary Health Service as at present organised in Italy as complying, as an exceptional case, with the requirements of Article 3, paragraph (1), of the said Convention.

IN FAITH WHEREOF the undersigned have signed the present Declaration.

DONE at Geneva on the twentieth day of February, one thousand nine hundred and thirty-five, in a single copy, which shall be kept in the archives of the Secretariat of the League of Nations, and of which a certified true copy shall be delivered to all the Members of the League and to the non-member States referred to in Article 11.

BULGARIE

N. ANTONOFF

BULGARIA

FRANCE

V. DROUIN

FRANCE

ITALIE

C. BISANTI

ITALY

LETTONIE

J. FELDMANS.

LATVIA

PAYS-BAS

C. VAN RAPPARD.

THE NETHERLANDS

POLOGNE

Titus KOMARNICKI

POLAND

ROUMANIE

C. ANTONIADE

ROUMANIA

SUISSE

FLÜCKIGER

SWITZERLAND

TCHÉCOSLOVAQUIE

Rodolphe KÜNZL-JIZERSKÝ.

CZECHOSLOVAKIA

Copie certifiée conforme.

Certified true copy.

Pour le Secrétaire général :

For the Secretary-General :

*Conseiller juridique du  
Secrétariat.*

*Legal Adviser of the  
Secretariat.*

Genève, le 1<sup>er</sup> mars 1935.

SOCIÉTÉ DES NATIONS

II.

**Convention internationale concernant le transit  
des animaux, des viandes et des autres produits  
d'origine animale**

---

LEAGUE OF NATIONS

II.

**International Convention concerning the Transit  
of Animals, Meat and Other Products of Animal Origin**

---

## CONVENTION INTERNATIONALE CONCERNANT LE TRANSIT DES ANIMAUX, DES VIANDES ET DES AUTRES PRODUITS D'ORIGINE ANIMALE

.....

Convaincus qu'il est désirable et nécessaire d'établir un juste équilibre entre les préoccupations sanitaires des pays transitaires, d'une part, et les désirs légitimes du commerce international des animaux, viandes et autres produits d'origine animale ;

Désireux, d'autre part, d'accorder au transit des animaux, des viandes et autres produits d'origine animale, la plus grande liberté compatible avec les exigences de la police vétérinaire et de l'hygiène publique ;

Ont désigné pour leurs plénipotentiaires :

.....

Lesquels, après avoir produit leurs pleins pouvoirs trouvés en bonne et due forme, sont convenus des dispositions suivantes :

### *Article premier.*

1. Les Hautes Parties contractantes s'engagent à permettre le transit des bovidés, des solipèdes, des porcs, des moutons, des chèvres, de la volaille et de tous produits animaux originaires des pays entre lesquels est en vigueur la Convention internationale pour la lutte contre les maladies contagieuses des animaux.

2. Le transit des animaux visé au chiffre 1 ci-dessus est subordonné à la notification préalable des envois faite à l'autorité vétérinaire désignée par le pays transité pour recevoir ladite notification et il s'effectuera dans les conditions déterminées aux articles suivants, compte tenu des dispositions ci-après du présent article.

Aucune notification n'est exigée pour le transit des produits animaux visés au chiffre 1 ci-dessus.

3. L'existence dans le pays d'origine de la peste bovine autorise le refus absolu de transiter. La constatation de la peste porcine, de la fièvre aphteuse, de la clavelée, ou de la péri-pneumonie contagieuse des bovidés peut justifier, de la part du pays à transiter, le refus du transit des animaux réceptifs, tout compte étant tenu du nombre et de la répartition des foyers de ces infections dans le pays d'origine.

4. En cas d'apparition de la peste bovine, dans le pays d'origine, le transit des viandes et produits animaux provenant des diverses espèces de ruminants peut être interdit.

5. Le transit ne pourra en aucun cas être refusé pour les animaux et produits originaires de pays avec lesquels le pays transitaire entretient — au moment de la demande de transit — un commerce d'importation ayant pour objet les animaux et produits d'origine animale de la même espèce.

### *Article 2.*

1. Pour être admis au transit, un certificat d'origine et de santé doit accompagner les animaux ; ce certificat, inspiré des principes fixés par l'Office international des épizooties, sera conforme au modèle annexé à la présente Convention.

2. Les certificats pourront être établis, soit dans la langue du pays exportateur, soit dans la langue du pays importateur, les autorités vétérinaires du pays transitaire conservant, en cas de doute sur la teneur du document, la faculté d'en réclamer une traduction.

### *Article 3.*

En principe, les animaux ne doivent être transportés que dans des fourgons construits de telle façon que la chute et la projection des excréments et des matières pouvant servir de véhicules à la contagion soient rendues impossibles. Tout au moins, ces animaux ne devront-ils être expédiés que dans des fourgons munis d'aménagements réduisant au minimum la dispersion des éléments dangereux.

INTERNATIONAL CONVENTION CONCERNING  
THE TRANSIT OF ANIMALS, MEAT AND OTHER PRODUCTS  
OF ANIMAL ORIGIN

.....

Being convinced that it is both desirable and necessary to establish a fair balance between the health interests of transit countries, on the one hand, and the legitimate desires of the international trade in animals, meat and other products of animal origin ;

Being desirous, on the other hand, of affording the transit of animals, meat and other products of animal origin the fullest measure of freedom consistent with the requirements of veterinary health inspections and public health ;

Have appointed as their Plenipotentiaries :

.....

Who, having communicated their full powers, found in good and due form, have agreed upon the following provisions :

*Article 1.*

1. The High Contracting Parties undertake to permit the transit of cattle, horses, asses, mules, etc., pigs, sheep, goats, poultry, and all animal products originating in countries Parties to the International Convention for the Campaign against Contagious Diseases of Animals.

2. The transit of the animals to which paragraph 1 above relates shall be subject to previous notification of the consignments to the veterinary authority designated by the transit country for that purpose, and shall be carried out under the conditions laid down in the articles hereinafter following, due regard being had to the following provisions of the present article.

No notification shall be required for the transit of the animal products to which paragraph 1 above relates.

3. The existence of cattle plague in the country of origin justifies absolute refusal of transit.

The discovery of swine fever, foot-and-mouth disease, sheep-pox or contagious peri-pneumonia of bovines may justify refusal by the transit countries of the transit of animals susceptible to these diseases, regard being given to the number and position of the centres of infection in the country of origin.

4. In the case of an outbreak of cattle plague in the country of origin, the transit of meat and animal products derived from the various species of ruminants may be prohibited.

5. Transit may in no case be refused for animals and products originating in countries with which the transit country has — at the time the request for transit is made — an import trade in animals and animal products of the same kind.

*Article 2.*

1. In order to be allowed to pass in transit a certificate of origin and health must accompany the animals ; this certificate, drawn up in accordance with the principles laid down by the International Office for Contagious Diseases of Animals, shall conform to the specimen attached to the present Convention.

2. Certificates may be drawn up in the language of either the exporting or the importing country. The veterinary authorities of the transit country shall be entitled to demand a translation in case of doubt as to the contents of the document.

*Article 3.*

In principle, animals may only be transported in wagons constructed to prevent the escape or dissemination of excreta and other materials liable to transmit infection. Such animals should at any rate only be conveyed in wagons so constructed as to reduce the dissemination of infectious materials to a minimum.

#### Article 4.

1. Le transit des bovidés, des solipèdes, des porcs, des moutons, des chèvres et de la volaille vivants s'effectuera par les bureaux de douane et ports de débarquement ouverts au trafic de l'espèce. Le pays transitaire a le droit d'examiner l'état sanitaire des animaux à transiter, de contrôler leur certificat d'origine et de santé et de le viser en conséquence.

2. Sauf le cas où il existe au point de pénétration choisi un service de contrôle permanent, les fonctionnaires vétérinaires compétents pour l'inspection aux frontières, doivent être prévenus en temps utile — et vingt-quatre heures au moins avant leur arrivée — des transports d'animaux en transit, ainsi que du nombre d'animaux à transiter.

3. Les envois qui ne répondent pas aux conditions fixées à l'article 2, ainsi que les transports d'animaux reconnus, par les vétérinaires établis à la frontière, atteints ou suspects d'une maladie contagieuse, et les transports d'animaux qui ont voyagé avec des animaux malades ou suspects ou qui ont été en contact avec des animaux malades ou suspects, peuvent être refoulés à la station frontière d'entrée du premier Etat transitaire. La raison du refoulement doit être indiquée dans les papiers d'accompagnement.

4. S'il est constaté par les vétérinaires établis à la frontière des pays transitaires successifs que les transports d'animaux sont atteints ou suspects d'une maladie contagieuse, le transport sera traité dans les conditions prévues à l'article 6, alinéa 2, si le vétérinaire à la frontière du premier pays traversé a reconnu que le transport était sain et pour autant que ce fait ait été constaté et mentionné sur les certificats d'origine et de santé.

#### Article 5.

Les animaux en transit ne peuvent être débarqués que sur l'autorisation et sous le contrôle d'un vétérinaire fonctionnaire de l'Etat transitaire ou dûment autorisé par cet Etat à cet effet. Ils ne peuvent être abreuvés, alimentés, nettoyés ou soumis à un traitement quelconque que dans les fourgons mêmes, sous le contrôle vétérinaire et suivant la méthode dite « du plombage à la chaîne » ou de toute autre donnant les mêmes garanties.

Dans le but de remédier aux divers inconvénients relevés au cours du transit, les pays exportateurs prendront toutes mesures propres à assurer aux animaux un chargement rationnel, une alimentation convenable et tous soins nécessaires, notamment pour éviter aux animaux toute souffrance inutile.

#### Annexe à l'article 5.

Les Hautes Parties contractantes prendront toutes les mesures nécessaires afin d'éviter des surchargements.

Lors du chargement des ruminants et des porcs, les planchers des véhicules destinés au transport devront être recouverts d'une litière appropriée.

Les envois d'animaux vivants qui ne sont pas remis au transport dans des récipients portatifs bien clos (paniers, caisses, cages, etc.) devront être accompagnés d'un convoyeur pour les trajets de longue durée. Un convoyeur ne devra pas avoir à sa charge un plus grand nombre d'animaux qu'il n'est en mesure de soigner.

Les transports d'animaux vivants devront être acheminés par les voies les plus rapides et autant que possible par des trains de marchandises spécialement accélérés.

#### Article 6.

1. Les Hautes Parties contractantes, à travers le territoire desquelles s'effectue le transit, peuvent le subordonner à l'engagement préalable du pays de destination ou des autres pays à transiter de laisser entrer les animaux sans condition.

2. En cas de constatation de la peste bovine, de la peste porcine, de la peste aviaire, de la fièvre aphteuse, de la péripneumonie contagieuse des bovidés, les pays à traverser pourront procéder, aux frais de l'expéditeur, à l'abatage des transports infectés. Dans ce cas, les faits doivent être nettement établis par un procès-verbal dressé par les fonctionnaires vétérinaires ayant pris part à l'inspection. S'il existe un délégué vétérinaire du pays d'origine dans les pays transitaires, il devra être informé d'urgence, afin que l'abatage puisse avoir lieu en sa présence. Une copie du procès-verbal sera envoyée à l'autorité vétérinaire centrale du pays transitaire en question.

#### Article 7.

Les viandes fraîches réfrigérées, congelées ou conservées à l'état frais par d'autres procédés que le froid, ainsi que les préparations de viande, pour être admises au transit doivent être accompagnées d'un certificat d'origine et de salubrité établi suivant la disposition de l'alinéa 2 de l'article 2.

#### Article 8.

1. Le transit des viandes s'effectuera, par voie ferrée, dans des wagons fermés et plombés par la douane et, par bateau, dans des parties isolées, closes et plombées par la douane.

2. Le transit des préparations de viande et des produits de la charcuterie pourra aussi se faire par colis ou caisses fermées.

3. Les wagons utilisés pour le transit des viandes fraîches devront avoir des planchers lisses.

*Article 4.*

1. The transit of live cattle, horses, asses, mules, etc., pigs, sheep, goats and poultry shall be effected through Customs offices and ports of landing open to traffic of this character. The transit country is entitled to inspect the sanitary condition of the animals passing in transit, check their certificate of origin and health and endorse it accordingly.

2. Except where there is a permanent inspection service at the point of entry selected, the competent veterinary officers for frontier inspection must be given due notice — not later than twenty-four hours before their arrival — of consignments of animals in transit as well as of the number of such animals.

3. Consignments which do not comply with the conditions laid down in Article 2, as well as consignments of animals found by the frontier veterinary surgeons to be affected with, or suspected of, a contagious disease and consignments of animals which have been conveyed with or been in contact with affected or suspected animals may be refused admittance at the frontier station of entry of the first transit country. The reason for refusal must be stated in the accompanying papers.

4. If the frontier veterinary surgeons of the successive transit countries find that consignments of animals are affected with, or suspected of, a contagious disease, the consignments shall be dealt with in the manner referred to in Article 6, paragraph 2, if the frontier veterinary surgeons of the first transit country found that it was healthy, and provided that this fact was noted and mentioned on the certificates of origin and health.

*Article 5.*

Animals in transit may only be unloaded with the permission and under the control of a Government veterinary officer of the transit country or a veterinary surgeon duly authorised for the purpose by the State. They may only be watered, fed, cleaned, or subjected to any treatment in the wagons themselves under veterinary control and subject to the so-called "chain-sealing" system or any other system offering similar guarantees.

With a view to meeting the various difficulties arising in the course of transit, the exporting countries shall take steps to see that the animals are properly loaded and suitably fed and that they receive all necessary attention, in order to avoid unnecessary suffering.

*Annex to Article 5.*

The High Contracting Parties shall take all necessary measures to avoid overloading.

In the loading of ruminants and pigs, the floors of the transporting vehicles shall be covered with proper litter.

Consignments of live animals which are not transported in properly closed portable containers (baskets, boxes, cages, etc.) must be accompanied by a person in charge on long journeys. The latter must not be in charge of a greater number of animals than he can look after.

Transports of live animals must be sent by the quickest route and, as far as possible, by specially accelerated goods trains.

*Article 6.*

1. The High Contracting Parties, through whose territory the transit is to be effected, may make the transit subject to a previous undertaking by the country of destination or other transit countries to admit such animals unconditionally.

2. If cattle plague, swine fever, fowl plague, foot-and-mouth disease or contagious peri-pneumonia of cattle is discovered, the transit countries may, at the forwarder's expense, slaughter the infected consignments. In such cases, the circumstances must be clearly stated in a report drawn up by the veterinary officers who took part in the inspection. If there is a veterinary representative of the country of origin in the transit country, he shall be immediately notified in order that he may be present at the slaughter. A copy of the report must be sent to the central veterinary authority of the country of origin by the central veterinary authority of the transit country concerned.

*Article 7.*

Meat, fresh, chilled, frozen or preserved in a fresh state otherwise than by cold, as well as meat preparations, must, in order to be allowed to pass in transit, be accompanied by a certificate of origin and of freedom from contamination drawn up in accordance with the provisions of Article 2, paragraph 2.

*Article 8.*

1. Meat shall be conveyed in transit by rail in wagons closed and sealed by the Customs authorities, or by boat in isolated compartments, closed and sealed by the Customs authorities.

2. Meat preparations and pork-butchers' wares may also be conveyed in transit in closed packages or cases.

3. Wagons used for the transit of fresh meat must have impermeable floors.

4. Les Hautes Parties contractantes s'engagent, en ce qui concerne le transit des viandes et des préparations de viande visées à l'article 7, à borner le contrôle à la frontière au simple examen des certificats. Il ne sera procédé en général à aucune ouverture de wagons, à moins que les douanes intéressées ne le jugent nécessaire pour une vérification du contenu.

5. Les Hautes Parties contractantes intéressées, s'efforceront d'organiser, autant que possible, l'examen en commun des certificats.

#### *Article 9.*

1. Lorsque le transit des viandes visées à l'article 7 doit s'effectuer à travers le territoire d'une ou de plusieurs des Hautes Parties contractantes et à destination du territoire de l'une d'elles, il ne peut être subordonné à aucune autorisation préalable.

2. Si un envoi de viandes visées à l'article 7 est refusé par le pays destinataire, à l'égard duquel la Convention est en vigueur, il appartiendra à ce dernier de prendre les mesures qu'il jugera opportunes, sans que celles-ci puissent, en aucun cas, consister dans le refoulement de la marchandise sur le terrain du dernier pays transitaire.

3. Lorsqu'il s'agit du transit de viandes visées à l'article 7 et destinées à un pays à l'égard duquel la présente Convention n'est pas en vigueur, les Hautes Parties contractantes peuvent subordonner l'admission de ce transit à l'engagement préalable du pays de destination de laisser entrer ces viandes sans condition.

4. Le même engagement préalable de la part d'un pays transitaire à l'égard duquel la présente Convention n'est pas en vigueur peut être exigé.

#### *Article 10.*

Les Hautes Parties contractantes s'engagent à laisser également transiter les produits d'origine animale autres que ceux visés à l'article 7, à condition que ces produits soient accompagnés, s'il y a lieu, du certificat prévu par ce même article.

#### *Article 11.*

Le transit des viandes et de tous les autres produits d'origine animale pouvant servir de véhicules à la contagion s'effectuera par les bureaux de douane et ports de débarquements ouverts au trafic de l'espèce. Pour ce choix, il sera tenu compte, dans toute la mesure du possible des intérêts légitimes du commerce international.

#### *Article 12.*

Les bureaux de douane et les ports visés aux articles 4 et 11 seront dotés d'installations permettant d'assurer de façon suffisante les opérations du service sanitaire.

#### *Article 13.*

Au cas où les mesures prévues ci-dessus s'avéreraient insuffisantes et où les épizooties auraient été importées dans un pays par suite du transit d'animaux vivants, de viandes, ou de produits d'origine animale, le transit en provenance des pays d'où l'épizootie a été importée pourra être refusé par le pays contaminé par suite du transit aussi longtemps que le danger existe.

#### *Article 14.*

Les Hautes Parties contractantes s'engagent à se faire connaître réciproquement et sans retard toutes prohibitions et restrictions relative au transit des animaux vivants, de viandes et de produits d'origine animale ainsi que la suppression de ces mesures.

#### *Article 15.*

Rien dans la présente Convention ne saurait porter atteinte aux dispositions de tout autre Convention, traité ou accord conclu ou à conclure entre certaines des Hautes Parties contractantes, aux termes duquel un traitement plus favorable que le traitement établi par la présente Convention pour le transit des animaux, des viandes et des autres produits d'origine animale est ou serait accordé au transit desdits animaux et produits d'une autre Haute Partie contractante.

### **DISPOSITIONS FINALES.**

#### *Article 16 (Règlement des différends).*

1. S'il s'élève entre les Hautes Parties contractantes un différend quelconque relatif à l'interprétation ou à l'application de la présente Convention et si ce différend n'a pu être résolu de façon satisfaisante par voie diplomatique, il sera réglé conformément aux dispositions en vigueur entre les parties concernant le règlement des différends internationaux.



4. As regards the transit of the meat and meat preparations referred to in Article 7, the High Contracting Parties undertake to confine frontier inspection to a simple examination of the certificates. Wagons will usually only be opened if the Customs authorities concerned consider this necessary in order to check the contents.

5. The High Contracting Parties concerned will endeavour as far as possible to arrange for joint inspection of the certificates.

#### *Article 9.*

1. When the transit transport of meat to which Article 7 relates is to be effected through the territory of one or more of the High Contracting Parties and has as its destination the territory of one of the High Contracting Parties, it shall not be subject to any previous authorisation.

2. If a consignment of meat referred to in Article 7 is refused by the country of destination, in respect of which the present Convention is in force, it shall rest with the latter to take such steps as it may consider desirable, other than turning back the consignment on to the territory of the last country of transit.

3. In the case of transit of meat to which Article 7 relates having as its destination a country in respect of which the present Convention is not in force, the High Contracting Parties may make the transit subject to a previous undertaking by the country of destination to admit such meat unconditionally.

4. The same previous undertaking may be required from a transit country in respect of which the present Convention is not in force.

#### *Article 10.*

The High Contracting Parties undertake to allow animal products other than those referred to in Article 7 to pass also in transit, provided that such products are accompanied, when necessary, by the certificate referred to in that article.

#### *Article 11.*

The transit of meat and of all other animal products liable to carry infection shall be effected through Customs offices and ports of landing open to traffic of this kind. In selecting these, regard shall be had as far as possible to the legitimate interests of international trade.

#### *Article 12.*

The Customs offices and ports to which Articles 4 and 11 relate shall be equipped with installations to permit of sanitary duties being efficiently carried out.

#### *Article 13.*

Should the measures above referred to prove inadequate and should contagious disease be introduced into a country as a result of the transit of live animals, meat or animal products, the country so infected may, while the danger exists, refuse to allow transit from the countries from which the contagion was conveyed.

#### *Article 14.*

The High Contracting Parties undertake to notify one another without delay of all prohibitions and restrictions affecting the transit of live animals, meat and animal products, or the cancellation of such measures.

#### *Article 15.*

Nothing in the present Convention shall affect the provisions of any other Convention, Treaty or Agreement at any time concluded between any of the High Contracting Parties, under which more favourable treatment than that laid down in the present Convention for the Transit of Animals, Meat and Other Animal Products is, or may in the future be, granted for the transit of the said animals and products of another High Contracting Party.

### FINAL PROVISIONS.

#### *Article 16 (Settlement of Disputes).*

1. If there should arise between the High Contracting Parties a dispute of any kind relating to the interpretation or application of the present Convention and if such dispute cannot be satisfactorily settled by diplomacy, it shall be settled in accordance with any applicable agreements in force between the Parties providing for the settlement of international disputes.

2. Au cas où de telles dispositions n'existeraient pas entre les parties au différend, elles le soumettront à une procédure arbitrale ou judiciaire. A défaut d'un accord sur le choix d'un autre tribunal, elles soumettront le différend, à la requête de l'une d'elles, à la Cour permanente de Justice internationale, si elles sont toutes parties au Protocole du 16 décembre 1920, relatif au Statut de ladite Cour, et, si elles n'y sont pas toutes parties, à un tribunal d'arbitrage constitué conformément à la Convention de La Haye du 18 octobre 1907 pour le règlement pacifique des conflits internationaux.

*Article 17 (Langues, date).*

La présente Convention, dont les textes français et anglais feront également foi, portera la date de ce jour.

*Article 18 (Signature, ratification).*

1. La présente Convention pourra être signée jusqu'au 15 février 1936 au nom de tout Membre de la Société des Nations ou de tout Etat non membre auquel le Conseil de la Société des Nations aura communiqué à cet effet copie de la présente Convention.

2. La présente Convention sera ratifiée. Les instruments de ratification seront déposés auprès du Secrétaire général de la Société des Nations.

3. La ratification ne pourra produire ses effets que si la Haute Partie contractante est déjà liée par la Convention internationale pour la lutte contre les maladies contagieuses des animaux, du fait d'une ratification ou d'une adhésion définitive et à partir du moment où son obligation en vertu de ladite Convention sera entrée en vigueur.

4. Le Secrétaire général de la Société des Nations notifiera le dépôt des instruments de ratification à tous les Membres de la Société des Nations et aux Etats non membres visés au paragraphe 1 du présent article en mentionnant si la condition indiquée au paragraphe 3 se trouve remplie.

*Article 19 (Adhésion).*

1. A partir du 16 février 1936, tout Membre de la Société des Nations et tout Etat non membre auquel le Conseil de la Société des Nations aura communiqué copie de la présente Convention pourra y adhérer.

2. Les instruments d'adhésion seront déposés auprès du Secrétaire général de la Société des Nations.

3. L'adhésion ne produira ses effets que si la Haute Partie contractante est déjà liée par la Convention internationale pour la lutte contre les maladies contagieuses des animaux, du fait d'une ratification ou d'une adhésion définitive et à partir du moment où son obligation en vertu de la première Convention sera entrée en vigueur.

4. Le Secrétaire général de la Société des Nations notifiera le dépôt des instruments d'adhésion à tous les Membres de la Société des Nations et aux Etats non membres visés au paragraphe 1 du présent article en mentionnant si la condition indiquée au paragraphe 3 se trouve remplie.

*Article 20 (Entrée en vigueur).*

1. Un procès-verbal sera dressé par le Secrétaire général de la Société des Nations dès que cinq ratifications ou adhésions remplissant la condition indiquée au paragraphe 3 de l'article 18 et au paragraphe 3 de l'article 19 auront été déposées.

2. Une copie certifiée conforme de ce procès-verbal sera remise à chacun des Membres de la Société des Nations et à tout Etat non membre visé à l'article 18 par les soins du Secrétaire général de la Société des Nations.

2. In case there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the Permanent Court of International Justice if all the Parties to the dispute are Parties to the Protocol of December 16th, 1920, relating to the Statute of that Court and if any of the Parties to the dispute is not a Party to the Protocol of December 16th, 1920, to an arbitral tribunal constituted in accordance with the Hague Convention of October 18th, 1907, for the Pacific Settlement of International Disputes.

*Article 17 (Languages and Date).*

The present Convention, of which the English and French texts are both authoritative, shall bear this day's date.

*Article 18 (Signature and Ratification).*

1. The present Convention may be signed until February 15th, 1936, on behalf of any Member of the League of Nations or any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention for the purpose.

2. The present Convention shall be ratified. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations.

3. The ratification shall not take effect unless the High Contracting Party is already bound by the International Convention for the Campaign against Contagious Diseases of Animals by a ratification or a definitive accession and that Party's obligation under the same has already entered into force.

4. The Secretary-General of the League of Nations shall notify the deposit of the instruments of ratification to all Members of the League of Nations and to the non-member States referred to in paragraph 1 of the present article, at the same time stating whether the condition specified in paragraph 3 is fulfilled.

*Article 19 (Accession).*

1. On and after February 16th, 1936, any Member of the League of Nations and any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention may accede to it.

2. The instruments of accession shall be deposited with the Secretary-General of the League of Nations.

3. Accession shall not take effect unless the High Contracting Party is already bound by the International Convention for the Campaign against Contagious Diseases of Animals by a ratification or a definitive accession, and that Party's obligation under the same has already entered into force.

4. The Secretary-General of the League of Nations shall notify the deposit of the instruments of accession to all Members of the League of Nations and to the non-member States referred to in paragraph 1 of the present article, at the same time stating whether the condition specified in paragraph 3 is fulfilled.

*Article 20 (Entry into Force).*

1. The Secretary-General of the League of Nations will draw up a *procès-verbal* when five ratifications or accessions, complying with the condition laid down in paragraph 3 of Article 18 and in paragraph 3 of Article 19, have been received.

2. A certified true copy of this *procès-verbal* shall be transmitted by the Secretary-General of the League of Nations to all the Members of the League of Nations and to all non-member States mentioned in Article 18.

*Article 21.*

1. La présente Convention sera enregistrée par les soins du Secrétaire général de la Société des Nations quatre-vingt-dix jours après la date du procès-verbal visé à l'article 20. Elle entrera alors en vigueur.

2. A l'égard de chacun des Membres ou Etats non membres au nom desquels un instrument de ratification ou d'adhésion sera ultérieurement déposé, la Convention entrera en vigueur le quatre-vingt-dixième jour après la date du dépôt de cet instrument.

*Article 22 (Durée, dénonciation).*

1. La présente Convention aura une durée de deux ans à partir de sa mise en vigueur.

2. Elle restera en vigueur pour une nouvelle période de quatre ans et ainsi de suite vis-à-vis des Parties contractantes qui ne l'auront pas dénoncée six mois au moins avant l'expiration du terme.

3. La dénonciation se fera par notification écrite adressée au Secrétaire général de la Société des Nations.

4. La présente Convention cessera d'être en vigueur à l'égard d'une Haute Partie contractante quand, par suite d'une dénonciation de la Convention internationale pour la lutte contre les maladies contagieuses des animaux, dénonciation ayant sorti ses effets, la Haute Partie contractante aura cessé d'être partie à cette Convention.

5. Le Secrétaire général de la Société des Nations informera tous les Membres de la Société des Nations et les Etats non membres visés au paragraphe 1 de l'article 18 de la notification de la dénonciation de la présente Convention ou de la notification de la dénonciation de la Convention internationale pour la lutte contre les maladies contagieuses des animaux, dénonciation qui produira au regard de la présente Convention le même effet.

*Article 23 (Application aux colonies, protectorats, etc.).*

1. Sauf déclaration contraire d'une Haute Partie contractante lors de la signature, lors de la ratification ou lors de l'adhésion, les dispositions de la présente Convention ne s'appliquent pas aux colonies, protectorats, territoires d'outre-mer, territoires placés sous sa suzeraineté ou territoires pour lesquels un mandat lui a été confié.

2. Cependant, les Hautes Parties contractantes se réservent le droit de signer la Convention ou d'y adhérer suivant les conditions des articles 18 et 19 pour leurs colonies, protectorats, territoires d'outre-mer, territoires placés sous leur suzeraineté ou territoires pour lesquels un mandat leur a été confié.

3. Elles se réservent également le droit de la dénoncer séparément suivant les conditions de l'article 22.

4. La présente Convention ne pourra pas s'appliquer aux colonies, protectorats, territoires d'outre-mer, territoires placés sous la suzeraineté d'une Haute Partie contractante ou territoires pour lesquels un mandat lui a été confié, si la Convention internationale pour la lutte contre les maladies contagieuses des animaux n'est pas en vigueur ou a cessé d'être en vigueur pour ladite Haute Partie contractante dans les pays susmentionnés.

*Article 24 (Révision).*

1. Des conférences de révision pourront être convoquées en vue d'apporter à la Convention les changements dont l'expérience aurait fait apparaître l'utilité.

2. Une conférence de révision sera convoquée par le Secrétaire général de la Société des Nations chaque fois que la demande lui en sera faite au moins par cinq des Hautes Parties contractantes.

Celles-ci indiqueront sommairement les changements qu'elles proposent et les motifs de ces changements.

3. A moins que l'unanimité des Hautes Parties contractantes n'y consente, aucune demande visant la convocation d'une conférence de révision qui se tiendrait moins de deux ans après la mise en vigueur de la Convention ou quatre ans après la clôture d'une précédente conférence de révision ne sera recevable.

4. Le Secrétaire général de la Société des Nations préparera avec le concours de l'Office international des épizooties les travaux des conférences de révision.

*Article 21.*

1. The present Convention shall be registered by the Secretary-General of the League of Nations ninety days after the date of the *procès-verbal* mentioned in Article 20. It will come into force on that date.

2. In respect of each Member or non-member State on whose behalf any instrument of ratification or accession is subsequently deposited, the Convention shall come into force ninety days after the date of the deposit of such instrument.

*Article 22 (Duration and Denunciation).*

1. The duration of the present Convention shall be for two years from its entry into force.

2. It shall remain in force for a further period of four years, and subsequently in respect of such Contracting Parties as have not denounced it at least six months before the expiry of the period.

3. The denunciation shall be effected by a written notification addressed to the Secretary-General of the League of Nations.

4. The present Convention shall cease to be in force as regards any High Contracting Party when, as a result of denunciation of the International Convention for the Campaign against Contagious Diseases of Animals, the High Contracting Party has ceased, such denunciation having duly taken effect, to be a party to that Convention.

5. The Secretary-General of the League of Nations shall inform all Members of the League of Nations and non-member States referred to in paragraph 1 of Article 18 of all notices of denunciation of the present Convention or of the International Convention for the Campaign against Contagious Diseases of Animals, denunciation of the latter being counted as denunciation of the present Convention.

*Article 23 (Application to Colonies, Protectorates, etc.).*

1. In the absence of a contrary declaration by one of the High Contracting Parties at the time of signature, ratification or accession, the provisions of the present Convention shall not apply to colonies, protectorates, overseas territories, territories under its suzerainty or territories in respect of which a mandate has been entrusted to it.

2. Nevertheless, the High Contracting Parties reserve the right to sign the Convention or to accede thereto, in accordance with the provisions of Articles 18 and 19, for their colonies, protectorates, overseas territories, territories under their suzerainty or territories in respect of which a mandate has been entrusted to them.

3. They further reserve the right to denounce the Convention separately, in accordance with the provisions of Article 22.

4. The present Convention shall not be applicable to colonies, protectorates, overseas territories, territories under the suzerainty of a High Contracting Party or territories in respect of which a mandate has been entrusted to it if the International Convention for the Campaign against Contagious Diseases of Animals is not in force, or has ceased to be in force in so far as the said High Contracting Party is concerned, in the above-mentioned countries.

*Article 24 (Revision).*

1. Conferences for the revision of the present Convention may be called with a view to making such changes therein as experience may have shown to be useful.

2. A conference for the revision of the present Convention shall be called by the Secretary-General of the League of Nations whenever so requested by not less than five of the High Contracting Parties.

The latter shall indicate succinctly the changes they propose and the reasons for such changes.

3. In default of the unanimous consent of the High Contracting Parties, no demand for the calling of a conference for the revision of the present Convention within less than two years from the entry into force of the Convention or four years from the end of a previous conference for its revision shall be admissible.

4. The Secretary-General of the League of Nations shall prepare the work of conferences for the revision of the present Convention with the co-operation of the International Office for Contagious Diseases of Animals.

EN FOI DE QUOI les plénipotentiaires sus-  
mentionnés ont signé la présente Convention.

FAIT à Genève le vingt février mil neuf cent  
trente-cinq, en un seul exemplaire, qui sera  
conservé dans les archives du Secrétariat de  
la Société des Nations et dont copie certifiée  
conforme sera remise à tous les Membres de  
la Société et aux Etats non membres visés  
à l'article 18.

IN FAITH WHEREOF the above-mentioned  
Plenipotentiaries have signed the present  
Convention.

DONE at Geneva the twentieth day of  
February, one thousand nine hundred and  
thirty-five, in a single copy, which shall be  
kept in the archives of the Secretariat of the  
League of Nations and of which a certified  
true copy shall be delivered to all the Members  
of the League and to the non-member States  
referred to in Article 18.

BULGARIE

N. ANTONOFF

BULGARIA

FRANCE

V. DROUIN

FRANCE

ITALIE

C. BISANTI

ITALY

LETTONIE

J. FELDMANS.

LATVIA

PAYS-BAS

Pour le Royaume en Europe<sup>1</sup>  
C. VAN RAPPARD.

THE NETHERLANDS

---

<sup>1</sup> Translation:  
For the Kingdom in Europe.

POLOGNE

Titus KOMARNICKI

POLAND

ROUMANIE

C. ANTONIADE

ROUMANIA

SUISSE

FLÜCKIGER

SWITZERLAND

TCHÉCOSLOVAQUIE

CZECHOSLOVAKIA

Le délégué de la Tchécoslovaquie déclare, au moment de la signature de la Convention, que son Gouvernement n'estime pas pouvoir renoncer au droit de subordonner le transit des animaux à travers son territoire à une autorisation préalable. Il déclare en même temps que son Gouvernement est décidé à faire, dans la pratique, du droit qu'il se réserve, un usage aussi libéral que possible, en se conformant aux principes qui sont à la base de la présente convention destinée à faciliter le transit des animaux et des produits animaux <sup>1</sup>.

Rodolphe KÜNZL-JIZERSKÝ.

Copie certifiée conforme.

Certified true copy.

Pour le Secrétaire général :

For the Secretary-General :

*Conseiller juridique du  
Secrétariat.*

*Legal Adviser of the  
Secretariat.*

---

<sup>1</sup> Translation.

The delegate of Czechoslovakia declares, at the moment of signing the Convention, that his Government does not consider that it can waive the right to make the transit of animals across its territory subject to a previous authorisation. He declares at the same time that his Government intends in practice to exercise the right so reserved in as liberal a spirit as possible, in conformity with the principles which are at the basis of the present Convention the object of which is to facilitate the transit of animals and of animal products.

**Annexe.**

**1. MODÈLE DE CERTIFICAT D'ORIGINE ET DE SANTÉ.**

Le soussigné....., [nom et titre du vétérinaire fonctionnaire de l'Etat ou agréé par l'Etat] certifie avoir visité le....., [date de la visite en toutes lettres]  
l'animal { dont le signalement suit :  
les animaux }

et les avoir reconnus sains et exempts de toute maladie contagieuse.

Certifie en outre qu'il n'existait depuis quarante jours ni dans la commune d'origine, ni dans les communes voisines dans un rayon de vingt kilomètres, non plus que dans les localités parcourues jusqu'au lieu d'embarquement

par voie ferrée / aucun cas de péripneumonie contagieuse, de fièvre aphteuse, de clavelée,  
par bateau ( de peste porcine ou de peste aviaire.

Fait à....., [la date en lettres]

Signature du vétérinaire avec mention de sa qualité.

[Timbre ou cachet officiel.]

**2. MODÈLE DE CERTIFICAT D'ORIGINE ET DE SALUBRITÉ.**

Le soussigné....., [nom et titre du vétérinaire fonctionnaire de l'Etat de provenance] certifie que les produits d'origine animale dont la désignation suit :

..... [poids] .....  
..... [nature des marchandises] .....  
portant les marques ci-après :

expédiés de [localité d'expédition]

par [nom et adresse de l'expéditeur]

et destinés à [nom et adresse du destinataire]

transportés par [mode de transport, nom du navire, s'il y a lieu]

proviennent en totalité d'animaux soumis à l'inspection vétérinaire et reconnus sains avant et après l'abattage, qu'ils ne contiennent aucune substance antiseptique et qu'ils ont été préparés et expédiés suivant les exigences de l'hygiène alimentaire.

Fait à..... le ....., [la date en lettres]

[Timbre du cachet officiel.] [Signature du vétérinaire avec mention de sa qualité.]



**Annex.**

**1. SPECIMEN CERTIFICATE OF ORIGIN AND HEALTH.**

I, the undersigned ..... [name and qualification of the Government veterinary officer or veterinary surgeon in private practice approved by the State] certify having inspected on ..... [date in words of the inspection] the animal or animals hereinunder described :

and found them to be healthy and free from any contagious disease.

I, the undersigned, further certify that there has not been any case of contagious peri-pneumonia, foot-and-mouth disease, sheep-pox, swine fever or fowl plague for the last forty days either in the commune of origin or in neighbouring communes within a radius of twenty kilometres, or in the districts traversed on the way to the place of loading by rail or water.

Done at ..... [date in words].  
[Signature of veterinary surgeon, stating qualifications.]  
[Official stamp or seal.]

**2. SPECIMEN CERTIFICATE OF ORIGIN AND FREEDOM FROM CONTAMINATION.**

I, the undersigned ..... [name and qualification of the Government veterinary officer of the State of provenance] certify that the animal products hereinunder described :  
..... [weight] .....  
..... [nature of goods] .....  
marked as under :

consigned from [place of consignment]  
by [name and address of consignor]  
to [name and address of consignee] in  
transport by [form of transport and, if transport is by water, name of vessel]  
are entirely derived from animals submitted to veterinary inspection and found in healthy condition before and after slaughter, and contain no preservative substance, and have been prepared and consigned in accordance with the requirements of food hygiene.

Done at ..... on [date in full] .....  
[Signature of veterinary surgeon, stating qualifications.]  
[Official stamp or seal.]

Genève, le 1<sup>er</sup> mars 1935.

SOCIÉTÉ DES NATIONS

III.

**Convention internationale concernant l'exportation  
et l'importation de produits d'origine animale  
(autres que les viandes, les préparations de viande,  
les produits animaux frais, le lait et les dérivés du lait)**

---

LEAGUE OF NATIONS

III.

**International Convention concerning the Export  
and Import of Animal Products (other than Meat,  
Meat Preparations, Fresh Animal Products,  
Milk and Milk Products)**

**CONVENTION INTERNATIONALE CONCERNANT  
L'EXPORTATION ET L'IMPORTATION DE PRODUITS D'ORIGINE  
ANIMALE (AUTRES QUE LES VIANDES, LES PRÉPARATIONS DE  
VIANDE, LES PRODUITS ANIMAUX FRAIS, LE LAIT  
ET LES DÉRIVÉS DU LAIT)**

.....

Désireux d'accorder au trafic des produits animaux (autres que les viandes, les préparations de viande, les produits animaux frais, le lait et les dérivés du lait) la plus grande liberté compatible avec les exigences de la police vétérinaire et de l'hygiène publique ;

Ont désigné pour leurs plénipotentiaires :

.....

Lesquels, après avoir produit leurs pleins pouvoirs trouvés en bonne et due forme, sont convenus des dispositions suivantes :

*Article premier.*

Les Hautes Parties contractantes s'engagent à admettre au libre trafic les produits d'origine animale (autres que les viandes, les préparations de viande, les produits animaux frais, le lait et les dérivés du lait) en provenance des pays ayant ratifié la Convention internationale pour la lutte contre les maladies contagieuses des animaux et ci-après désignés :

- a) Les cuirs, peaux sèches ou salées et les cuirs à colle secs, salés ou chaulés ;
- b) Les cornes, sabots, onglons, griffes, défenses, dents, secs ou ayant été soumis à l'ébullition, le tout sans débris de parties molles adhérentes ;
- c) Les os secs ou cuits également sans débris des parties molles adhérentes et les poudres d'os stérilisées par la vapeur sous pression ;
- d) Les laines brutes sèches, les débris de laines, les laines provenant des tanneries, les poils secs des divers animaux (soies, crins) à l'état brut, les plumes sèches de toute espèce, tous ces produits devant être emballés dans des sacs ou enveloppes ;
- e) Les boyaux secs ou salés, les estomacs et les vessies secs, présentés en barils, en caisses ou emballés ;
- f) Les mêmes produits que ceux énumérés aux cinq paragraphes qui précèdent, s'ils ont subi tout autre traitement reconnu comme suffisant au point de vue de la prophylaxie vétérinaire par les Hautes Parties contractantes intéressées.

Toutefois, en ce qui concerne la peste bovine, la peste porcine, la fièvre aphteuse, la clavelée et le charbon bactérien, les Hautes Parties contractantes pourront subordonner leur trafic à la mise en œuvre des dispositions ci-après indiquées.

*Annexe à l'article premier.*

Les qualificatifs « sec » et « salé » qui figurent au présent article, sous le paragraphe a), s'appliquent exclusivement aux matières complètement desséchées ou totalement imprégnées de sel.

**INTERNATIONAL CONVENTION CONCERNING THE EXPORT  
AND IMPORT OF ANIMAL PRODUCTS  
(OTHER THAN MEAT, MEAT PREPARATIONS, FRESH ANIMAL  
PRODUCTS, MILK AND MILK PRODUCTS)**

.....

Being desirous of affording the traffic in animal products (other than meat, meat preparations, fresh animal products, milk and milk products) the fullest measure of freedom compatible with the requirements of veterinary inspection and public health ;

Have appointed as their Plenipotentiaries :

.....

Who, having communicated their full powers, found in good and due form, have agreed upon the following provisions :

*Article 1.*

The High Contracting Parties undertake to admit to free traffic such animal products (other than meat, meat preparations, fresh animal products, milk and milk products) as come from countries which have ratified the International Convention for the Campaign against Contagious Diseases of Animals and as are hereinafter specified :

- (a) Hides, dried or salted skins and dried, salted or limed hides for glue ;
- (b) Horns, hoofs, claws, tusks, teeth either dried or having been subjected to a process of scalding, and without particles of soft matter adhering thereto ;
- (c) Bones, dried or boiled, likewise without particles of soft matter adhering thereto, and bone-meal sterilised by steam under pressure ;
- (d) Dried crude wool, woollen waste, wool from tanneries, dried hair of the various animals (bristles, horsehair) in a crude state, dried feathers of every kind, provided that all such products are packed in sacks or covers ;
- (e) Dried or salted guts, dried stomachs and bladders, packed in barrels or boxes, or made up in bales ;
- (f) All products enumerated in the five previous paragraphs, provided that they have undergone any other treatment recognised as adequate, from the point of view of veterinary prophylaxis, by the High Contracting Parties concerned.

Nevertheless, as regards cattle plague, swine fever, foot-and-mouth disease, sheep-pox and anthrax, the High Contracting Parties shall be entitled to make their traffic conditional upon the application of the provisions hereinafter indicated.

*Annex to Article 1.*

For the purposes of the present article, the terms "dried" and "salted" are exclusively applied to substances completely dried or completely saturated with salt.

*Article 2.*

Si la peste bovine apparaît sur le territoire de l'une des Hautes Parties contractantes, les autres Hautes Parties contractantes auront le droit de prohiber, aussi longtemps que durera le danger de la contagion, l'importation des parties d'animaux et des produits d'origine animale pouvant servir de véhicule à la contagion.

*Article 3.*

Lorsque le charbon bactérien prendra un caractère malin ou se manifestera en de nombreux foyers disséminés, lorsque la peste porcine, la fièvre aphteuse ou la clavelée prendront un caractère malin ou envahissant sur le territoire de l'une des Hautes Parties contractantes, les autres Parties pourront exiger que les produits d'origine animale visés à l'article premier soient accompagnés, en vue de leur admission à l'importation, d'un certificat d'origine et de salubrité permettant l'identification des produits et conforme au modèle annexé à la présente Convention.

Ce certificat doit être signé ou contresigné par un vétérinaire d'Etat ou par un vétérinaire dûment autorisé à cet effet par l'Etat. Il ne peut être délivré que si l'origine et l'innocuité des produits peuvent être attestées par un contrôle vétérinaire.

Lorsque sévissent au pays d'origine le charbon bactérien ou la clavelée, les Hautes Parties contractantes peuvent exiger que l'importation sur leur territoire des produits d'origine animale visés à l'article premier et susceptibles de servir de véhicule à la contagion se fasse directement à destination d'établissements spécialement autorisés à cet effet. Elles pourront établir des prescriptions spéciales pour le transport des produits vers ces établissements et pour l'utilisation industrielle de ces marchandises.

Il est expressément indiqué que les mesures ci-dessus envisagées ne sauraient être opposées aux pays dans lesquels le charbon sévit sous une forme sporadique.

*Article 4.*

Indépendamment du certificat d'origine et de salubrité visé à l'article précédent et en cas de recrudescence du charbon bactérien dans le pays d'origine, lors de l'importation de cuirs, peaux, laines, crins, poils, soies, os et poudres d'os, des attestations peuvent être exigées qui indiqueront que ces produits animaux ont été soumis, sous la responsabilité de l'Etat exportateur et par des méthodes reconnues efficaces par les Hautes Parties contractantes intéressées, soit à la désinfection, soit à la recherche de la virulence. En ce qui concerne les os et les poudres d'os, si un traitement garantissant suffisamment la destruction des germes du charbon ne paraît pas réalisable, des conventions particulières seront nécessaires.

Les attestations délivrées doivent mentionner très exactement les modes de désinfection ou de recherches utilisés. Ces attestations indiquent aussi les mesures prises pour éviter, après la désinfection, une nouvelle contamination en cours de transport.

En ce qui concerne les peaux et les cuirs complètement salés provenant d'abattoirs publics placés sous un contrôle vétérinaire permanent, il suffira de produire les certificats d'origine et de salubrité prévus à l'article 3.

*Article 5.*

Si, par le trafic d'animaux ou de produits d'origine animale, une maladie infectieuse — autre que la rage, la dourine, la péripneumonie contagieuse des bovidés et la morve, et dont la mention dans le *bulletin sanitaire* est obligatoire en vertu de la Convention internationale pour la lutte contre les maladies contagieuses des animaux en date de ce jour — a été importée du territoire de l'une des Hautes Parties contractantes sur le territoire de l'une des autres Parties, celles-ci auront le droit d'interdire, pour la durée du danger, l'importation des matières brutes d'origine animale pouvant servir de véhicule à cette contagion.

Elles auront le même droit si l'une des maladies visées à l'alinéa ci-dessus sévit d'une manière menaçante sur le territoire de l'une d'elles.

Le commerce des laines lavées industriellement échappe à cette prescription.

*Article 6.*

Les autorités sanitaires vétérinaires des ports, stations et entrepôts peuvent délivrer valablement, pour les marchandises couvertes par une attestation sanitaire globale, des attestations partielles, destinées à accompagner les réexpéditions fractionnées.

Il pourra être exigé qu'une copie conforme de l'attestation sanitaire globale soit jointe aux attestations partielles.

*Article 7.*

Si les certificats d'origine et de salubrité ou les attestations ci-dessus prévus ne répondent pas aux exigences formulées dans les articles précédents et, de ce fait, ne fournissent pas des garanties suffisantes, les pays importateurs seraient autorisés à refouler les envois à la station frontière ou à exiger, soit la désinfection lors de l'importation, soit un contrôle portant sur la recherche de la virulence.

*Article 2.*

Should cattle plague appear in the territory of one of the High Contracting Parties, the other High Contracting Parties shall have the right, as long as the danger of infection lasts, to prohibit the import of parts of animals and animal products which might convey infection.

*Article 3.*

If anthrax takes a malignant form or appears in numerous scattered centres, or if swine fever, foot-and-mouth disease or sheep-pox take a malignant or epidemic form in the territory of one of the High Contracting Parties, the other Parties may require that the animal products mentioned in Article 1 shall be accompanied, in order to be admitted on import, by a certificate of origin and freedom from contamination enabling the products to be identified in conformity with the specimen attached to the present Convention.

This certificate must be signed or countersigned by a Government veterinary official or by a veterinary surgeon duly authorised by the State to do so. It may only be issued if the origin and soundness of the products can be certified by veterinary inspection.

When anthrax or sheep-pox are prevalent in the country of origin, the High Contracting Parties may require that the animal products mentioned in Article 1, which may carry infection, be imported direct to establishments specially authorised for this purpose. The High Contracting Parties shall be entitled to lay down special provisions for the transport of the products to those establishments and their industrial use.

It shall be clearly understood that the measures described above must not be adopted in regard to countries in which anthrax is prevalent in a sporadic form.

*Article 4.*

In addition to the certificate of origin and freedom from contamination mentioned in the previous article, attestations may, in the case of a recrudescence of anthrax in the country of origin, be required on the importation of hides, skins, wool, hair bristles, bones and bone-meal. Such attestations shall indicate that these animal products have been subjected, under the responsibility of the exporting State and by methods recognised by the High Contracting Parties concerned to be of proved effectiveness, either to disinfection or to examination with a view to ascertaining the presence of disease. Special agreements regarding bones and bone-meal shall be necessary if treatment affording adequate guarantees that all anthrax germs have been destroyed appears to be impracticable.

The attestations issued must state very accurately the methods of disinfection or examination employed. They should also indicate the measures taken to prevent, after disinfection, re-infection during transport.

As regards completely salted skins and hides coming from public slaughter-houses under permanent veterinary supervision, it will be sufficient to produce the certificates of origin and freedom from contamination mentioned in Article 3.

*Article 5.*

When, as a result of the traffic in animals or animal products, an infectious disease (other than rabies, dourine, contagious peri-pneumonia of cattle and glanders), notification of which in the *health bulletin* is obligatory under the International Convention for the Campaign against Contagious Diseases of Animals of to-day's date, has been introduced from the territory of one of the High Contracting Parties into the territory of one of the other Parties, the latter shall have the right, so long as the danger lasts, to prohibit the import of raw material of animal origin which might convey infection.

The High Contracting Parties shall have the same right in the event of one of the diseases mentioned in the preceding paragraph being prevalent in the territory of one of them.

Trade in industrially scoured wool shall be exempt from this provision.

*Article 6.*

In the case of goods covered by a collective sanitary attestation, the veterinary sanitary authorities of the ports, stations and warehouses may issue valid partial attestations to the same effect to accompany re-shipments forming parts of a consignment.

It shall be open to the High Contracting Parties to require a certified copy of the collective sanitary attestation to be attached to the partial attestations.

*Article 7.*

Should the certificates of origin and freedom from contamination or the attestations provided for above not satisfy the requirements laid down in the preceding articles and thus not afford adequate guarantees, importing countries are authorised to refuse consignments at the frontier station, or to require either disinfection on import or examination with a view to ascertaining the presence of disease.

*Article 8.*

Si l'une des Hautes Parties contractantes constate que des irrégularités se sont produites, à l'importation, dans la délivrance des certificats ou attestations requis, elle pourra interdire l'importation des produits énumérés à l'article premier, mais elle en informera en même temps la ou les Hautes Parties contractantes intéressées — pays d'origine, de provenance ou de transit, — afin qu'elles puissent prendre les mesures et sanctions propres à réprimer ces abus et à en éviter le retour. Si la Haute Partie contractante demanderesse estime que les mesures prises par le ou les pays intéressés n'offrent pas les garanties qu'elle juge nécessaires, elle pourra continuer à interdire l'importation des produits énumérés à l'article premier, originaires ou en provenance des pays en question. Elle devra, toutefois, être prête à prendre en considération les propositions de l'autre ou des autres Hautes Parties contractantes tendant à rendre possible la reprise de ce commerce et à entrer en pourparlers avec elle à ce sujet.

*Article 9.*

Rien, dans la présente Convention, ne saurait porter atteinte aux dispositions de tout autre convention, traité ou accord conclu ou à conclure entre certaines des Hautes Parties contractantes, aux termes duquel un traitement plus favorable que le traitement établi par la présente Convention pour l'exportation et l'importation des produits d'origine animale énumérés à l'article premier est ou serait accordé à l'exportation ou à l'importation desdits produits d'une Haute Partie contractante.

DISPOSITIONS FINALES.

*Article 10 (Règlement des différends).*

1. S'il s'élève entre les Hautes Parties contractantes un différend quelconque relatif à l'interprétation ou à l'application de la présente Convention et si ce différend n'a pu être résolu de façon satisfaisante par voie diplomatique, il sera réglé conformément aux dispositions en vigueur entre les parties concernant le règlement des différends internationaux.

2. Au cas où de telles dispositions n'existeraient pas entre les parties au différend, elles le soumettront à une procédure arbitrale ou judiciaire. A défaut d'un accord sur le choix d'un autre tribunal, elles soumettront le différend, à la requête de l'une d'elles, à la Cour permanente de Justice internationale, si elles sont toutes parties au Protocole du 16 décembre 1920, relatif au Statut de ladite Cour, et, si elles n'y sont pas toutes parties, à un tribunal d'arbitrage constitué conformément à la Convention de La Haye du 18 octobre 1907 pour le règlement pacifique des conflits internationaux.

*Article 11 (Langues, date).*

La présente Convention, dont les textes français et anglais feront également foi, portera la date de ce jour.

*Article 12 (Signature, ratification).*

1. La présente Convention pourra être signée jusqu'au 15 février 1936 au nom de tout Membre de la Société des Nations ou de tout Etat non membre auquel le Conseil de la Société des Nations aura communiqué à cet effet copie de la présente Convention.

2. La présente Convention sera ratifiée. Les instruments de ratification seront déposés auprès du Secrétaire général de la Société des Nations.

3. La ratification ne pourra produire ses effets que si la Haute partie contractante est déjà liée par la Convention internationale pour la lutte contre les maladies contagieuses des animaux du fait d'une ratification ou d'une adhésion définitive et à partir du moment où son obligation en vertu de ladite Convention sera entrée en vigueur.

4. Le Secrétaire général de la Société des Nations notifiera le dépôt des instruments de ratification à tous les Membres de la Société des Nations et aux Etats non membres visés au paragraphe 1 du présent article en mentionnant si la condition indiquée au paragraphe 3 se trouve remplie.

*Article 13 (Adhésion).*

1. A partir du 16 février 1936, tout Membre de la Société des Nations et tout Etat non membre auquel le Conseil de la Société des Nations aura communiqué copie de la présente Convention pourra y adhérer.

2. Les instruments d'adhésion seront déposés auprès du Secrétaire général de la Société des Nations.

3. L'adhésion ne produira ses effets que si la Haute Partie contractante est déjà liée par la Convention internationale pour la lutte contre les maladies contagieuses des animaux du fait d'une ratification ou d'une adhésion définitive et à partir du moment où son obligation en vertu de ladite Convention sera entrée en vigueur.

4. Le Secrétaire général de la Société des Nations notifiera le dépôt des instruments d'adhésion à tous les Membres de la Société des Nations et aux Etats non membres visés au paragraphe 1 du présent article en mentionnant si la condition indiquée au paragraphe 3 se trouve remplie.

*Article 8.*

If one of the High Contracting Parties discovers that irregularities have occurred, on importation, in the issue of the necessary certificates or attestations, it may prohibit the importation of the products enumerated in Article 1, but it shall at the same time inform the High Contracting Party or Parties concerned — country of origin, of provenance or of transit — in order that they may adopt measures and impose penalties to punish such abuses and prevent their recurrence. If the complainant High Contracting Party considers that the measures adopted by the country or countries concerned do not afford the guarantees that it considers necessary, it may continue to prohibit the importation of the products enumerated in Article 1, originating in or coming from the countries in question. It must nevertheless be prepared to take into consideration the proposals of the other High Contracting Party or Parties intended to allow of the resumption of this trade and to enter into negotiations with them on this subject.

*Article 9.*

Nothing in the present Convention shall affect the provisions of any other Convention, Treaty or Agreement concluded or to be concluded between any of the High Contracting Parties, under which more favourable treatment than that laid down in the present Convention for the export or import of the animal products enumerated in Article 1 is or may in the future be granted for the export or import of the said products of a High Contracting Party.

FINAL PROVISIONS.

*Article 10 (Settlement of Disputes).*

1. If there should arise between the High Contracting Parties a dispute of any kind relating to the interpretation or application of the present Convention and if such dispute cannot be satisfactorily settled by diplomacy, it shall be settled in accordance with any applicable agreements in force between the Parties providing for the settlement of international disputes.

2. In case there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the Permanent Court of International Justice if all the Parties to the dispute are Parties to the Protocol of December 16th, 1920, relating to the Statute of that Court and, if any of the Parties to the dispute is not a Party to the Protocol of December 16th, 1920, to an arbitral tribunal constituted in accordance with the Hague Convention of October 18th, 1907, for the Pacific Settlement of International Disputes.

*Article 11 (Languages and Date).*

The present Convention, of which the English and French texts are both authoritative, shall bear this day's date.

*Article 12 (Signature and Ratification).*

1. The present Convention may be signed until February 15th, 1936, on behalf of any member of the League of Nations or any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention for the purpose.

2. The present Convention shall be ratified. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations.

3. The ratification shall not take effect, unless the High Contracting Party is already bound by the International Convention for the Campaign against Contagious Diseases of Animals by a ratification or a definitive accession, and his obligation under the same has already entered into force.

4. The Secretary-General of the League of Nations shall notify the deposit of the instruments of ratification to all Members of the League of Nations and to the non-member States referred to in paragraph 1 of the present Article, at the same time stating whether the condition specified in paragraph 3 is fulfilled.

*Article 13 (Accession).*

1. On and after February 16th, 1936, any Member of the League of Nations and any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention may adhere to it.

2. The instruments of accession shall be deposited with the Secretary-General of the League of Nations.

3. Accession shall not take effect unless the High Contracting Party is already bound by the International Convention for the Campaign against Contagious Diseases of Animals by a ratification or a definitive accession and his obligation under the same has already entered into force.

4. The Secretary-General of the League of Nations shall notify the deposit of the instruments of accession to all Members of the League of Nations and to the non-member States referred to in paragraph 1 of the present article, at the same time stating whether the condition specified in paragraph 3 is fulfilled.



*Article 14 (Entrée en vigueur).*

1. Un procès-verbal sera dressé par le Secrétaire général de la Société des Nations dès que cinq ratifications ou adhésions remplissant la condition indiquée au paragraphe 3 de l'article 12 et au paragraphe 3 de l'article 13 auront été déposées.

2. Une copie certifiée conforme de ce procès-verbal sera remise à chacun des Membres de la Société des Nations et à tout Etat non membre visé à l'article 12 par les soins du Secrétaire général de la Société des Nations.

*Article 15.*

1. La présente Convention sera enregistrée par les soins du Secrétaire général de la Société des Nations quatre-vingt-dix jours après la date du procès-verbal visé à l'article 14. Elle entrera alors en vigueur.

2. A l'égard de chacun des Membres ou Etats non membres au nom desquels un instrument de ratification ou d'adhésion sera ultérieurement déposé, la Convention entrera en vigueur le quatre-vingt-dixième jour après la date du dépôt de cet instrument.

*Article 16 (Durée, dénonciation).*

1. La présente Convention aura une durée de deux ans à partir de sa mise en vigueur.

2. Elle restera en vigueur pour une nouvelle période de quatre ans et ainsi de suite vis-à-vis des Parties contractantes qui ne l'auront pas dénoncée six mois au moins avant l'expiration du terme.

3. La dénonciation se fera par notification écrite adressée au Secrétaire général de la Société des Nations.

4. La présente Convention cessera d'être en vigueur à l'égard d'une Haute Partie contractante quand, par suite d'une dénonciation de la Convention internationale pour la lutte contre les maladies contagieuses des animaux, dénonciation ayant sorti ses effets, la Haute Partie contractante aura cessé d'être partie à cette Convention.

5. Le Secrétaire général de la Société des Nations informera tous les Membres de la Société des Nations et les Etats non membres visés au paragraphe 1 de l'article 12 de la notification de la dénonciation de la présente Convention ou de la notification de la dénonciation de la Convention internationale pour la lutte contre les maladies contagieuses des animaux, dénonciation qui produira, au regard de la présente Convention, le même effet.

*Article 17 (Application aux colonies, protectorats, etc.).*

1. Sauf déclaration contraire d'une Haute Partie contractante lors de la signature, lors de la ratification ou lors de l'adhésion, les dispositions de la présente Convention ne s'appliquent pas aux colonies, protectorats, territoires d'outre-mer, territoires placés sous sa suzeraineté ou territoires pour lesquels un mandat lui a été confié.

2. Cependant, les Hautes Parties contractantes se réservent le droit de signer la Convention ou d'y adhérer suivant les conditions des articles 12 et 13 pour leurs colonies, protectorats, territoires d'outre-mer, territoires placés sous leur suzeraineté ou territoires pour lesquels un mandat leur a été confié.

3. Elles se réservent également le droit de la dénoncer séparément suivant les conditions de l'article 16.

4. La présente Convention ne pourra pas s'appliquer aux colonies, protectorats, territoires d'outre-mer, territoires placés sous la suzeraineté d'une Haute Partie contractante ou territoires pour lesquels un mandat lui a été confié si la Convention internationale pour la lutte contre les maladies contagieuses des animaux n'est pas en vigueur ou a cessé d'être en vigueur pour ladite Haute Partie contractante dans les pays susmentionnés.

*Article 18 (Révision).*

1. Des conférences de révision pourront être convoquées en vue d'apporter à la Convention les changements dont l'expérience aurait fait apparaître l'utilité.

2. Une conférence de révision sera convoquée par le Secrétaire général de la Société des Nations chaque fois que la demande lui en sera faite au moins par cinq des Hautes Parties contractantes.

Celles-ci indiqueront sommairement les changements qu'elles proposent et les motifs de ces changements.

3. A moins que l'unanimité des Hautes Parties contractantes y consente, aucune demande visant la convocation d'une conférence de révision qui se tiendrait moins de deux ans après la mise en vigueur de la convention ou quatre ans après la clôture d'une précédente conférence de révision ne sera recevable.

4. Le Secrétaire général de la Société des Nations préparera avec le concours de l'Office international des épizooties les travaux des conférences de révision.

*Article 14 (Entry into Force).*

1. The Secretary-General of the League of Nations will draw up a *procès-verbal* when five ratifications or accessions complying with the condition laid down in paragraph 3 of Article 12 and in paragraph 3 of Article 13 have been received.

2. A certified true copy of this *procès-verbal* shall be transmitted by the Secretary-General of the League of Nations to all the Members of the League of Nations and to all non-member States mentioned in Article 12.

*Article 15.*

1. The present Convention shall be registered by the Secretary-General of the League of Nations ninety days after the date of the *procès-verbal* mentioned in Article 14. It will come into force on that date.

2. In respect of each Member or non-member State on whose behalf any instrument of ratification or accession is subsequently deposited, the Convention shall come into force ninety days after the date of the deposit of such instrument.

*Article 16 (Duration and Denunciation).*

1. The duration of the present Convention shall be for two years from its entry into force.

2. It shall remain in force for a further period of four years, and subsequently in respect of such Contracting Parties as have not denounced it at least six months before the expiry of the period.

3. The denunciation shall be effected by a written notification addressed to the Secretary-General of the League of Nations.

4. The present Convention shall cease to be in force as regards any High Contracting Party when, as a result of denunciation of the International Convention for the Campaign against Contagious Diseases of Animals, the High Contracting Party has ceased, such denunciation having duly taken effect, to be a party to that Convention.

5. The Secretary-General of the League of Nations shall inform all Members of the League of Nations and non-member States referred to in paragraph 1 of Article 12 of all notices of denunciation of the present Convention or of the International Convention for the Campaign against Contagious Diseases of Animals, denunciation of the latter being counted as denunciation of the present Convention.

*Article 17 (Application to Colonies, Protectorates, etc.).*

1. In the absence of a contrary declaration by one of the High Contracting Parties at the time of signature, ratification or accession, the provisions of the present Convention shall not apply to colonies, protectorates, overseas territories, territories under its suzerainty or territories in respect of which a mandate has been entrusted to it.

2. Nevertheless, the High Contracting Parties reserve the right to sign the Convention or to accede thereto, in accordance with the provisions of Articles 12 and 13, for their colonies, protectorates, overseas territories, territories under their suzerainty or territories in respect of which a mandate has been confided to them.

3. They further reserve the right to denounce the Convention separately, in accordance with the provisions of Article 16.

4. The present Convention shall not be applicable to colonies, protectorates, overseas territories, territories under the suzerainty of a High Contracting Party or territories in respect of which a mandate has been confided to it, if the International Convention for the Campaign against Contagious Diseases of Animals is not in force, or has ceased to be in force in so far as the said High Contracting Party is concerned in the above-mentioned countries.

*Article 18 (Revision).*

1. Conferences for the revision of the present Convention may be called with a view to making such changes therein as experience may have shown to be useful.

2. A conference for the revision of the present Convention shall be called by the Secretary-General of the League of Nations whenever so requested by not less than five of the High Contracting Parties.

The latter shall indicate succinctly the changes they propose and the reasons for such changes.

3. In default of the unanimous consent of the High Contracting Parties, no demand for the calling of a conference for the revision of the present Convention within less than two years from the entry into force of the Convention or four years from the end of a previous conference for its revision shall be admissible.

4. The Secretary-General of the League of Nations shall prepare the work of conferences for the revision of the present Convention with the co-operation of the International Office for Contagious Diseases of Animals.

EN FOI DE QUOI les plénipotentiaires sus-  
mentionnés ont signé la présente Convention.

FAIT à Genève le vingt février mil neuf cent  
trente-cinq, en un seul exemplaire, qui sera  
conservé dans les archives du Secrétariat de  
la Société des Nations et dont copie certifiée  
conforme sera remise à tous les Membres de  
la Société et aux Etats non membres visés à  
l'article 12.

IN FAITH WHEREOF the above-mentioned  
Plenipotentiaries have signed the present  
Convention.

DONE at Geneva the twentieth day of  
February, one thousand nine hundred and  
thirty-five, in a single copy, which shall be  
kept in the archives of the Secretariat of the  
League of Nations and of which a certified true  
copy shall be delivered to all the Members of  
the League and to the non-member States  
referred to in Article 12.

BULGARIE

N. ANTONOFF

BULGARIA

FRANCE

V. DROUIN

FRANCE

ITALIE

C. BISANTI

ITALY

LETTONIE

J. FELDMANS.

LATVIA

PAYS-BAS

Pour le Royaume en Europe <sup>1</sup>  
C. VAN RAPPARD

THE NETHERLANDS

---

<sup>1</sup> Translation:  
For the Kingdom in Europe.

POLOGNE

Titus KOMARNICKI

POLAND

ROUMANIE

C. ANTONIADE

ROUMANIA

SUISSE

FLÜCKIGER

SWITZERLAND

TCHÉCOSLOVAQUIE

Rodolphe KÜNZL-JIZERSKÝ.

CZECHOSLOVAKIA

Copie certifiée conforme.

Pour le Secrétaire général :

Certified true copy.

For the Secretary-General :

*Conseiller juridique du  
Secrétariat.*

*Legal Adviser of the  
Secretariat.*

**Annexe.**

**MODÈLE DE CERTIFICAT D'ORIGINE ET DE SALUBRITÉ.**

Le soussigné [nom et titre du vétérinaire fonctionnaire de l'Etat de provenance]  
certifie que les produits d'origine animale dont la désignation suit :

[poids]

[nature des marchandises]

portant les marques ci-après :

expédiés de [localité d'expédition]

par [nom et adresse de l'expéditeur]

et destinés à [nom et adresse du destinataire]

transportés par [mode de transport, nom du navire, s'il y a lieu]

proviennent d'une région dans laquelle le charbon bactérien, la peste porcine, la fièvre  
aphteuse ou la clavelée ne sévissent pas avec un caractère malin ou envahissant et répondent aux  
conditions de salubrité énoncées à l'article premier de la Convention internationale du .....

Fait à

le [la date en lettres]

[Signature du vétérinaire avec mention de sa qualité.]

[Timbre ou cachet officiel.]

---

**Annex.**

**SPECIMEN CERTIFICATE OF ORIGIN AND FREEDOM FROM CONTAMINATION.**

I, the undersigned [name and qualification of the Government veterinary officer of the State of provenance], certify that the animal products hereinunder described :

[weight]

[nature of goods]

marked as under :

consigned from [place of consignment]

by [name and address of consignor]

to [name and address of consignee]

in transport by [form of transport and, if transport is by water, name of vessel],

come from a district in which no anthrax, swine fever, foot-and-mouth disease or sheep-pox are prevalent in malignant or epidemic form, and comply with the conditions in respect of freedom from contamination laid down in Article 1 of the International Convention of . . .  
.....

Done at . . . . .

on [date in full].

[Signature of veterinary surgeon, stating qualifications.]

[Official stamp or seal.]



Genève, le 8 mars 1935.

SOCIÉTÉ DES NATIONS

Comité économique

ÉTUDES RELATIVES AU PROBLÈME  
DES RAPPROCHEMENTS ÉCONOMIQUES EUROPÉENS

TROISIÈME SÉRIE

2

CHIFFRES ESSENTIELS DU COMMERCE  
DES "PAYS DU BLOC-OR"  
ENTRE EUX, AINSI QU'AVEC L'ALLEMAGNE,  
LE ROYAUME-UNI ET LES ÉTATS-UNIS

Données réunies par le Secrétariat  
sur la base des statistiques officielles

*Ce document n'existe qu'en français.*

\*\*\*\*\*  
This document will not be  
published in English.  
\*\*\*\*\*

Série de Publications de la Société des Nations  
II. QUESTIONS ÉCONOMIQUES ET FINANCIÈRES ✓  
1935. II. B. 4.

## TABLE DES MATIÈRES

	Pages
PRÉFACE . . . . .	5
PROTOCOLE signé à Bruxelles, le 20 octobre 1934, par les pays restés fidèles à l'étalon-or . . . . .	6
OBSERVATIONS GÉNÉRALES relatives aux « Pays du Bloc-or » considérés comme constituant un groupe . . . . .	7

### Première partie.

#### COMMERCE DES PAYS DU BLOC-OR CONSIDÉRÉS COMME UN ENSEMBLE.

1. COMMERCE DU BLOC-OR ET COMMERCE MONDIAL . . . . .	14
2. COMMERCE DU BLOC-OR AVEC LES PAYS ÉTRANGERS AU BLOC . . . . .	14
3. COMMERCE RÉCIPROQUE DES PAYS DU BLOC-OR . . . . .	16
4. COMPARAISON ENTRE LE COMMERCE RÉCIPROQUE DES PAYS DU BLOC-OR ET LE COMMERCE DU BLOC-OR AVEC LES AUTRES PAYS . . . . .	18
5. CHUTE DE LA VALEUR DES ÉCHANGES DU BLOC-OR . . . . .	18

#### RENSEIGNEMENTS STATISTIQUES :

1. Répartition du commerce de chacun des six pays du Bloc-or en 1929 . . . . .	19
2. Répartition du commerce de chacun des six pays du Bloc-or en 1933 . . . . .	20
3. Commerce des six pays du Bloc-or entre eux . . . . .	21
4. Commerce des six pays du Bloc-or à l'intérieur du Bloc et avec les autres pays . . . . .	21

### Deuxième partie.

#### QUELQUES ASPECTS DES RELATIONS COMMERCIALES DES PAYS DU BLOC-OR.

##### 1. UNION BELGO-LUXEMBOURGEOISE :

A. Données essentielles relatives au rôle de l'Union Belgo-Luxembourgeoise dans le Bloc-or . . . . .	22
--	----

##### B. Renseignements statistiques :

a) Commerce extérieur — Chiffres globaux annuels . . . . .	25
b) Importation par groupes d'articles en 1929 . . . . .	26
c) Importation par groupes d'articles en 1933 . . . . .	27
d) Exportation par groupes d'articles en 1929 . . . . .	28
e) Exportation par groupes d'articles en 1933 . . . . .	29

##### 2. FRANCE :

A. Données essentielles relatives au rôle de la France dans le Bloc-or . . . . .	31
--	----

##### B. Renseignements statistiques :

a) Commerce extérieur — Chiffres globaux annuels . . . . .	34
b) Chiffres globaux annuels du commerce avec l'étranger . . . . .	35
c) Importation par principaux articles en 1929 . . . . .	36
d) Importation par principaux articles en 1933 . . . . .	37
e) Exportation par principaux articles en 1929 . . . . .	38
f) Exportation par principaux articles en 1933 . . . . .	39

##### 3. ITALIE :

A. Données essentielles relatives au rôle de l'Italie dans le Bloc-or . . . . .	40
---	----

##### B. Renseignements statistiques :

a) Commerce extérieur — Chiffres globaux annuels . . . . .	43
b) Importation par principaux articles en 1929 . . . . .	44
c) Importation par principaux articles en 1933 . . . . .	45
d) Exportation par principaux articles en 1929 . . . . .	46
e) Exportation par principaux articles en 1933 . . . . .	47



	Pages
<b>4. PAYS-BAS :</b>	
A. Données essentielles relatives au rôle des Pays-Bas dans le Bloc-or . . . . .	48
B. Renseignements statistiques :	
a) Commerce extérieur — Chiffres globaux annuels . . . . .	51
b) Importation par principaux articles en 1929 . . . . .	52
c) Importation par principaux articles en 1933 . . . . .	53
d) Exportation par principaux articles en 1929 . . . . .	54
e) Exportation par principaux articles en 1933 . . . . .	55
<b>5. POLOGNE :</b>	
A. Données essentielles relatives au rôle de la Pologne dans le Bloc-or . . . . .	56
B. Renseignements statistiques :	
a) Commerce extérieur — Chiffres globaux annuels . . . . .	59
b) Importation par principaux articles en 1929 . . . . .	60
c) Importation par principaux articles en 1933 . . . . .	61
d) Exportation par principaux articles en 1929 . . . . .	62
e) Exportation par principaux articles en 1933 . . . . .	63
<b>6. SUISSE :</b>	
A. Données essentielles relatives au rôle de la Suisse dans le Bloc-or . . . . .	64
B. Renseignements statistiques :	
a) Commerce extérieur — Chiffres globaux annuels . . . . .	67
b) Importation par principaux articles en 1929 . . . . .	68
c) Importation par principaux articles en 1933 . . . . .	69
d) Exportation par principaux articles en 1929 . . . . .	70
e) Exportation par principaux articles en 1933 . . . . .	71

**Troisième partie.**

**CARACTÈRES PRINCIPAUX DES RELATIONS COMMERCIALES DE L'ALLEMAGNE, DU ROYAUME-UNI ET DES ÉTATS-UNIS D'AMÉRIQUE AVEC LES PAYS DU BLOC-OR.**

**1. ALLEMAGNE :**

A. Données essentielles concernant les relations commerciales de l'Allemagne avec les pays du Bloc-or . . . . .	72
B. Renseignements statistiques :	
a) Commerce avec les pays du Bloc-or . . . . .	75
b) Importation en provenance des pays du Bloc-or en 1929 . . . . .	76
c) Importation en provenance des pays du Bloc-or en 1933 . . . . .	77
d) Exportation vers les pays du Bloc-or en 1929 . . . . .	78
e) Exportation vers les pays du Bloc-or en 1933 . . . . .	79

**2. ROYAUME-UNI :**

A. Données essentielles concernant les relations commerciales du Royaume-Uni avec les pays du Bloc-or . . . . .	80
B. Renseignements statistiques :	
a) Commerce avec les pays du Bloc-or . . . . .	82
b) Importation en provenance des pays du Bloc-or en 1929 . . . . .	83
c) Importation en provenance des pays du Bloc-or en 1932 . . . . .	84
d) Exportation vers les pays du Bloc-or en 1929 . . . . .	85
e) Exportation vers les pays du Bloc-or en 1932 . . . . .	86

**3. ÉTATS-UNIS D'AMÉRIQUE :**

A. Données essentielles concernant les relations commerciales des États-Unis avec les pays du Bloc-or . . . . .	87
B. Renseignements statistiques :	
a) Commerce avec les pays du Bloc-or . . . . .	89
b) Importation en provenance des pays du Bloc-or en 1929 . . . . .	90
c) Importation en provenance des pays du Bloc-or en 1932 . . . . .	91
d) Exportation vers les pays du Bloc-or en 1929 . . . . .	92
e) Exportation vers les pays du Bloc-or en 1932 . . . . .	93

## PRÉFACE

---

C'est à l'usage des membres du Comité économique et pour leur fournir les données nécessaires à l'étude d'une nouvelle phase du problème des « Rapprochements économiques européens », qu'ont été réunies les données statistiques reproduites dans la présente brochure.

Celle-ci ne prétend pas mettre sous les yeux du lecteur un tableau complet du commerce extérieur de chacun des « pays du Bloc-or ». A ce titre, les statistiques nationales sont beaucoup plus détaillées et précises. Mais ce que ces statistiques ne donnent pas, c'est une vue de l'ensemble des échanges commerciaux existant entre les « Pays-or » et sur la base desquels pourrait se développer une collaboration économique plus étroite, telle qu'elle est envisagée dans le Protocole signé à Bruxelles le 20 octobre 1934.

Un tel programme de rapprochement pose dès l'abord certaines questions d'importance primordiale, relatives non seulement à l'intensité, mais aussi à la structure des relations commerciales de ces pays entre eux, ainsi qu'avec leurs principaux fournisseurs et clients. La présente compilation aura atteint son but si elle contribue à fournir les éléments indispensables à un examen de ces questions. Ces éléments ont été condensés dans de courtes notes suivies de données statistiques correspondantes. La première partie de ces notes se rapporte aux « pays du Bloc-or » considérés comme constituant un groupe en soi. Les parties suivantes fournissent les données principales en ce qui concerne chacun des pays envisagés.

Chaque fois qu'on a estimé qu'il pourrait être utile de montrer l'évolution générale des échanges des pays étudiés avec l'extérieur, on a donné les chiffres relatifs aux années 1928 à 1933 ; on les a complétés, en l'absence des données officielles détaillées, par des estimations pour l'année 1934 chaque fois qu'il n'a pu être fait autrement.

Dans les autres cas, et notamment pour les tableaux relatifs aux importations et aux exportations des articles principaux, on s'est limité à deux années-types : l'année 1929, qui marque le degré le plus élevé atteint dans l'intensité des échanges et qui est la dernière au cours de laquelle le commerce se soit déroulé dans des conditions de liberté relative, et l'année 1933, qui est la plus rapprochée de nous et pour laquelle des données statistiques détaillées et définitives soient disponibles.

Pour les graphiques, le choix s'est également porté sur ces deux mêmes années.

Dans une dernière partie, on a mis en évidence l'importance des courants commerciaux qui unissent les « pays du Bloc-or » à l'Allemagne, au Royaume-Uni et aux Etats-Unis d'Amérique.

Les autres pays, si ce n'est l'Autriche et la Tchécoslovaquie dans leurs relations avec la Pologne, n'ont été pris en considération que comme un ensemble, lorsque c'était indispensable pour donner un aperçu complet de la valeur des marchandises échangées.

Toutes les données numériques ont été tirées des sources officielles.

P. STOPPANI,

*Directeur de la Section des Relations économiques*

---

PROTCOLE SIGNÉ A BRUXELLES LE 20 OCTOBRE 1934  
PAR LES PAYS RESTÉS FIDÈLES A L'ÉTALON-OR

---

Les Gouvernements soussignés :

Convaincus, comme ils l'ont affirmé à Londres le 3 juillet 1933, que la stabilité monétaire est l'une des conditions essentielles du retour à une situation économique normale ;

Considérant qu'en assurant la stabilité de leurs monnaies, ils contribueront à la restauration de l'économie mondiale :

Confirment leur volonté de maintenir les parités-or actuelles de leurs monnaies respectives ;

Reconnaissent que leur politique monétaire commune implique un développement des échanges internationaux, développement que doit favoriser entre eux la similitude des conditions monétaires existant dans leurs pays respectifs ;

Conviennent :

I. — De constituer une Commission générale composée de leurs délégués respectifs.

II. — *En ce qui concerne les échanges commerciaux :*

1° De rechercher de quelle manière il est actuellement possible d'accroître les échanges entre leurs pays. Ils considèrent comme désirable un accroissement de 10% du volume global des échanges effectués du 1<sup>er</sup> juillet 1933 au 30 juin 1934 ;

2° D'engager sans retard à cet effet des négociations bilatérales, lesquelles devront aboutir dans le délai maximum d'un an ;

3° De soumettre le projet de Convention internationale relatif à la propagande commerciale, auquel ils donnent en principe leur approbation, à l'examen d'un sous-comité composé de chacun des Gouvernements soussignés, avec mission d'arrêter définitivement le texte de la Convention, de manière à en permettre la signature à bref délai.

III. — *En ce qui concerne le tourisme et les transports :*

De constituer deux sous-comités composés de représentants de chacun des Gouvernements soussignés, avec mission de faire rapport à la Commission générale sur les propositions dont celle-ci est dès à présent saisie ou qui lui seraient ultérieurement soumises.

IV. — De réunir sans retard les sous-comités ci-dessus prévus et de convoquer à Bruxelles la Commission générale dans un délai de trois mois pour prendre connaissance de l'état des travaux et fixer la suite de son programme sans perdre de vue les intérêts des tiers et la nécessité d'une collaboration plus étendue sur le plan international.

---

## OBSERVATIONS GÉNÉRALES RELATIVES AUX PAYS DU «BLOC-OR» CONSIDÉRÉS COMME CONSTITUANT UN GROUPE

---

### 1. — *Caractère occasionnel de ce groupement.*

Les deux premières séries de ces compilations statistiques, consacrées au problème des *Rapprochements économiques européens*, se rapportaient à un groupe de pays, les *Pays danubiens* qui, tout au moins au point de vue géographique, présentent une certaine homogénéité. Echelonnés comme ils le sont autour de cette grande voie de pénétration économique qu'est le Danube, il était naturel de leur appliquer la notion de «groupe», bien que chacun d'eux se soit développé d'une manière tout à fait indépendante depuis le démembrement de l'ancienne monarchie austro-hongroise.

Il n'en est pas de même en ce qui concerne le groupe des pays dont la présente série aborde l'examen. Ce groupe n'est ni l'expression d'une entité géographique ni le résultat d'une évolution historique commune. Sa raison d'être se trouve essentiellement dans la volonté exprimée par les gouvernements des pays qui le composent de continuer à appuyer, dans l'avenir comme par le passé, leurs monnaies sur l'étalon-or, ainsi que sur la situation spéciale que le maintien de cette politique tend à créer pour eux dans une économie mondiale guidée en grande partie par d'autres conceptions monétaires.

Cette circonstance, occasionnelle et probablement transitoire, ne constitue pas en elle-même un lien organique entre les Pays-or : demain, dans un monde revenu, par quelque voie que ce soit, à un système monétaire uniforme, le groupe aurait perdu sa raison d'être. C'est d'ailleurs grâce à cette analogie des politiques monétaires que le Protocole de Bruxelles a pu être signé en même temps par des pays à structure économique aussi différente que les cinq pays occidentaux (Union Belgo-Luxembourgeoise, France, Italie, Pays-Bas, Suisse) d'une part, et la Pologne d'autre part.

### 2. — *Affinités économiques.*

Mais les circonstances exceptionnelles qui ont donné naissance au Protocole de Bruxelles et le caractère temporaire des facteurs financiers et monétaires qui l'ont inspiré, ne doivent pas détourner l'attention des affinités économiques permanentes et très réelles qui, malgré de nombreuses nuances, existent notamment entre les cinq pays occidentaux faisant partie du Bloc-or.

Un niveau de vie relativement élevé, un haut degré de développement économique et notamment industriel, une production extrêmement variée, la coexistence d'une agriculture et d'une industrie fortement ramifiées, des traditions commerciales communes, créent entre ces pays une intimité économique qui se manifeste par des courants d'échanges d'une importance et d'une continuité remarquables.

Ce fait est d'autant plus intéressant que presque toujours le contingent le plus important de ces échanges est constitué par les produits fabriqués, c'est-à-dire par des produits qui ne sont pas considérés comme indispensables, et dont le commerce devrait, en période de crise, si des raisons impérieuses ne s'y opposaient, tomber plus rapidement que les échanges de denrées ou de matières brutes et qui, en outre, représentent des formes infiniment diverses d'activité économique et incorporent la plus grande quantité de travail humain.

On a adressé au groupe des Pays-or la critique que leurs économies sont trop semblables pour être complémentaires. Il est tout d'abord à remarquer que ces pays échangent souvent entre eux, et pour des montants considérables, des matières que certains d'entre eux ne possèdent pas ou ne possèdent qu'en quantité insuffisante. Qu'il suffise de faire allusion à certaines matières premières importantes, telles que le fer, le charbon, le bois, et à certains produits agricoles liés à des conditions climatiques particulières, tels que la soie, l'huile, les raisins, les citrons, etc.

Ce sont là les échanges complémentaires, suivant la signification courante de ce terme. Mais si le fait d'un développement industriel analogue devait être destructif de la capacité d'échange, comment expliquer les chiffres élevés du commerce, et notamment du commerce des produits manufacturés, entre ces pays ? C'est qu'en fait les possibilités d'échange, loin de diminuer, augmentent à mesure que la production des pays en cause se diversifie toujours davantage.

Les rapports existant entre les pays en question sont une preuve extrêmement frappante du fait que l'intensité des relations commerciales est en raison directe et non inverse du développement et de la ramification de l'activité transformatrice.

### 3. — Importance variable du marché « Bloc-or » pour les divers pays.

Mais si les courants d'échanges qui unissent les pays du Bloc-or sont d'une grande importance, il n'en est pas moins vrai qu'il existe de très notables différences dans l'intensité de ces courants. Ainsi, sur la base des statistiques d'exportation, on constate que la valeur des ventes effectuées en 1933 par l'Union Belgo-Luxembourgeoise dans les autres pays du Bloc-or s'élève à 40 % de la valeur de son exportation totale.

Les autres pays du groupe représentent donc, pour l'Union Belgo-Luxembourgeoise, le débouché de beaucoup le plus important, plus important même que l'Allemagne, le Royaume-Uni et les Etats-Unis d'Amérique réunis.

Pour la France, si l'on considère le commerce français à destination des colonies comme du commerce intérieur, on constate que, pour la même année, le débouché offert par les autres pays du groupe a absorbé environ le 36 % de la valeur globale exportée, ce qui indique une situation très voisine de celle de l'Union Belgo-Luxembourgeoise.

La Suisse occupe une position intermédiaire, tandis que les Pays-Bas et l'Italie sont, à ce point de vue, dans une situation plus marginale, le Bloc ne présentant pas pour eux, comme débouché, le même intérêt. Ainsi, dans la même année, l'Italie et les Pays-Bas ont placé, dans les autres pays du Bloc, respectivement le 22 et le 29 % de leur exportation totale, mais ce chiffre est dépassé par celui de leurs exportations à destination de l'Allemagne et du Royaume-Uni.

En conclusion, pour chacun des pays du Bloc-or, le débouché constitué par l'ensemble des cinq autres pays du Bloc est toujours très important, cette importance oscillant toutefois, suivant le pays considéré, entre le cinquième et les deux cinquièmes de la valeur de son exportation totale.

On distingue par ailleurs, dans le réseau de ces échanges, des rapports bilatéraux d'une intensité toute particulière dont il sera question plus loin. Tels sont ceux qui relient la France à l'Union Belgo-Luxembourgeoise, la France à la Suisse, l'Union Belgo-Luxembourgeoise aux Pays-Bas, l'Italie à la Suisse.

### 4. — Affinités et rapports avec le Royaume-Uni et l'Allemagne.

Ayant indiqué plus haut les affinités qui pourraient conférer à l'ensemble des Pays-or le caractère d'un groupe économique, il importe d'ajouter immédiatement que ces affinités leur sont, il est vrai, communes, mais ne leur sont pas particulières. En effet, une classification basée uniquement sur ce critère devrait nécessairement s'étendre aux autres pays européens qui se trouvent dans des conditions similaires, tels que notamment l'Allemagne, le Royaume-Uni, la Suède, la Tchécoslovaquie, l'Autriche, etc.

C'est pour cette raison, et en tenant compte du caractère probablement transitoire des divergences monétaires actuelles, qu'on a tenu à mettre toujours sous les yeux du lecteur les chiffres des échanges des Pays-or avec les deux pays européens les plus importants en dehors du groupe, à savoir l'Allemagne et le Royaume-Uni.

Ces échanges sont des plus intenses.

Nous avons indiqué plus haut, en nous basant sur les chiffres de l'exportation de 1933, l'importance, pour chacun des Pays-or, du marché constitué par les cinq autres pays du groupe. Or si, à ce dernier marché, nous ajoutons, en nous basant toujours sur les chiffres de 1933, celui qui est constitué par l'Allemagne et le Royaume-Uni, nous constaterions ce qui suit :

Le marché, formé par les cinq autres Pays-or, plus le Royaume-Uni et l'Allemagne, a absorbé en 1933 :

- 68% de l'exportation totale des Pays-Bas ;
- 62,5% de l'exportation totale de l'Union Belgo-Luxembourgeoise ;
- 61,8% de l'exportation de la France (le commerce avec ses colonies étant considéré comme commerce intérieur) ;
- 60,9% de l'exportation totale de la Suisse ;
- 56,9% de l'exportation totale de la Pologne ;
- 45,5% de l'exportation totale de l'Italie.

Ces proportions ne varient pas sensiblement d'année en année.

Le rôle de l'Allemagne et du Royaume-Uni dans les échanges extérieurs des pays du Bloc-or est donc primordial et suffit à démontrer l'intérêt de premier plan que présenterait une extension à ces deux pays — sans parler des autres pays industriels du continent — du principe de l'intensification des échanges de marchandises, incorporé dans le Protocole de Bruxelles.

Il était également nécessaire, tout en leur assignant une place à part, de faire rentrer dans le cercle ainsi envisagé les Etats-Unis d'Amérique, grands fournisseurs de matières premières, gros acheteurs de produits fabriqués européens, et jouant au titre financier un rôle de premier ordre, dans tout examen des possibilités qu'une tentative de rapprochement économique en Europe peut offrir comme remède à la crise économique.

##### 5. — *Politique commerciale, déflation et préoccupations monétaires.*

En ce qui concerne la politique commerciale, la différence qui existait encore au début de la crise entre l'Union Belgo-Luxembourgeoise et les Pays-Bas, pays essentiellement échangistes, d'une part, et les autres pays du Bloc-or d'autre part, tend à disparaître. Tous ces pays recourent aujourd'hui, bien que dans une mesure différente, à une politique dominée par des préoccupations analogues et dont la caractéristique essentielle consiste en une limitation directe (obtenue au moyen de contingents car les droits de douane ne jouent plus qu'un rôle secondaire) plus ou moins prononcée et plus ou moins générale, de l'importation.

En dehors du souci habituel de protéger les producteurs nationaux, cette politique s'inspire du désir de redresser la balance commerciale, à laquelle on est enclin à attribuer une importance d'autant plus grande que diminue celle des autres postes de la balance des comptes, tels que services, tourisme, intérêts, etc.

Dans ce but, on tend, avec plus ou moins de rigueur ou de largeur de vues, à subordonner toute importation à la possibilité d'une exportation équivalente, ce qui, dans les circonstances actuelles, est d'ailleurs considéré par les Pays-or comme le seul moyen efficace de conserver, au moins partiellement, les anciens débouchés.

Cette tendance vers l'équilibre des échanges — dont l'exemple le plus net et le plus récent nous est offert par les mesures prises tout récemment après tant d'autres pays par l'Italie — se manifeste avec un relief tout particulier là où la défense de la parité actuelle de la monnaie est devenue la préoccupation dominante.

Malgré le Protocole de Bruxelles, force est de reconnaître que les pays du Bloc-or continuent, les uns davantage, les autres moins, à appliquer une politique restrictive des échanges, aussi bien dans leurs relations réciproques que vis-à-vis des autres pays.

Les négociations bilatérales qui se poursuivent sans répit sous le signe d'un équilibre défensif, reléguant nécessairement au second plan toute velléité d'expansion et de reprise, réussissent à grand'peine à maintenir les courants commerciaux de plus en plus ténus qui survivent à la crise. Si riche que soit la matière d'une négociation bilatérale, elle n'intéresse jamais qu'un certain nombre de secteurs de l'économie nationale et elle reste en conséquence impuissante à fournir un apport qui permettrait un revirement de la politique économique des pays en cause.

Dans le cadre du Bloc-or, et surtout dans un cadre qui s'étendrait, en Europe, aux autres pays à monnaie librement négociable, donc en tout premier lieu au Royaume-Uni, cette matière — les chiffres cités ci-dessus le démontrent — deviendrait suffisamment abondante pour permettre l'expérience d'un effort simultané d'expansion économique qu'on pourrait difficilement risquer sur un terrain plus limité. C'est cette conception de groupement des marchés qui a présidé à la conclusion de l'accord de Bruxelles.

Cet accord n'a pas encore donné tous les résultats que l'on en espérait. Les Pays-or sont engagés dans un processus de déflation qui, n'étant pas accompagné d'une reprise simultanée des affaires (on ne peut gagner en vendant meilleur marché qu'à condition de vendre davantage), se traduit par un affaiblissement progressif du marché intérieur et par une augmentation proportionnelle de la charge des impôts. Ces pays, de même d'ailleurs que la plupart de ceux qui défendent à coups de restrictions des parités monétaires plus ou moins fictives, se voient donc contraints, chacun pour son compte et faute de pouvoir collaborer avec un groupement de pays assez important pour assurer à chaque membre une contre-partie suffisante, de continuer une politique restrictive de l'importation qui tend à maintenir élevés ces mêmes prix que, par ailleurs, on désirerait abaisser afin de reprendre le contact avec le marché mondial. On tourne ainsi dans un cercle vicieux et encore voit-on qu'à la longue cette politique est loin d'être infaillible car, malgré ou, plutôt, en raison même de son efficacité, la surproduction, conséquence inévitable de la surprotection, s'installe ici et là, à l'abri de frontières trop bien gardées, et déprime les cours, notamment de certaines productions agricoles primordiales.

C'est la baisse en vase clos qui ne porte pas en elle le germe de la reprise. Elle s'opère en effet sans accroissement massif des transactions, sans augmentation de l'importation, sans reprise de l'exportation. Elle s'accompagne par surcroît d'une nouvelle contraction du marché de l'industrie : peu de concurrents étrangers, mais en revanche trop de denrées ou trop peu de clients. Symptôme alarmant de cet état de choses, dans la plupart des pays en question, entretenu par le rendement toujours plus faible de l'impôt et les charges croissant en raison directe du nombre des chômeurs, le déficit budgétaire semble s'installer à demeure.

Persuadés de la nécessité de briser ce cercle dangereux au moyen d'une énergique reprise des échanges, les Pays-or avaient décidé de conjuguer leurs efforts et de mettre collectivement à contribution les ressources de leurs marchés. Les résultats obtenus jusqu'ici sont modestes. Peut-être faut-il attendre pour qu'ils portent leurs fruits que, notamment dans certains des pays participants, les intéressés sentent chanceler leur croyance dans le pouvoir illimité d'un système uniquement basé sur la restriction. Peut-être faut-il que d'autres pays, et notamment les Pays anglo-saxons, s'associent à l'initiative des Pays-or, après avoir établi en commun des formules permettant une collaboration plus intime, malgré la coexistence de conceptions monétaires encore divergentes.

## 6. — *Liberté du commerce des devises.*

S'ils maintiennent à peu près intacte l'armature des restrictions commerciales, en revanche, les pays du Bloc-or — à quelques exceptions près — ne limitent pas le commerce des devises : ils laissent toute liberté à l'intéressé de se procurer les moyens de paiement dont il a besoin, soit pour payer des

marchandises étrangères, soit pour se décharger de toute autre obligation qu'il peut avoir contractée vis-à-vis d'un créancier étranger.

Aucune entrave d'ordre financier ne vient donc jusqu'à présent s'ajouter aux nombreuses restrictions d'ordre commercial : l'Etat n'intervient pas entre le débiteur et le créancier, la solvabilité de celui-là étant la seule condition mise à la satisfaction de celui-ci et les deux monnaies pouvant librement être échangées l'une contre l'autre.

Cette normalité relative, qui permet, sinon d'échanger avec facilité des marchandises, tout au moins de payer librement celles qu'on a pu échanger, caractérise non seulement les rapports réciproques des Pays-or, mais également leurs relations avec les pays ayant une monnaie détachée de l'or, mais librement négociable. Pour régler leurs obligations réciproques, ces pays n'ont pas eu besoin, jusqu'ici, d'avoir recours à des traités de transfert, ni à des accords de paiement ni à l'encombrante bureaucratie des traités de clearing.

Parmi lesdits pays figure en tout premier lieu, en Europe, le Royaume-Uni, suivi des pays qui gravitent dans son orbite économique et se rattachent au système de la livre.

Le souci de conserver tout au moins ce vestige de liberté économique qui leur est commun, apparaît donc comme un des arguments les plus pressants en faveur d'un rapprochement économique entre ces deux grands groupes ; la liberté de paiement qui existe encore entre eux — mais qui peut se trouver soudainement compromise — élimine d'emblée une série de difficultés additionnelles auxquelles se heurte toute négociation avec les pays limitant strictement le commerce des devises.

## 7. — *Inquiétudes anciennes et tendances nouvelles.*

L'aperçu sommaire des données fondamentales, des situations et des politiques en vigueur, contenu dans les pages précédentes, serait incomplet si l'on n'essayait pas de le compléter par l'indication de certaines idées et tendances nouvelles sur la controverse monétaire et sur les possibilités d'une reprise de la collaboration internationale, qui commencent à se manifester dans les élites économiques des Pays-or. Il semble d'autant plus nécessaire de prendre note de ces courants d'opinion, pour fuyants et incertains qu'ils soient, qu'à une époque aussi mouvante que la nôtre, les tendances sont souvent plus importantes que les faits.

La dépréciation de la livre, non suivie de la hausse des prix qu'on en escomptait, a naturellement assuré aux marchandises du Royaume-Uni, ainsi qu'à celles des autres pays du groupe sterling, un avantage sur les marchandises des Pays-or. Cet avantage est difficile à mesurer : on ne peut affirmer qu'il soit absolument général, et il a probablement tendance à s'amenuiser au fur et à mesure que le temps passe. Mais il n'en constitue pas moins, pour certaines branches importantes de la production, une sorte de préférence jouant au détriment des exportations des pays du Bloc-or.

En ce qui concerne tout particulièrement le marché du Royaume-Uni, débouché d'une importance primordiale pour les exportations des Pays-or, l'obstacle créé par la dévalorisation de la monnaie s'est trouvé doublé par l'introduction simultanée de mesures de protection, ce qui explique dans une large mesure pourquoi, à de rares exceptions près, la chute des exportations des Pays-or vers le Royaume-Uni a suivi, ainsi que la présente compilation permet de le constater, un rythme plus rapide que la chute des exportations du Royaume-Uni vers les Pays-or, et cela malgré les restrictions plus rigoureuses appliquées par ces derniers.

Les mesures de défense introduites par les deux groupes — qu'il s'agisse de droits excessifs ou de contingents trop rigoureux — pourraient naturellement subir de part et d'autre une atténuation à la suite de négociations commerciales, mais pour en arriver là, l'incertitude qui continue de régner sur le cours futur de la livre et, par conséquent, sur les prix avec lesquels il faudra lutter demain, constitue toujours un obstacle préalable très grave, quoique moins absolu peut-être qu'au moment de la Conférence de Londres, pour des négociations d'envergure entre ces deux grands groupes de pays. Comment conclure



des accords, dont les bases mêmes peuvent être ébranlées du jour au lendemain par une nouvelle dépréciation ?

Il est vrai que ce doute, qui semble frapper à l'avance de stérilité toute tentative de mettre sur un autre pied les relations commerciales entre les Pays-or et les pays non or, s'était depuis quelque temps beaucoup atténué grâce aux longues périodes de stabilité de fait de la livre, mais la baisse soudaine du début de mars a naturellement fait revivre les anciennes inquiétudes.

Et cependant, dans les Pays-or, de plus en plus nombreux sont ceux qui, impressionnés par les progrès alarmants de la crise, déçus par les résultats douteux de la thérapeutique compliquée et coûteuse des interventions gouvernementales, se demandent si, au lieu de se cristalliser dans un antagonisme dogmatique (d'un côté : stabilisez et après nous ferons du commerce ; de l'autre : faisons du commerce et après la stabilité se fera toute seule), il ne vaudrait pas mieux se mettre en commun à la recherche d'un terrain d'entente, quitte à prendre quelques précautions pour se prémunir contre des surprises éventuelles.

Ces esprits réfléchis, dont le nombre et l'autorité sont considérables dans les deux camps, ne manquent pas de faire remarquer qu'une reprise résolue du commerce, qui rouvrirait largement les portes à l'exportation des Pays-or sur le marché britannique et, par réciprocité, aux marchandises britanniques sur les principaux marchés continentaux, constituerait probablement par elle-même une des garanties les plus efficaces de la stabilité de la livre.

C'est bien en effet une reprise des échanges qu'aux dires de ses représentants les plus autorisés l'économie britannique considère comme une condition préalable et une garantie indispensable pour le bon fonctionnement d'une stabilité raisonnable des changes. Et si l'on reste dans le cercle des pays à monnaie librement négociable, c'est bien avec les Pays-or, dont l'ensemble constitue pour l'exportation britannique un marché de première grandeur (se plaçant immédiatement après l'Empire lui-même) que des échanges redevenus normaux pourraient parachever l'admirable structure commerciale dont le Royaume-Uni est le centre et qui, ainsi complétée, émancipant désormais la devise britannique de son prétendu enchaînement aux vicissitudes du dollar, lui conférerait une stabilité naturelle, reposant sur la meilleure de toutes les assises, une circulation ample et régulière de toutes les formes de richesse.

Une clause de sauvegarde — pour laquelle des précédents intéressants existent déjà — subordonnant le maintien de certaines concessions au maintien des oscillations de la livre dans des limites déterminées, protégerait les uns contre de nouveaux glissements dangereux et fournirait aux autres une raison puissante pour s'efforcer de les éviter.

On observe encore dans les mêmes milieux qu'une augmentation des transactions commerciales entre les deux groupes ne manquerait pas de contribuer au rétablissement de cet équilibre relatif des prix qui constitue la base d'un commerce normal.

On remarque à ce sujet que l'écart entre les deux régimes de prix tend d'ailleurs à s'atténuer au fur et à mesure que le temps passe. Quelles que soient les opinions qu'on puisse avoir sur la valeur économique des mesures de déflation, il n'en reste pas moins vrai que dans les Pays-or certaines catégories de prix tendent à s'abaisser progressivement, tandis qu'un relèvement, à vrai dire faible et incertain, se manifeste dans les pays à monnaie dévalorisée. On estime que ce timide mouvement pourrait certainement s'affirmer d'une manière plus énergique, surtout dans les prix des produits de base, à la faveur d'une intensification de l'activité industrielle des pays du Bloc-or : la chute impressionnante de l'importation de matières premières dans ces derniers pays<sup>1</sup> est considérée comme un des symptômes les plus graves de l'heure présente, et l'on fait observer que les conséquences indirectes de cette aggravation ne sont peut-être pas sans rapport avec la nouvelle baisse de la devise britannique, ainsi qu'avec la poussée soudaine des chiffres du chômage qu'on a constaté, non seulement dans les Pays-or, mais aussi, tout dernièrement, dans le Royaume-Uni et en Allemagne.

<sup>1</sup> Pour la France seulement, la valeur des matières nécessaires à l'industrie, importées en 1934, accuse un recul sur l'année précédente de près de 2½ milliards de francs (11.372 au lieu de 13.847 millions). En janvier 1935, la valeur de l'importation des mêmes matières marque un nouveau recul de 245 millions de francs sur le même correspondant de l'année 1934 (995 au lieu de 1.240 millions).

Malgré les divergences esquissées ci-dessus, le fait qu'aucun obstacle ne s'oppose à l'exécution des paiements dans les relations réciproques entre le Bloc-or, le Bloc-sterling et le dollar, reste d'importance primordiale.

Tout autres et bien plus redoutables sont les difficultés qui entravent le commerce de ces pays avec les pays qui, par un contrôle des devises exercé d'une manière de plus en plus rigoureuse, ont suspendu partiellement ou totalement le fonctionnement de la monnaie comme moyen de paiement pour les transactions avec l'étranger. On peut considérer l'Allemagne comme représentant de ce type d'économie. De même que nous avons plus haut considéré le Royaume-Uni comme le représentant des pays à monnaie détachée de l'or, mais librement négociable.

C'est pour cette raison, outre celle de son importance économique, que les relations du Bloc-or avec l'Allemagne sont examinées séparément dans la présente compilation.

Vis-à-vis de l'Allemagne, ainsi que des pays qui sont obligés de suivre une politique monétaire analogue, le maintien du commerce, même dans ses proportions réduites, est devenu pour les pays à étalon-or d'une extrême difficulté.

Les traités de clearing, que les circonstances les ont contraints à conclure pour assurer le paiement de ce qui subsiste de leurs exportations, peuvent être considérés comme le symbole d'une situation anormale qui tend à remplacer le système triangulaire des paiements par une compensation purement bilatérale des marchandises.

En face de ce redoutable obstacle, les pays du Bloc-or et les pays à monnaie dévalorisée mais librement négociable, en tout premier lieu le Royaume-Uni, se trouvent également dans une situation identique. Avant de pouvoir même envisager avec l'Allemagne et les autres pays à monnaie bloquée des négociations qui tendraient à une reprise générale des échanges de marchandises, on aurait à surmonter toute une série d'obstacles supplémentaires relevant en grande partie du domaine financier, car un développement normal du commerce n'est évidemment concevable qu'à partir du moment où la monnaie de ces pays pourra à nouveau être échangée sans limitation contre d'autres monnaies et, par l'intermédiaire de ces dernières, contre toutes espèces de marchandises. Bref, avant de songer à développer le commerce, il s'agit ici d'en recréer l'instrument principal.

\* \* \*

En conclusion, il semble que, malgré les divergences de fond subsistant toujours et dont l'importance s'est accentuée à cause de la dernière baisse de la livre, l'opinion s'affirme de plus en plus dans les Pays-or que le « club économique » créé par le Protocole de Bruxelles, justifierait amplement son existence s'il pouvait assurer la reprise de conversations libres et confiantes, portant sur l'ensemble des problèmes de l'heure et organisées suivant une méthode progressive plus rationnelle que celle de la trop vaste réunion de Londres en 1933.

Dans l'esprit de ceux qui les préconisent, ces conversations sont envisagées comme devant débiter sur le terrain européen et se dérouler tout d'abord entre les pays du Bloc-or et celui qui constitue le centre du système économique de la livre, mais avec l'intention d'inviter d'autres pays à y participer dès que des thèmes de discussion suffisamment concrets auraient pu être élaborés.

Les protagonistes de ces conceptions ne peuvent se résigner à l'idée qu'il faille attendre des catastrophes encore plus graves avant d'essayer de chercher en commun des moyens de salut sur le terrain international. Ils se méfient, d'autre part, des conférences mondiales qui, dans la confusion d'innombrables intérêts opposés, rendent à peu près impossibles des conversations vraiment approfondies et utiles et qui engagent trop directement et trop immédiatement, avant même tout examen de fond, la responsabilité des gouvernements.

C'est pourquoi ils songent à une méthode progressive de conversations de caractère essentiellement préparatoire, libres de la contrainte imposée par une limite de temps, et se déroulant, à l'abri d'une presse inquiète et nerveuse et d'une opinion publique indûment alertée, dans une atmosphère de calme et de confiance.

**Première partie.**

**COMMERCE DES PAYS DU BLOC-OR CONSIDÉRÉS  
COMME UN ENSEMBLE<sup>1</sup>**

**1. COMMERCE DU BLOC-OR ET COMMERCE MONDIAL.**

La valeur globale du commerce (importation et exportation, quelles que soient la provenance et la destination), des pays du Bloc-or *entre eux et avec les autres pays*, a été, exprimée en millions de francs suisses :

En 1928 de 58.641, représentant le 16,7% du commerce mondial  
 En 1929 de 59.772, représentant le 16,8% du commerce mondial  
 En 1930 de 51.229, représentant le 17,9% du commerce mondial  
 En 1931 de 39.469, représentant le 19,3% du commerce mondial  
 En 1932 de 26.646, représentant le 19,2% du commerce mondial  
 En 1933 de 24.868, représentant le 20,0% du commerce mondial

**2. COMMERCE DU BLOC-OR AVEC LES PAYS ÉTRANGERS AU BLOC.**

La valeur globale du commerce (importation et exportation) des pays du Bloc-or *avec les pays ne faisant pas partie du Bloc*, a été, exprimée en millions de francs suisses :

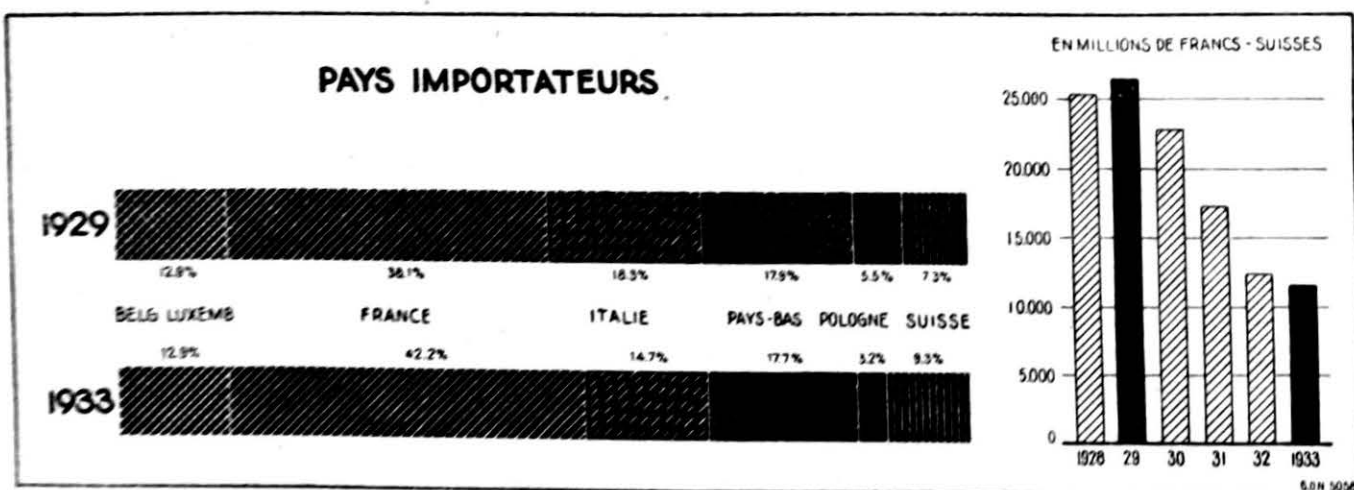
En 1928 de 45.426, représentant le 12,9% du commerce mondial  
 En 1929 de 46.528, représentant le 13,1% du commerce mondial  
 En 1930 de 39.344, représentant le 13,7% du commerce mondial  
 En 1931 de 29.901, représentant le 14,7% du commerce mondial  
 En 1932 de 20.188, représentant le 14,6% du commerce mondial  
 En 1933 de 18.950, représentant le 15,1% du commerce mondial

Séparés en importation et exportation, ces chiffres s'établissent comme suit :

a) Les pays du Bloc-or ont **acheté** aux pays ne faisant pas partie du Bloc :

Millions de francs suisses	Millions de francs suisses
En 1928, pour 25.280	En 1931, pour 17.234
En 1929, pour 26.504	En 1932, pour 12.251
En 1930, pour 22.752	En 1933, pour 11.614

La répartition de ces achats entre les six pays du Bloc, pour les deux années-types 1929 et 1933, s'établit de la façon suivante :



*N.B.* — Les pourcentages ci-dessus se rapportent à la valeur globale importée ;  
 pour 1929, 26.504 millions de francs suisses = 100%  
 pour 1933, 11.614 millions de francs suisses = 100%

La figure de droite montre la chute de cette importation entre 1928 et 1933.

<sup>1</sup> Les chiffres utilisés ci-après sont établis sur la base des tableaux Nos 1, 2, 3 au r/d de la première partie. (18).

OBSERVATIONS :

Le Bloc-or offre un marché de grand intérêt aux fournisseurs étrangers. En effet si, à titre d'exemple, on prend l'année 1929, on peut lire sur le tableau statistique N° 4 ci-après que l'ensemble des achats effectués par les six pays du Bloc-or en Allemagne, le plus important fournisseur européen du Bloc a atteint la somme de . . . 5.723 millions de francs suisses ceux effectués dans le Royaume-Uni . . . . . 3.171 millions de francs suisses.

Dans les deux cas, on se trouve en présence d'achats réguliers qui, s'ils ont subi comme l'ensemble des relations internationales un très important recul au cours de ces dernières années, ont, en fait, conservé jusqu'ici leur importance relative.

En dehors d'Europe, les Etats-Unis d'Amérique, grands fournisseurs de matières premières industrielles, ont pris une part importante dans l'approvisionnement du Bloc-or. En 1929, en effet, les achats du Bloc aux Etats-Unis ont atteint un total de 3.993 millions de francs suisses. Il est toutefois à remarquer que, depuis ce moment, ces achats ont régressé selon un rythme plus rapide que ceux faits auprès des autres grands fournisseurs.

La place qu'occupent les pays non spécialement désignés dans l'approvisionnement du Bloc-or est très importante, comme le montrent les tableaux statistiques insérés plus loin. Cela est dû, d'une part, au fait que l'importation en provenance des colonies est considérée, conformément aux indications des statistiques officielles, comme du commerce extérieur, et, d'autre part, à ce que des économies aussi diversifiées que celles des pays du Bloc-or s'approvisionnent aux sources les plus variées.

Les six pays du Bloc-or ne participent pas dans une mesure égale aux achats du Bloc dans les autres pays, comme l'indique très clairement le graphique ci-dessus. Ces achats dépendent, naturellement, de la position géographique ainsi que de la structure économique et sociale de chacun d'eux. C'est ainsi qu'en l'année 1929, la valeur globale des achats a atteint :

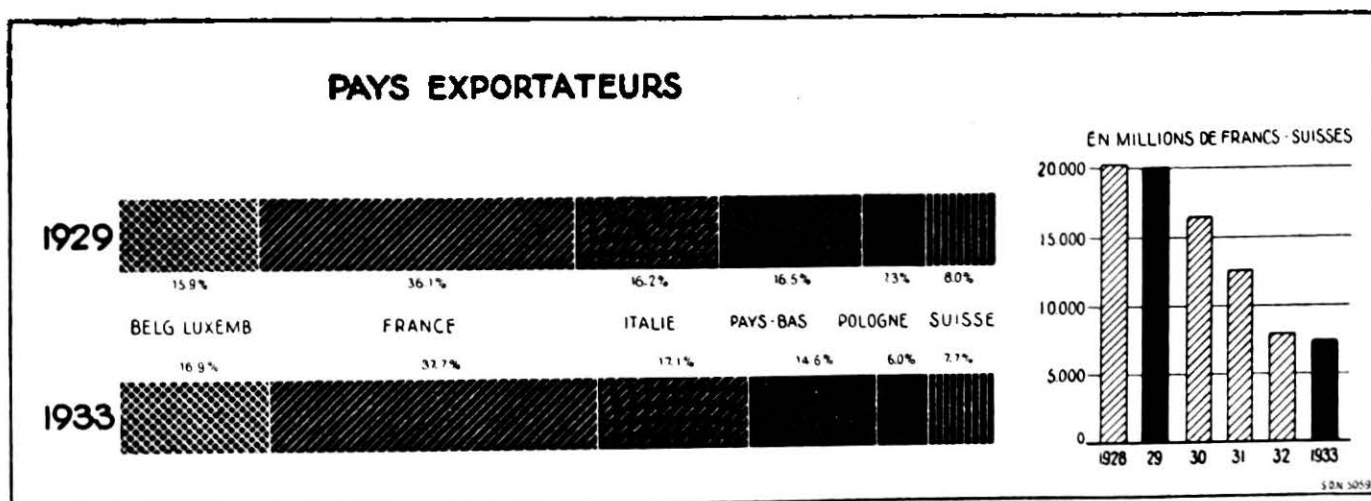
Pour la France . . . . .	10.106 millions de francs suisses
» l'Italie . . . . .	4.846 » »
» les Pays-Bas . . . . .	4.749 » »
» l'Union Belgo-Luxembourgeoise . . . . .	3.425 » »
» la Suisse . . . . .	1.912 » »
» la Pologne . . . . .	1.466 » »

Cette situation respective est restée à peu près inchangée depuis ce moment, malgré le mouvement général de recul suivi par ces achats, toutefois on peut voir qu'en 1933 la participation de l'Italie a été dépassée par celle des Pays-Bas.

b) Ces mêmes pays ont vendu aux pays ne faisant pas partie du Bloc :

Millions de francs suisses	Millions de francs suisses
En 1928, pour 20.146	En 1931, pour 12.667
En 1929, pour 20.024	En 1932, pour 7.937
En 1930, pour 16.592	En 1933, pour 7.336

La répartition de ces ventes, entre les six pays du Bloc, pour les deux années-types 1929 et 1933, s'établit de la façon suivante :



N.B. — Les pourcentages ci-dessus se rapportent à la valeur globale exportée :

Pour 1929, 20.024 millions de francs suisses = 100%  
 Pour 1933, 7.336 millions de francs suisses = 100%

La figure de droite montre la chute de cette exportation entre 1928 et 1933.

OBSERVATIONS :

Le débouché étranger est, pour le Bloc-or, d'une très grande importance, toutefois le Royaume-Uni et l'Allemagne sont ses plus importants clients.

Ainsi, en 1929, le total des ventes du Bloc dans le Royaume-Uni a atteint 4.049 millions de francs suisses ; celui des ventes à l'Allemagne, 3.808 millions de francs suisses.

Depuis ce moment, l'importance de ces ventes s'est progressivement réduite. Le rythme de ce mouvement a même été quelque peu plus rapide que le recul général des ventes du Bloc-or. Toutefois, le Royaume-Uni et l'Allemagne n'en restent pas moins pour le Bloc des débouchés de première importance.

En dehors de l'Europe, les Etats-Unis constituent un très intéressant débouché aux produits du Bloc-or. Ainsi, en 1929, la valeur des marchandises qu'il a exportées aux Etats-Unis a atteint 1.828 millions de francs suisses.

Comme pour l'importation, la lecture des tableaux statistiques permet de voir que le débouché « autres pays » occupe une place importante dans l'exportation du Bloc-or. Ce fait peut être attribué tant à la valeur proportionnellement grandissante du courant commercial qui unit les pays coloniaux du groupe à leurs colonies, qu'à la large diffusion dont jouissent les productions des pays du Bloc-or, notamment leurs produits fabriqués.

Les six pays du Bloc ne participent pas dans une mesure égale aux ventes du Bloc dans les autres pays. La remarque faite précédemment, à propos de l'importation, s'applique également ici. La valeur globale des ventes aux pays ne faisant pas partie du Bloc, par chacun des pays de ce groupe a été la suivante en 1929 :

	Millions de francs suisses
France . . . . .	7.229
Pays-Bas . . . . .	3.312
Italie . . . . .	3.238
Union Belgo-Luxembourgeoise . . . . .	3.179
Suisse . . . . .	1.598
Pologne . . . . .	1.468

Depuis cette date, la valeur de l'exportation du Bloc vers les autres pays a considérablement régressé et les positions relatives des six pays ont subi quelques modifications. C'est ainsi qu'en 1933, comme le montre le graphique ci-dessus, la part des Pays-Bas a subi un plus fort recul que celle de l'Italie et celle de l'Union Belgo-Luxembourgeoise.

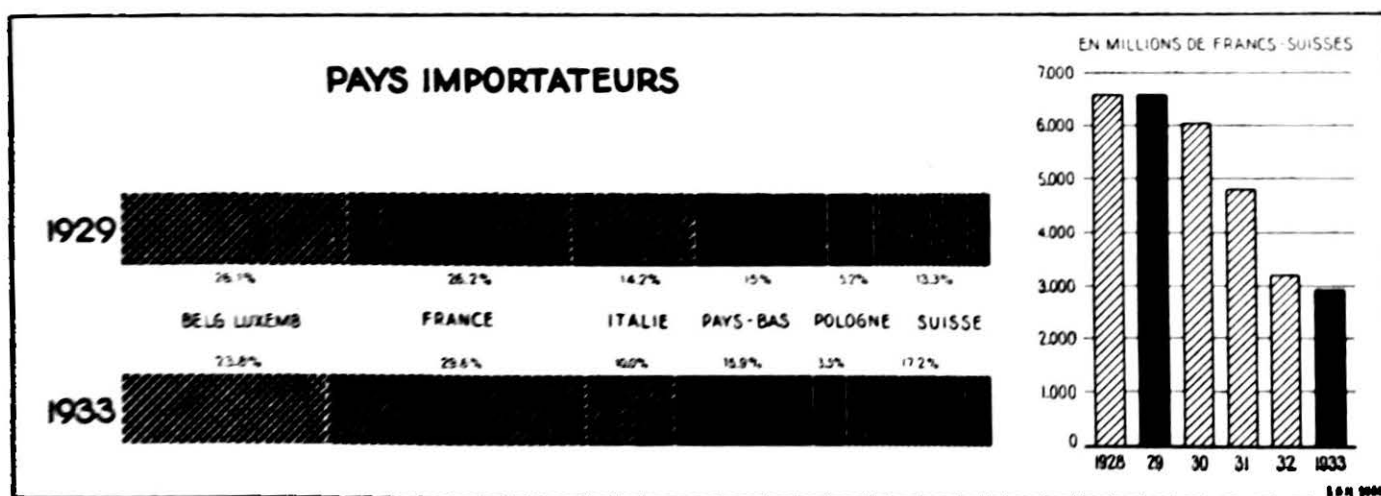
### 3. COMMERCE RÉCIPROQUE DES PAYS DU BLOC-OR.

La valeur globale du commerce (importation et exportation) que les pays du Bloc-or entretiennent à l'intérieur de leur groupe a été :

	Millions de francs suisses		Millions de francs suisses
En 1928, de . .	13.215	En 1931, de . .	9.568
En 1929, de . .	13.244	En 1932, de . .	6.458
En 1930, de . .	11.885	En 1933, de . .	5.918

La répartition proportionnelle de ces valeurs, séparées en importation et exportation, est la suivante pour les deux années-types 1929 et 1933 :

a) Valeur des marchandises que chacun des pays du Bloc-or achète à l'ensemble des cinq autres pays du Bloc.



**N.B.** — Les pourcentages ci-dessus se rapportent à la valeur globale importée :

Pour 1929, 6.566 millions de francs suisses = 100%.

Pour 1933, 2.922 millions de francs suisses = 100%.

La figure de droite montre la chute de cette importation entre 1928 et 1933.

**OBSERVATIONS :**

Les achats que chacun des pays du Bloc-or effectue dans les cinq autres pays du Bloc sont extrêmement importants. En 1929, ces pays ont acheté les uns chez les autres le 19,9%, soit à peu près le cinquième de la valeur totale de leurs achats. La lecture du tableau statistique N° 4 ci-après montre que, depuis cette date, cette proportion s'est même légèrement améliorée.

Toutefois, si les six pays du groupe participent à ce mouvement d'achat, l'importance de leur participation est très diverse, influencée qu'elle est par la grandeur du territoire de chacun d'eux, le nombre de ses habitants, la structure sociale et économique du pays, la proximité géographique, etc.

C'est ainsi qu'en 1929, sur une valeur globale de 6.566 millions de francs suisses représentative des achats que les six pays du Bloc-or ont effectués les uns chez les autres, la part de la

France a été de . . . . .	1.718 millions, soit le	26,2% du total
Celle de l'Union Belgo-Luxembourgeoise de . . . . .	1.716 » »	26,1% »
Celle des Pays-Bas . . . . .	983 » »	15,0% »
Celle de l'Italie . . . . .	935 » »	14,2% »
Celle de la Suisse . . . . .	872 » »	13,3% »
Celle de la Pologne . . . . .	342 » »	5,2% »

(Pourcentages conformes au graphique ci-dessus.)

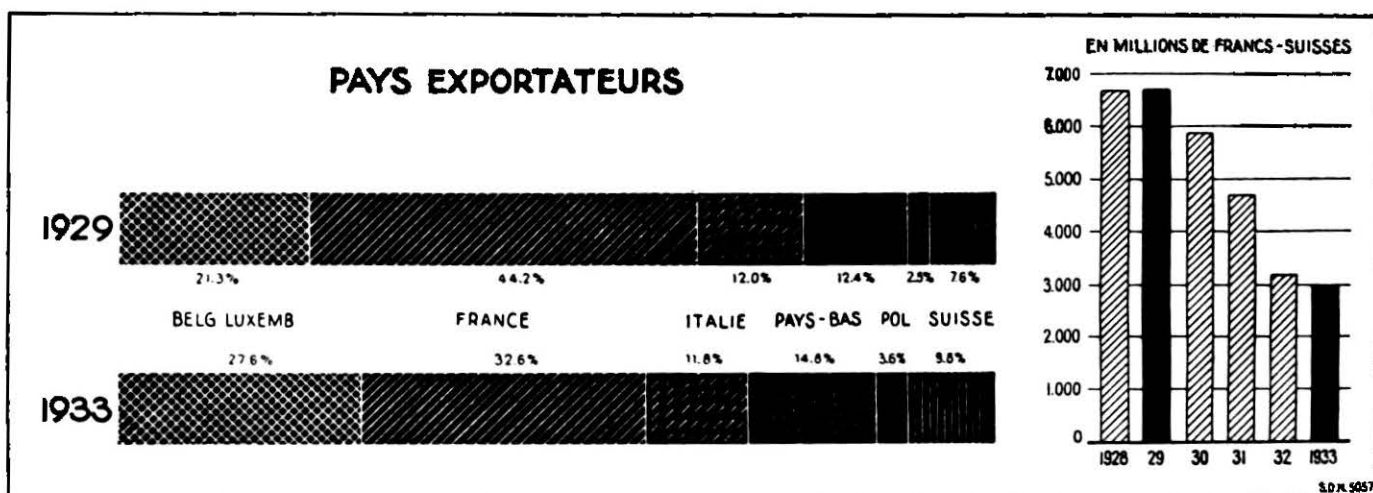
Cependant, si l'on compare ces valeurs aux valeurs globales de l'importation de chacun de ces pays, on constate que l'Union Belgo-Luxembourgeoise a acheté le 33,4% de son importation globale aux cinq autres pays du groupe.

La Suisse . . . . .	le	31,3%
La Pologne . . . . .	le	18,9%
Les Pays-Bas . . . . .	le	17,1%
L'Italie . . . . .	le	16,2%
La France . . . . .	le	14,5%

On voit ainsi que, soit que l'on considère la situation de chacun des pays par rapport au groupe sous l'angle de l'importance absolue de ses achats, soit qu'on la considère sous l'angle de l'intensité relative de ceux-ci, l'importance du marché « intérieur » du Bloc pour chacun de ses membres, si elle apparaît diverse, reste néanmoins très considérable.

La situation résumée pour l'année 1929 n'a subi depuis lors que des modifications sans grande importance, tant en ce qui concerne la position respective des pays que l'intensité des courants d'achat.

b) Valeur des marchandises que chacun des pays du Bloc-or vend à l'ensemble des cinq autres pays du Bloc.



N.B. — Les pourcentages ci-dessus se rapportent à la valeur globale exportée :

Pour 1929, 6.678 millions de francs suisses = 100%.

Pour 1933, 2.996 millions de francs suisses = 100%.

La figure de droite montre la chute de cette exportation entre 1928 et 1933.

**OBSERVATIONS :**

Le débouché offert à chacun des pays du Bloc-or par les cinq autres pays du Bloc est de primordiale importance, ainsi que l'indiquent très nettement les tableaux statistiques insérés ci-après.

Comme pour l'importation et pour les mêmes raisons, ces six pays participent très inégalement à ce mouvement commercial. Ainsi, en 1929, la valeur globale a été de 6.768 millions de francs suisses et la part de chaque pays la suivante :

La France a exporté vers les cinq autres pays du Bloc . . . . .	2.953 millions, soit	44,2% du total
L'Union Belgo-Luxembourgeoise . . . . .	1.422 » »	21,3% »
Les Pays-Bas . . . . .	830 » »	12,4% »
L'Italie . . . . .	801 » »	12,0% »
La Suisse . . . . .	506 » »	7,6% »
La Pologne . . . . .	166 » »	2,5%

(Pourcentages conformes au graphique ci-dessus.)

Si l'on compare ces montants aux valeurs globales de l'exportation de chacun de ces pays, on constate que l'Union Belgo-Luxembourgeoise a placé dans les autres pays du Bloc,

	le	30,9% de son exportation
La France . . . . .	le	29,0% »
La Suisse . . . . .	le	24,0% »
Les Pays-Bas . . . . .	le	20,0% »
L'Italie . . . . .	le	19,8% »
La Pologne . . . . .	le	10,2% »

Bien que l'importance de ce courant commercial se soit beaucoup réduite depuis 1929, et que les situations respectives des pays comme les proportions indiquées aient subi de notables modifications, le débouché « intérieur » du Bloc-or demeure, pour chacun des Etats participants, un élément de première importance.

#### 4. COMPARAISON ENTRE LE COMMERCE RÉCIPROQUE DES PAYS DU BLOC-OR ET LE COMMERCE DU BLOC-OR AVEC LES AUTRES PAYS.

En comparant les chiffres des paragraphes 2 et 3 ci-dessus, on constate que la valeur du *commerce intérieur du Bloc-or* (achats et ventes entre les pays du Bloc) représente environ le tiers de son *commerce extérieur* (achats et ventes du Bloc dans les autres pays).

Depuis 1928, on retrouve chaque année à peu près ce rapport d'un à trois, toutefois ce rapport a évolué légèrement en faveur du *commerce intérieur* comme le montrent les chiffres ci-après :

Année	Millions de francs suisses	Millions de francs suisses	
	Valeur du commerce <i>intérieur</i>	Valeur du commerce <i>extérieur</i>	Rapport
1928 . . . . .	13.215	45.426	29,1%
1929 . . . . .	13.244	46.528	28,5%
1930 . . . . .	11.885	39.344	30,2%
1931 . . . . .	9.568	29.901	32,0%
1932 . . . . .	6.458	20.188	32,0%
1933 . . . . .	5.918	18.950	31,2%

#### 5. CHUTE DE LA VALEUR DES ÉCHANGES DU BLOC-OR.

Dans cette note destinée à donner un aperçu général des relations commerciales du Bloc-or, tous les renseignements statistiques concernent les *valeurs* tant à l'importation qu'à l'exportation.

Ces valeurs ont été extraites des statistiques officielles publiées par les six pays du Bloc, et réduites, pour toutes celles de la première partie, en francs suisses afin de les rendre comparables.

Il paraît toutefois utile de rappeler que, par suite de la baisse générale et considérable des prix, intervenue depuis 1928 — difficile à évaluer par une donnée d'ensemble — la chute des valeurs ne correspond pas à une chute équivalente des quantités échangées. On aurait pu, il est vrai, en remplaçant les valeurs par une autre donnée, celle du *quantum*, représenter le phénomène de la régression des échanges d'une façon moins déficiente. On y a cependant renoncé, les tableaux statistiques de cette note étant avant tout destinés à permettre une vérification aisée et un complément d'information facile par la consultation des statistiques officielles des six pays du Bloc-or.

**1. — RÉPARTITION DU COMMERCE DE CHACUN DES SIX PAYS  
DU BLOC-OR EN 1929.**  
(Valeur en millions de francs suisses.)

*Importation.*

Pays importateurs	Total	Pays de provenance											
		UnionBelgo-Luxem-bourgeoise	France	Italie	Pays-Bas	Pologne	Suisse	Total des pays du « Bloc-or »		Allemagne	Royaume-Uni	Etats-Unis	Autres pays
								Valeur	%				
Union Belgo-Luxembourgeoise . . . . .	5.141	—	1.001	51	597	12	55	1.716	33,4	708	574	492	1.651
France . . . . .	11.824	796	—	308	335	61	218	1.718	14,5	1.343	1.184	1.454	6.125
Italie . . . . .	5.781	143	555	—	62	26	149	935	16,2	726	554	966	2.600
Pays-Bas . . . . .	5.732	594	235	44	—	50	60	983	17,1	1.754	537	567	1.891
Pologne . . . . .	1.808	42	124	49	66	—	61	342	18,9	494	154	223	595
Suisse . . . . .	2.784	90	490	203	60	29	—	872	31,3	698	168	291	755

*Exportation.*

Pays exportateurs	Total	Pays de destination											
		UnionBelgo-Luxem-bourgeoise	France	Italie	Pays-Bas	Pologne	Suisse	Total des pays du « Bloc-or »		Allemagne	Royaume-Uni	Etats-Unis	Autres pays
								Valeur	%				
Union Belgo-Luxembourgeoise . . . . .	4.601	—	580	117	583	28	114	1.422	30,9	550	838	311	1.480
France . . . . .	10.182	1.467	—	449	255	95	687	2.953	29,0	961	1.538	677	4.053
Italie . . . . .	4.039	78	354	—	50	34	285	801	19,8	482	397	466	1.893
Pays-Bas . . . . .	4.142	431	244	62	—	37	56	830	20,0	950	850	148	1.364
Pologne . . . . .	1.634	39	35	23	46	—	23	166	10,2	510	138	18	802
Suisse . . . . .	2.104	56	182	158	67	43	—	506	24,0	355	288	208	747

*Balance.*

	Balance totale	UnionBelgo-Luxem-bourgeoise	France	Italie	Pays-Bas	Pologne	Suisse	Total des pays du « Bloc-or »	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Union Belgo-Luxembourgeoise . . . . .	— 540	—	— 421	+ 66	— 14	+ 16	+ 59	— 294	— 158	+ 264	— 181	— 171
France . . . . .	— 1.642	+ 671	—	+ 141	— 80	+ 34	+ 469	+ 1.235	— 382	+ 354	— 777	— 2.072
Italie . . . . .	— 1.742	— 65	— 201	—	— 12	+ 8	+ 136	— 134	— 244	— 157	— 500	— 707
Pays-Bas . . . . .	— 1.590	— 163	+ 9	+ 18	—	— 13	— 4	— 153	— 804	+ 313	— 419	— 527
Pologne . . . . .	— 174	— 3	— 89	— 26	— 20	—	— 38	— 176	+ 16	— 18	— 205	+ 207
Suisse . . . . .	— 680	— 34	— 308	— 45	+ 7	+ 14	—	— 366	— 343	+ 120	— 83	— 8



2. — RÉPARTITION DU COMMERCE DE CHACUN DES SIX PAYS  
DU BLOC-OR EN 1933.

(Valeur en millions de francs suisses.)

*Importation.*

Pays importateurs	Total	Pays de provenance											
		Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Suisse	Total des pays du « Bloc-or »		Allemagne	Royaume-Uni	Etats-Unis	Autres pays
								Valeur	%				
Union Belgo-Luxembourgeoise . . . . .	2.192	—	372	27	252	15	28	694	31,7	355	198	174	771
France . . . . .	5.760	399	—	126	169	42	128	864	15,0	617	439	578	3.262
Italie . . . . .	1.906	61	110	—	32	16	73	292	14,6	293	195	300	916
Pays-Bas . . . . .	2.515	258	110	35	—	33	29	465	18,5	787	227	162	874
Pologne . . . . .	479	17	32	22	17	—	16	104	21,7	84	48	64	179
Suisse . . . . .	1.594	64	244	134	45	16	—	503	31,6	461	91	90	449

*Exportation.*

Pays exportateurs	Total	Pays de destination											
		Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Suisse	Total des pays du « Bloc-or »		Allemagne	Royaume-Uni	Etats-Unis	Autres pays
								Valeur	%				
Union Belgo-Luxembourgeoise . . . . .	2.064	—	428	50	255	14	79	826	40,0	209	258	104	667
France . . . . .	3.738	434	—	100	131	35	270	970	25,9	345	340	176	1.907
Italie . . . . .	1.610	39	123	—	42	19	130	353	21,9	196	184	139	738
Pays-Bas . . . . .	1.512	208	150	29	—	15	40	442	29,2	325	262	69	414
Pologne . . . . .	655	27	31	14	32	—	8	112	20,2	97	107	9	230
Suisse . . . . .	853	25	142	80	32	14	—	293	34,3	139	88	58	275

*Balance.*

	Balance totale	Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Suisse	Total des pays du « Bloc-or »	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Union Belgo-Luxembourgeoise . . . . .	— 128	—	+ 56	+ 23	+ 3	— 1	+ 51	+ 132	—146	+ 60	— 70	— 104
France . . . . .	—2.022	+ 35	—	— 26	— 38	— 7	+142	+ 106	—272	— 99	—402	—1.355
Italie . . . . .	— 386	— 22	+ 13	—	+ 10	+ 3	+ 57	+ 61	— 97	— 11	—161	— 178
Pays-Bas . . . . .	—1.003	— 50	+ 40	— 6	—	— 18	+ 11	— 23	—462	+ 35	— 93	— 460
Pologne . . . . .	+ 76	+ 10	— 1	— 8	+ 15	—	— 8	+ 8	+ 13	+ 59	— 55	+ 51
Suisse . . . . .	— 741	— 39	—102	— 54	— 13	— 2	—	— 210	—322	— 3	— 32	— 174

### 3. COMMERCE DES SIX PAYS DU BLOC-OR ENTRE EUX

(Valeur en millions de francs suisses.)

#### *Importation.*

Années	Valeur des marchandises achetées par chacun des pays du Bloc-or à l'intérieur du groupe					
	Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Suisse
1928	1.608	1.714	990	1.026	365	861
1929	1.716	1.718	935	983	342	872
1930	1.500	1.816	730	911	253	812
1931	1.205	1.624	458	699	189	699
1932	779	1.005	319	487	110	560
1933	694	864	292	465	104	503

#### *Exportation.*

Années	Valeur des marchandises vendues par chacun des pays du Bloc-or à l'intérieur du groupe					
	Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Suisse
1928	1.394	3.083	792	797	141	444
1929	1.422	2.953	801	830	166	506
1930	1.282	2.405	732	820	175	449
1931	1.198	1.637	615	691	190	363
1932	844	1.067	378	508	131	270
1933	826	970	353	442	112	293

### 4. COMMERCE DES SIX PAYS DU BLOC-OR A L'INTÉRIEUR DU BLOC ET AVEC LES AUTRES PAYS.

(Valeur en millions de francs suisses.)

#### *Importation.*

Années	Valeur des achats faits par les pays-or à l'intérieur du Bloc	Valeur des marchandises achetées par le Bloc-or dans les autres pays				Valeur totale de l'importation du Bloc-or
		Allemagne	Royaume-Uni	Etats-Unis	Autres pays	
1928	6.564	4.872	3.025	3.871	13.512	31.844
	20,6%	15,3%	9,5%	12,2%	42,4%	100%
1929	6.566	5.723	3.171	3.993	13.617	33.070
	19,9%	17,3%	9,5%	12,1%	41,2%	100%
1930	6.022	5.597	2.735	3.178	11.242	28.774
	20,9%	19,5%	9,5%	11,0%	39,1%	100%
1931	4.874	4.385	1.815	1.985	9.049	22.108
	22,0%	19,8%	8,3%	9,0%	40,9%	100%
1932	3.260	2.846	1.261	1.436	6.708	15.511
	21,0%	18,3%	8,2%	9,3%	43,2%	100%
1933	2.922	2.597	1.198	1.368	6.451	14.536
	20,1%	17,9%	8,2%	9,4%	44,4%	100%

#### *Exportation.*

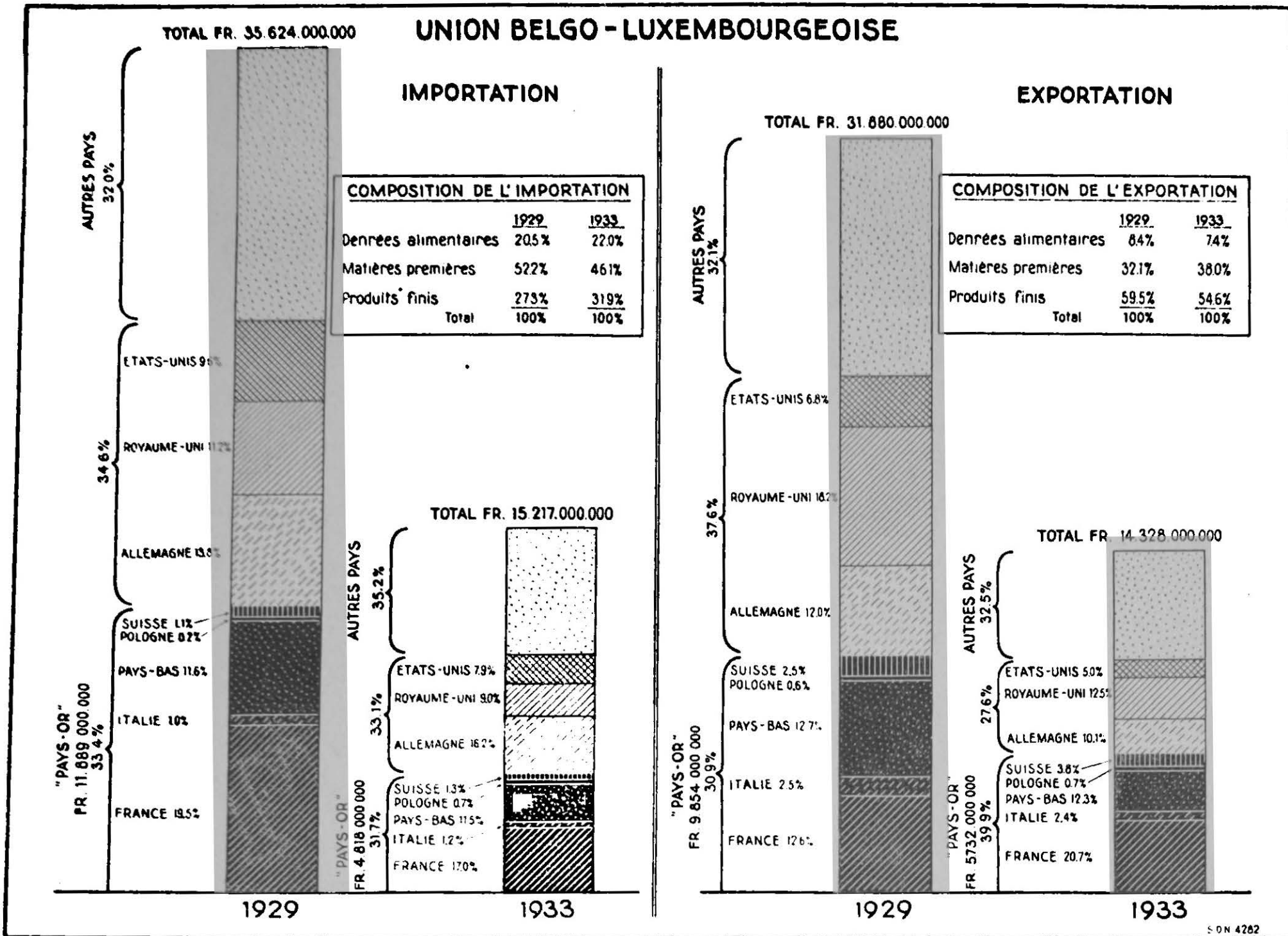
Années	Valeur des ventes faites par les pays-or à l'intérieur du Bloc	Valeur des marchandises vendues par le Bloc-or dans les autres pays				Valeur totale de l'exportation du Bloc-or
		Allemagne	Royaume-Uni	Etats-Unis	Autres pays	
1928	6.651	4.128	4.087	1.733	10.198	26.797
	24,8%	15,4%	15,3%	6,4%	38,1%	100%
1929	6.678	3.808	4.049	1.828	10.339	26.702
	25,0%	14,3%	15,2%	6,8%	38,7%	100%
1930	5.863	2.987	3.656	1.297	8.652	22.455
	26,1%	13,3%	16,3%	5,8%	38,5%	100%
1931	4.694	2.100	3.131	926	6.510	17.361
	27,0%	12,1%	18,0%	5,4%	37,5%	100%
1932	3.198	1.357	1.452	583	4.545	11.135
	28,7%	12,2%	13,0%	5,3%	40,8%	100%
1933	2.998	1.311	1.239	555	4.231	10.332
	29,0%	12,7%	12,0%	5,4%	40,9%	100%

Deuxième partie.

QUELQUES ASPECTS DES RELATIONS COMMERCIALES  
DES PAYS DU BLOC-OR.

1. UNION BELGO-LUXEMBOURGEOISE.

A. DONNÉES ESSENTIELLES RELATIVES AU RÔLE DE L'UNION BELGO-LUXEMBOURGEOISE DANS LE BLOC-OR.



1. — Les *rapports commerciaux* de l'Union Belgo-Luxembourgeoise avec le Bloc-or sont très importants. Ce groupe de pays est le plus grand fournisseur de l'Union, comme il est aussi son plus vaste débouché. Ainsi, en 1929, l'importation en provenance des pays du Bloc-or a atteint un montant global de 11.889 millions de francs, représentant le tiers de l'importation totale de l'Union Belgo-Luxembourgeoise, alors que l'exportation à destination de ces mêmes pays s'est montée à 9.854 millions de francs, représentant un peu moins du tiers de l'exportation totale.

2. — Comme le montrent les tableaux statistiques ci-après, la part prépondérante de ces courants d'échanges dans le commerce extérieur de l'Union s'est maintenue au travers de toute la période observée. Toutefois, l'importation a régressé à un rythme un peu plus rapide que le mouvement similaire de l'importation générale de l'Union, alors que l'exportation à destination des pays du Bloc s'est maintenue, au contraire, mieux que l'ensemble de l'exportation. En 1933, en effet, l'importation en provenance des pays du Bloc-or n'atteignait plus qu'un montant global de 4.818 millions de francs, représentant le 31,7% de la valeur totale de l'importation, alors que l'exportation à destination de ces mêmes pays se montait à 5.732 millions de francs, représentant le 39,9% de la valeur totale de l'exportation.

Ces deux exemples indiquent que la balance commerciale de l'Union Belgo-Luxembourgeoise vis-à-vis des autres pays du Bloc-or qui, en 1929, était largement déficitaire, est devenue active.

3. — Mais l'Union Belgo-Luxembourgeoise n'entretient pas, avec tous les pays du Bloc-or, des relations commerciales également intenses. Les *courants commerciaux qui l'unissent à la France*, d'une part, *aux Pays-Bas*, d'autre part, sont, pour elle, de *primordiale importance*. Ainsi, en 1929, l'importation française a atteint un montant de 6.939 millions de francs et l'importation néerlandaise un montant de 4.134 millions de francs, alors que l'importation globale des trois autres pays du groupe n'atteignait que 816 millions de francs. En cette même année, l'exportation belgo-luxembourgeoise vers la France a atteint 4.016 millions de francs, celle vers les Pays-Bas 4.043 millions de francs, alors que vers les trois autres pays du Bloc elle n'a été, au total, que de 1.795 millions de francs. L'intensité toute particulière de ces courants commerciaux s'explique par la proximité géographique et les affinités économiques de ces trois pays, mais il n'en demeure pas moins que les autres pays du Bloc conservent indéniablement une place importante dans les échanges extérieurs de l'Union.

4. — Avec le *Royaume-Uni*, l'Union Belgo-Luxembourgeoise entretient également un commerce extrêmement important. En 1929, l'importation en provenance du Royaume-Uni s'est élevée à 3.980 millions de francs, alors que l'exportation vers ce pays a atteint 5.806 millions de francs, laissant à l'Union un très large solde actif.

Depuis ce moment, l'importance relative de ce commerce s'est sensiblement réduite, mais il a cependant conservé une grande importance. L'importation britannique s'est, en effet, élevée, en 1933 à 1.373 millions de francs et l'exportation à destination du Royaume-Uni à 1.793 millions de francs.

Bien que la régression de l'exportation soit plus importante que celle de l'importation, la balance commerciale est cependant demeurée active en faveur de l'Union Belgo-Luxembourgeoise; toutefois, son solde actif n'a plus la même importance. Ces échanges qui se déroulent sans difficultés de paiement, révèlent néanmoins une tendance vers l'équilibre, tendance qui s'explique peut-être par l'effet combiné de l'introduction du tarif protecteur anglais et de la dépréciation de la monnaie britannique.

5. — Le *commerce* de l'Union Belgo-Luxembourgeoise avec l'*Allemagne* est, lui aussi, de très grande importance.

En 1929, les importations allemandes ont atteint 4.908 millions de francs, alors que les exportations vers l'Allemagne ont été de 3.812 millions de francs.

Au cours de ces dernières années, ce commerce a fortement régressé, mais sa part proportionnelle, dans l'ensemble des relations commerciales extérieures de l'Union, ne s'est pas sensiblement modifiée. La lecture des tableaux statistiques montre même que l'importation en provenance d'Allemagne a subi un recul relativement moins considérable que le mouvement similaire général puisque, de 13,8% de l'importation totale en 1929, elle est devenue 16,2% en 1933. Au contraire l'exportation belgo-luxembourgeoise vers l'Allemagne a subi une plus forte régression que le mouvement général. De 12% en 1929, elle est tombée à 10,1% en 1933.

La divergence des tendances de ces deux courants commerciaux inverses a maintenu une forte passivité de la balance commerciale de l'Union avec l'Allemagne.

6. — Considéré dans son ensemble, le *mouvement de recul* suivi depuis 1929 par le commerce extérieur de l'Union Belgo-Luxembourgeoise est *considérable*.

Comparés à ceux de 1929, les chiffres de 1933 ne représentent plus, pour l'importation, que le 42,7%, pour l'exportation que le 44,9%.

Les résultats provisoires de l'année 1934 permettent de voir que ce mouvement de recul a continué.

7. — La régression des échanges n'a pas déterminé de *modifications essentielles dans la direction des courants commerciaux*. Toutefois, on peut rappeler qu'au cours de la période considérée, un certain déplacement des positions respectives des pays fournisseurs s'est opérée au détriment des pays du Bloc-or (la France notamment), du Royaume-Uni et des Etats-Unis, au profit tant de l'Allemagne que des pays non spécialement désignés dans les tableaux statistiques ci-annexés, et qu'à l'exportation ce déplacement s'est effectué vers les pays du Bloc-or (la France notamment) et les pays non dénommés, par conséquent au détriment de l'exportation vers l'Allemagne, le Royaume-Uni et les Etats-Unis.

8. — Le recul général des échanges a *provoqué, comme toujours, des modifications dans la composition de l'importation et de l'exportation*.

Ainsi pour l'importation, entre 1929 et 1933, la part proportionnelle des denrées alimentaires et celle des produits finis ont légèrement progressé. Le recul a surtout atteint la catégorie des matières premières.

A l'exportation ce sont, au contraire, les denrées alimentaires et les produits finis qui ont subi les reculs les plus accentués.

Les grandes catégories du tarif douanier belgo-luxembourgeois qui ont servi à l'établissement des tableaux statistiques relatifs à l'importation et à l'exportation par groupes d'articles, insérés ci-après, si elles donnent une excellente vue d'ensemble des courants commerciaux, tant d'importation que d'exportation, ne rendent pas compte avec tout le relief désirable des conséquences du recul des échanges sur certains groupes de produits particulièrement atteints par ce phénomène. Toutefois, la comparaison des tableaux de l'importation en 1929 et en 1933 indique que ce sont les catégories : produits minéraux, métaux et ouvrages en métaux, machines, produits de l'industrie textile qui ont subi la plus forte régression, et que les industries mécanique et textile françaises, les industries extractive et mécanique britanniques, l'industrie extractive néerlandaise, ont été tout particulièrement atteintes.

Une comparaison identique des tableaux de l'exportation indique que le mouvement de recul a surtout affecté les catégories : produits de l'industrie textile, ouvrages en pierre, poteries, verre et ouvrages en verre, machines et appareils, cuirs et peaux et leurs ouvrages, et que les produits de l'industrie textile ont subi leurs plus forts reculs sur les marchés italien, allemand et britannique ; les ouvrages en pierre et poteries, sur les marchés néerlandais, allemand et américain ; le verre et ses ouvrages sur les marchés néerlandais et américain ; les machines et appareils sur les marchés britannique et américain ; enfin les cuirs, peaux et leurs ouvrages, sur les marchés allemand et britannique.

9. — La *balance du commerce*, dans son ensemble, est restée déficitaire, situation normale pour un pays créancier. Toutefois, depuis 1930, elle tend de plus en plus vers l'équilibre, à mesure que diminue la sécurité des placements à l'étranger.

L'évolution de la balance commerciale avec certains pays mérite plus particulièrement de retenir l'attention. C'est ainsi qu'avec la France et les Pays-Bas, elle tend à s'équilibrer, alors qu'elle est restée très fermement active avec la Suisse et aussi, bien que dans une moindre mesure, avec l'Italie.

En dehors du Bloc-or, la balance du commerce avec le Royaume-Uni et les Etats-Unis, la première active, la seconde passive, évoluent vers un équilibre relatif, alors qu'avec l'Allemagne elle reste très fortement passive.

Les facteurs de politique commerciale et monétaire ont très probablement exercé des influences opposées, mais décisives, sur ces évolutions divergentes.

10. — Parmi les pays du Bloc-or, l'Union Belgo-Luxembourgeoise a conservé, en ce qui concerne le *niveau des prix*, une position « marginale ». Sa politique tarifaire libérale, notamment, lui a permis, mieux qu'aux autres pays du groupe, d'adapter les prix de revient de ses produits industriels au niveau du marché international. Il semble donc que les difficultés que rencontre actuellement son commerce d'exportation sont bien davantage la conséquence des mesures de restrictions aux échanges prises par les gouvernements étrangers que celle d'un régime de prix trop élevés.

## B. RENSEIGNEMENTS STATISTIQUES.

### Union Belgo-Luxembourgeoise. — a) COMMERCE EXTÉRIEUR. — CHIFFRES GLOBAUX ANNUELS.

(En millions de francs belges.)

#### Importation.

Provenance	1928		1929		1930		1931		1932		1933		1934 <sup>a</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
France . . . . .	6.666	20,8	6.939	19,5	5.516	17,8	4.172	17,4	2.658	16,3	2.585	17,0	2.305	16,7
Italie . . . . .	392	1,2	352	1,0	370	1,2	264	1,1	182	1,1	189	1,2	161	1,2
Pays-Bas . . . . .	3.707	11,6	4.134	11,6	4.047	13,0	3.514	14,7	2.327	14,2	1.746	11,5	1.387	10,0
Pologne . . . . .	62	0,2	85	0,2	104	0,3	129	0,5	79	0,5	106	0,7	223	1,6
Suisse . . . . .	290	0,9	379	1,1	384	1,2	317	1,3	192	1,2	192	1,3	167	1,2
<b>Total des cinq pays . . .</b>	<b>11.117</b>	<b>34,7</b>	<b>11.889</b>	<b>33,4</b>	<b>10.421</b>	<b>33,5</b>	<b>8.396</b>	<b>35,0</b>	<b>5.438</b>	<b>33,3</b>	<b>4.818</b>	<b>31,7</b>	<b>4.243</b>	<b>30,7</b>
Allemagne <sup>1</sup> . . . . .	3.995	12,5	4.908	13,8	5.181	16,7	4.047	16,9	2.748	16,8	2.465	16,2	2.031	14,7
Royaume-Uni . . . . .	3.616	11,3	3.980	11,2	2.838	9,1	1.955	8,2	1.413	8,7	1.373	9,0	1.028	7,5
Etats-Unis . . . . .	3.098	9,7	3.407	9,6	3.106	10,0	2.099	8,7	1.411	8,6	1.207	7,9	1.049	7,6
Autres pays <sup>a</sup> . . . . .	10.234	31,8	11.440	32,0	9.548	30,7	7.473	31,2	5.333	32,6	5.354	35,2	5.452	39,5
<b>Total général . . . . .</b>	<b>32.060</b>	<b>100</b>	<b>35.624</b>	<b>100</b>	<b>31.094</b>	<b>100</b>	<b>23.970</b>	<b>100</b>	<b>16.343</b>	<b>100</b>	<b>15.217</b>	<b>100</b>	<b>13.803</b>	<b>100</b>

#### Exportation.

Destination	1928		1929		1930		1931		1932		1933		1934 <sup>a</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
France . . . . .	3.967	12,8	4.016	12,6	4.121	15,8	4.070	17,5	2.930	19,4	2.970	20,7	2.427	17,9
Italie . . . . .	670	2,2	809	2,5	599	2,3	500	2,2	323	2,1	350	2,4	320	2,4
Pays-Bas . . . . .	4.120	13,3	4.043	12,7	3.348	12,8	2.969	12,8	1.946	12,9	1.767	12,3	1.572	11,6
Pologne . . . . .	119	0,4	193	0,6	172	0,7	119	0,5	79	0,5	98	0,7	105	0,7
Suisse . . . . .	764	2,5	793	2,5	670	2,6	692	3,0	611	4,0	547	3,8	479	3,5
<b>Total des cinq pays . . .</b>	<b>9.640</b>	<b>31,2</b>	<b>9.854</b>	<b>30,9</b>	<b>8.910</b>	<b>34,2</b>	<b>8.350</b>	<b>36,0</b>	<b>5.889</b>	<b>38,9</b>	<b>5.732</b>	<b>39,9</b>	<b>4.903</b>	<b>36,1</b>
Allemagne <sup>1</sup> . . . . .	4.246	13,7	3.812	12,0	2.987	11,4	2.390	10,3	1.553	10,3	1.449	10,1	1.660	12,2
Royaume-Uni . . . . .	5.246	17,0	5.806	18,2	4.998	19,1	4.917	21,2	2.367	15,7	1.793	12,5	1.812	13,3
Etats-Unis . . . . .	2.422	7,8	2.155	6,8	1.289	4,9	1.149	5,0	715	4,7	723	5,0	606	4,5
Autres pays <sup>a</sup> . . . . .	9.400	30,3	10.253	32,1	7.975	30,4	6.372	27,5	4.600	30,4	4.631	32,5	4.607	33,9
<b>Total général . . . . .</b>	<b>30.954</b>	<b>100</b>	<b>31.880</b>	<b>100</b>	<b>26.159</b>	<b>100</b>	<b>23.178</b>	<b>100</b>	<b>15.124</b>	<b>100</b>	<b>14.328</b>	<b>100</b>	<b>13.588</b>	<b>100</b>

<sup>1</sup> Soit Union douanière allemande.

<sup>a</sup> Sous « autres pays » on a groupé les chiffres relatifs au commerce avec tous les pays non désignés, ainsi que ceux du commerce de l'Union Belgo-Luxembourgeoise avec le Congo belge. Dans ce total, ce commerce représente :

A l'importation . . . . .	905	2,8	1.399	3,8	1.187	3,8	984	4,1	617	3,8	633	4,1
A l'exportation . . . . .	620	2,0	827	2,6	693	2,6	420	1,8	195	1,3	149	1,0

<sup>a</sup> Pour 1934, les estimations ont été faites sur la base de la moyenne mensuelle des chiffres qui ont été communiqués au Secrétariat par l'Administration belge pour les neuf premiers mois de l'année.

Les résultats provisoires pour l'année sont les suivants : importation 14.024  
exportation 13.718

#### Balance du commerce.

Pays	1928	1929	1930	1931	1932	1933	1934 <sup>1</sup>
France . . . . .	- 2.699	- 2.923	- 1.395	- 102	+ 272	+ 385	+ 122
Italie . . . . .	+ 278	+ 457	+ 229	+ 236	+ 141	+ 161	+ 159
Pays-Bas . . . . .	+ 413	- 91	- 699	- 545	- 381	+ 21	+ 185
Pologne . . . . .	+ 57	+ 108	+ 68	- 10	0	- 8	- 118
Suisse . . . . .	+ 474	+ 414	+ 286	+ 375	+ 419	+ 355	+ 312
<b>Total des cinq pays . . .</b>	<b>- 1.477</b>	<b>- 2.035</b>	<b>- 1.511</b>	<b>- 46</b>	<b>+ 451</b>	<b>+ 914</b>	<b>+ 660</b>
Allemagne . . . . .	+ 251	- 1.096	- 2.194	- 1.657	- 1.195	- 1.016	- 371
Royaume-Uni . . . . .	+ 1.630	+ 1.826	+ 2.160	+ 2.962	+ 954	+ 420	+ 784
Etats-Unis . . . . .	- 676	- 1.252	- 1.817	- 950	- 696	- 484	- 443
Autres pays . . . . .	- 834	- 1.187	- 1.573	- 1.101	- 733	- 723	- 845
<b>Balance totale . . . . .</b>	<b>- 1.106</b>	<b>- 3.744</b>	<b>- 4.935</b>	<b>- 792</b>	<b>- 1.219</b>	<b>- 889</b>	<b>- 215</b>

<sup>1</sup> Estimation.

Selon les résultats provisoires, le déficit s'élève à - 306.

## Union Belgo-Luxembourgeoise. — b) IMPORTATION PAR GROUPES D'ARTICLES EN 1929.

Marchandises importées	Valeur en milliers de francs belges	% de l'importation totale	Pays de provenance									
			France	Italie	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne <sup>1</sup>	Royaume-Uni	Etats-Unis	Autres pays
Produits du règne végétal	8.310.077	23,3	632.203	77.091	1.200.980	30.778	2.054	2.003.108	201.314	183.100	1.173.571	4.748.986
	100%		7,6%	0,9%	15,2%	0,4%	—	24,1%	2,4%	2,2%	14,1%	57,2%
Produits minéraux	7.035.694	19,8	962.138	71.843	1.225.383	2.975	675	2.263.014	1.317.244	1.166.612	622.596	1.666.228
	100%		13,7%	1,0%	17,4%	0,1%	—	32,2%	18,7%	10,6%	8,8%	23,7%
Animaux vivants et produits animaux	4.761.930	13,4	1.237.978	20.503	707.163	10.455	21.377	1.997.476	276.781	862.558	61.427	1.563.688
	100%		26,0%	0,4%	14,9%	0,2%	0,5%	42,0%	5,8%	18,1%	1,3%	32,8%
Métaux et ouvrages en métaux	3.448.380	9,7	716.746	3.278	109.321	738	46.606	876.689	647.591	397.305	104.971	1.421.824
	100%		20,8%	0,1%	3,2%	—	1,3%	25,4%	18,8%	11,5%	3,1%	41,2%
Machines et appareils	2.227.663	6,3	474.331	12.558	150.587	637	142.153	780.268	801.478	313.869	211.919	120.131
	100%		21,3%	0,5%	6,8%	—	6,4%	35,0%	36,0%	14,1%	9,5%	5,4%
Produits de l'industrie textile	2.192.449	6,2	1.204.019	19.062	78.117	657	54.143	1.355.998	220.229	523.428	9.784	83.010
	100%		54,9%	0,9%	3,6%	—	2,5%	61,9%	10,0%	23,9%	0,4%	3,8%
Bois et ouvrages en bois	1.613.151	4,5	192.376	6.647	52.606	21.872	1.300	274.801	106.549	68.638	145.378	1.017.785
	100%		11,9%	0,4%	3,3%	1,4%	—	17,0%	6,6%	4,3%	9,0%	63,1%
Produits alimentaires, boissons et tabacs	1.555.974	4,4	334.011	44.723	305.864	9.633	7.764	701.995	63.493	104.554	272.321	413.611
	100%		21,4%	2,9%	19,7%	0,6%	0,5%	45,1%	4,1%	6,7%	17,5%	26,6%
Produits chimiques et pharmaceutiques, etc.	1.042.651	2,9	355.795	11.174	69.686	4.293	25.897	466.845	355.157	61.576	48.216	110.857
	100%		34,1%	1,1%	6,7%	0,4%	2,5%	44,8%	34,1%	5,9%	4,6%	10,6%
Véhicules autres que pour voies ferrées.	942.592	2,6	186.211	23.867	13.788	1.849	738	226.453	49.762	29.579	633.457	3.341
	100%		19,8%	2,5%	1,4%	0,2%	0,1%	24,0%	5,3%	3,1%	67,2%	0,4%
Papier et ses applications	741.487	2,1	127.076	1.133	59.215	81	6.605	194.110	213.186	55.697	13.251	265.243
	100%		17,1%	0,2%	8,0%	—	0,9%	26,2%	28,7%	7,5%	1,8%	35,8%
Cuir et peaux et leurs ouvrages	406.065	1,1	136.433	1.708	27.467	17	2.196	167.819	159.831	59.457	14.979	3.979
	100%		33,6%	0,4%	6,8%	—	0,5%	41,3%	39,4%	14,6%	3,7%	1,0%
Vêtements, lingerie et confections	271.205	0,8	87.546	16.113	26.396	92	12.115	142.262	71.454	30.584	11.753	15.152
	100%		32,3%	6,0%	9,7%	—	4,5%	52,5%	26,3%	11,3%	4,3%	5,6%
Ouvrages en pierres, poteries	248.220	0,7	60.404	2.354	22.986	2	2.274	88.020	99.042	26.745	4.826	29.587
	100%		24,3%	0,9%	9,3%	—	0,9%	35,4%	39,9%	10,8%	2,0%	11,9%
Caoutchouc et ouvrages en caoutchouc	185.431	0,5	37.012	30.954	2.832	57	260	71.115	19.026	32.462	57.035	5.793
	100%		20,0%	16,7%	1,5%	—	0,2%	38,4%	10,3%	17,5%	30,8%	3,0%
Horlogerie, instruments et appareils non dénommés ailleurs	108.371	0,3	25.171	524	820	1	31.621	58.137	42.062	3.540	3.699	933
	100%		23,2%	0,5%	0,7%	—	29,2%	53,6%	38,8%	3,3%	3,4%	0,9%
Compositions diverses	532.451	1,4	169.173	8.118	20.797	398	20.862	219.348	185.738	60.176	17.372	49.817
	100%		31,8%	1,5%	3,9%	0,1%	3,9%	41,2%	34,9%	11,3%	3,2%	9,4%
<b>Total</b>	<b>35.623.791</b>	<b>100</b>	<b>6.938.623</b>	<b>351.648</b>	<b>4.134.008</b>	<b>84.535</b>	<b>378.640</b>	<b>11.887.454</b>	<b>4.829.937</b>	<b>3.979.880</b>	<b>3.406.555</b>	<b>11.519.965</b>
	100%		19,5%	1,0%	11,6%	0,2%	1,1%	33,4%	13,6%	11,2%	9,6%	32,2%

<sup>1</sup> A l'exclusion de Brême, Hambourg et Lubeck.

## Union Belgo-Luxembourgeoise. — e) IMPORTATION, PAR GROUPES D'ARTICLES EN 1933.

Marchandises importées	Valeur en milliers de francs belges	% de l'importation totale	Pays de provenance									
			France	Italie	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Produits du règne végétal . . . . .	3.392.302	22,3	154.664	55.939	472.480	29.630	1.413	714.126	132.706	54.744	412.152	2.078.574
	100%		4,6%	1,7%	13,9%	0,8%	—	21,0%	3,9%	1,7%	12,1%	61,3%
Produits minéraux . . . . .	2.735.170	18,0	510.143	16.690	325.220	25.145	303	877.501	501.653	226.558	182.137	947.321
	100%		18,7%	0,6%	11,9%	0,9%	—	32,1%	18,3%	8,3%	6,7%	34,6%
Animaux vivants et produits animaux . . . . .	1.999.957	13,1	374.793	6.232	353.556	12.203	17.862	764.646	105.396	317.737	36.914	775.264
	100%		18,7%	0,3%	17,7%	0,6%	0,9%	38,2%	5,3%	15,9%	1,8%	38,8%
Métaux et ouvrages en métaux . . . . .	1.311.750	8,6	253.100	2.461	71.041	220	21.806	348.628	306.902	200.680	45.168	410.372
	100%		19,3%	0,2%	5,4%	—	1,7%	26,6%	23,4%	15,3%	3,4%	31,3%
Produits alimentaires, boissons et tabacs . . . . .	886.677	5,8	149.064	27.301	173.748	5.864	3.735	359.712	33.715	51.857	115.604	325.789
	100%		16,8%	3,1%	19,6%	0,7%	0,4%	40,6%	3,8%	5,9%	13,0%	36,7%
Machines et appareils . . . . .	868.309	5,7	128.595	4.562	101.427	61	46.891	281.536	354.183	101.240	85.201	46.149
	100%		14,8%	0,5%	11,7%	—	5,4%	32,4%	40,8%	11,7%	9,8%	5,3%
Produits de l'industrie textile . . . . .	838.457	5,5	370.901	25.018	42.061	205	30.220	468.405	135.047	198.209	3.641	33.155
	100%		44,3%	3,0%	5,0%	—	3,6%	55,9%	16,1%	23,6%	0,4%	4,0%
Bois et ouvrages en bois . . . . .	666.449	4,4	32.427	535	27.181	25.383	466	85.992	52.282	5.079	74.312	448.784
	100%		4,9%	0,1%	4,1%	3,8%	—	12,9%	7,8%	0,8%	11,2%	67,3%
Produits chimiques et pharmaceutiques, etc. . . . .	629.480	4,1	232.742	5.270	48.119	4.194	23.973	314.298	211.170	33.231	27.940	42.841
	100%		37,0%	0,8%	7,6%	0,7%	3,8%	49,9%	33,6%	5,3%	4,4%	6,8%
Véhicules autres que pour voies ferrées. . . . .	416.578	2,7	73.300	7.739	33.084	3	4.665	118.791	59.737	53.439	183.285	1.326
	100%		17,6%	1,9%	7,9%	—	1,1%	28,5%	14,3%	12,8%	44,0%	0,4%
Papier et ses applications. . . . .	409.658	2,7	92.185	1.087	38.864	454	4.964	137.554	108.612	25.162	9.447	128.883
	100%		22,5%	0,3%	9,5%	0,1%	1,2%	33,6%	26,5%	6,1%	2,3%	31,5%
Vêtements, lingerie et confections . . . . .	192.562	1,3	30.551	7.570	5.223	665	4.620	48.629	97.178	17.430	3.580	25.745
	100%		15,9%	3,9%	2,7%	0,4%	2,4%	25,3%	50,4%	9,0%	1,9%	13,4%
Ouvrages en pierres, poteries . . . . .	189.627	1,2	19.341	5.240	19.811	346	1.676	46.414	100.977	11.090	668	30.478
	100%		10,2%	2,8%	10,4%	0,2%	0,9%	24,5%	53,3%	5,9%	0,2%	16,1%
Cuir et peaux et leurs ouvrages . . . . .	169.353	1,1	50.259	780	17.416	57	850	69.362	63.524	23.955	8.571	3.941
	100%		29,7%	0,5%	10,3%	—	0,5%	41,0%	37,5%	14,1%	5,1%	2,3%
Caoutchouc et ouvrages en caoutchouc. . . . .	84.226	0,6	21.441	14.938	1.807	24	417	38.627	15.207	17.881	8.721	3.790
	100%		25,5%	17,7%	2,2%	—	0,5%	45,9%	18,0%	21,2%	10,4%	4,5%
Horlogerie, instruments et appareils non dénommés ailleurs . . . . .	81.064	0,6	13.462	332	694	—	19.545	34.033	42.077	2.876	1.520	558
	100%		16,6%	0,4%	0,9%	—	24,1%	42,0%	51,9%	3,6%	1,9%	0,6%
Compositions diverses . . . . .	345.213	2,3	77.785	7.354	13.802	1.367	8.870	109.178	144.370	31.460	7.732	52.473
	100%		22,5%	2,1%	4,0%	0,4%	2,6%	31,0%	41,8%	9,1%	2,3%	15,2%
<b>Total . . . . .</b>	<b>15.216.832</b>	<b>100</b>	<b>2.584.753</b>	<b>189.048</b>	<b>1.745.534</b>	<b>105.821</b>	<b>192.276</b>	<b>4.817.432</b>	<b>2.464.736</b>	<b>1.372.628</b>	<b>1.206.593</b>	<b>5.355.443</b>
	100%		17,0%	1,2%	11,5%	0,7%	1,3%	31,6%	16,2%	9,0%	7,9%	35,2%



## Union Belgo-Luxembourgeoise. — d) EXPORTATION PAR GROUPES D'ARTICLES EN 1929.

Marchandises exportées	Valeur en milliers de francs belges	% de l'exportation totale	Pays de destination									
			France	Italie	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne <sup>1</sup>	Royaume-Uni	Etats-Unis	Autres pays
Métaux et ouvrages en métaux . . . . .	7.711.610	24,2	528.545	182.866	569.310	44.958	121.345	1.447.024	703.289	1.570.882	138.602	3.851.813
	100%		6,8%	2,4%	7,4%	0,6%	1,6%	18,8%	9,1%	20,4%	1,8%	49,9%
Produits de l'industrie textile . . . . .	4.165.001	13,1	128.109	148.656	412.557	4.407	105.548	799.277	507.858	1.118.951	296.438	1.442.477
	100%		3,1%	3,6%	9,9%	0,1%	2,5%	19,2%	12,2%	26,9%	7,1%	34,6%
Animaux vivants et produits animaux . . . . .	3.215.771	10,1	611.742	222.033	248.683	43.247	83.932	1.210.237	1.040.777	483.581	184.636	296.540
	100%		19,0%	6,9%	7,8%	1,4%	2,6%	37,7%	32,4%	15,0%	5,7%	9,2%
Produits minéraux . . . . .	2.571.461	8,1	1.040.998	11.604	342.392	1.308	69.596	1.465.898	174.418	145.725	149.074	636.346
	100%		40,4%	0,5%	13,3%	0,1%	2,7%	57,0%	6,8%	5,7%	5,8%	24,7%
Ouvrages en pierres, poteries . . . . .	2.424.614	7,6	211.686	25.461	745.158	861	5.780	988.946	34.225	142.269	873.532	385.642
	100%		8,7%	1,1%	30,7%	—	0,3%	40,8%	1,4%	5,9%	36,0%	15,9%
Produits du règne végétal . . . . .	1.908.620	6,0	531.874	14.862	211.645	2.480	55.656	816.517	277.851	600.301	35.009	178.942
	100%		27,9%	0,8%	11,1%	0,1%	2,9%	42,8%	14,6%	31,4%	1,8%	9,4%
Verre et ouvrages en verre . . . . .	1.505.458	4,7	40.663	32.437	168.459	11.646	34.129	287.334	13.497	302.059	151.993	750.575
	100%		2,7%	2,1%	11,2%	0,8%	2,3%	19,1%	0,9%	20,1%	10,1%	49,8%
Produits chimiques et pharmaceutiques, etc... . . . .	1.487.322	4,7	182.105	24.023	210.731	33.347	18.818	469.024	244.314	210.035	98.976	464.973
	100%		12,2%	1,6%	14,2%	2,2%	1,3%	31,6%	16,4%	14,1%	6,7%	31,3%
Machines et appareils . . . . .	1.480.068	4,6	194.440	25.648	172.453	9.941	33.073	435.555	46.932	146.930	45.631	805.020
	100%		13,1%	1,7%	11,7%	0,7%	2,2%	29,4%	3,2%	9,9%	3,1%	54,4%
Produits alimentaires, boissons et tabacs . . . . .	934.768	2,9	148.440	31.151	79.678	24	66.340	325.633	31.622	174.187	15.297	388.029
	100%		15,9%	3,4%	8,5%	—	7,1%	34,9%	3,4%	18,6%	1,6%	41,5%
Cuir et peaux et leurs ouvrages . . . . .	882.492	2,8	84.978	26.73	85.059	19.912	24.632	241.317	263.133	187.254	60.157	130.631
	100%		9,6%	3,0%	9,7%	2,3%	2,8%	27,4%	29,8%	21,2%	6,8%	14,8%
Véhicules autres que pour voies ferrées . . . . .	796.238	2,5	37.563	19.681	293.050	6.168	91.014	447.476	37.636	35.502	5.355	270.269
	100%		4,7%	2,5%	36,8%	0,8%	11,4%	56,2%	4,7%	4,4%	0,7%	34,0%
Vêtements, lingerie et confections . . . . .	658.870	2,1	34.155	1.522	200.092	32	28.112	263.913	26.447	180.271	23.721	164.518
	100%		5,2%	0,2%	30,3%	—	4,3%	40,0%	4,0%	27,4%	3,6%	25,0%
Papier et ses applications . . . . .	550.686	1,7	72.730	21.681	64.079	2.393	11.973	162.856	17.946	112.241	31.256	226.387
	100%		13,2%	3,9%	9,9%	0,4%	2,2%	29,6%	3,2%	20,4%	5,7%	41,1%
Bois et ouvrages en bois . . . . .	410.785	1,3	34.912	176	123.397	125	1.193	159.803	10.424	81.805	25.080	133.673
	100%		8,5%	—	30,0%	—	0,4%	38,9%	2,6%	19,9%	6,1%	32,5%
Caoutchouc et ouvrages en caoutchouc . . . . .	350.640	1,1	80.976	11.209	59.451	6.600	24.824	183.060	65.136	24.479	47	77.918
	100%		23,1%	3,2%	16,9%	1,9%	7,1%	52,2%	18,6%	7,0%	—	22,2%
Compositions diverses . . . . .	825.501	2,5	52.515	8.917	67.297	5.271	16.969	150.969	39.049	290.016	19.966	325.501
	100%		6,4%	1,0%	8,2%	0,6%	2,1%	18,3%	4,7%	35,2%	2,4%	39,4%
<b>Total . . . . .</b>	<b>31.879.905</b>	<b>100</b>	<b>4.016.431</b>	<b>809.263</b>	<b>4.043.491</b>	<b>192.720</b>	<b>792.934</b>	<b>9.854.839</b>	<b>3.534.554</b>	<b>5.806.488</b>	<b>2.154.770</b>	<b>10.529.254</b>
	100%		12,6%	2,5%	12,7%	0,6%	2,5%	30,9%	11,1%	18,2%	6,8%	33,0%

<sup>1</sup> A l'exclusion de Brême, Hambourg et Lubeck.

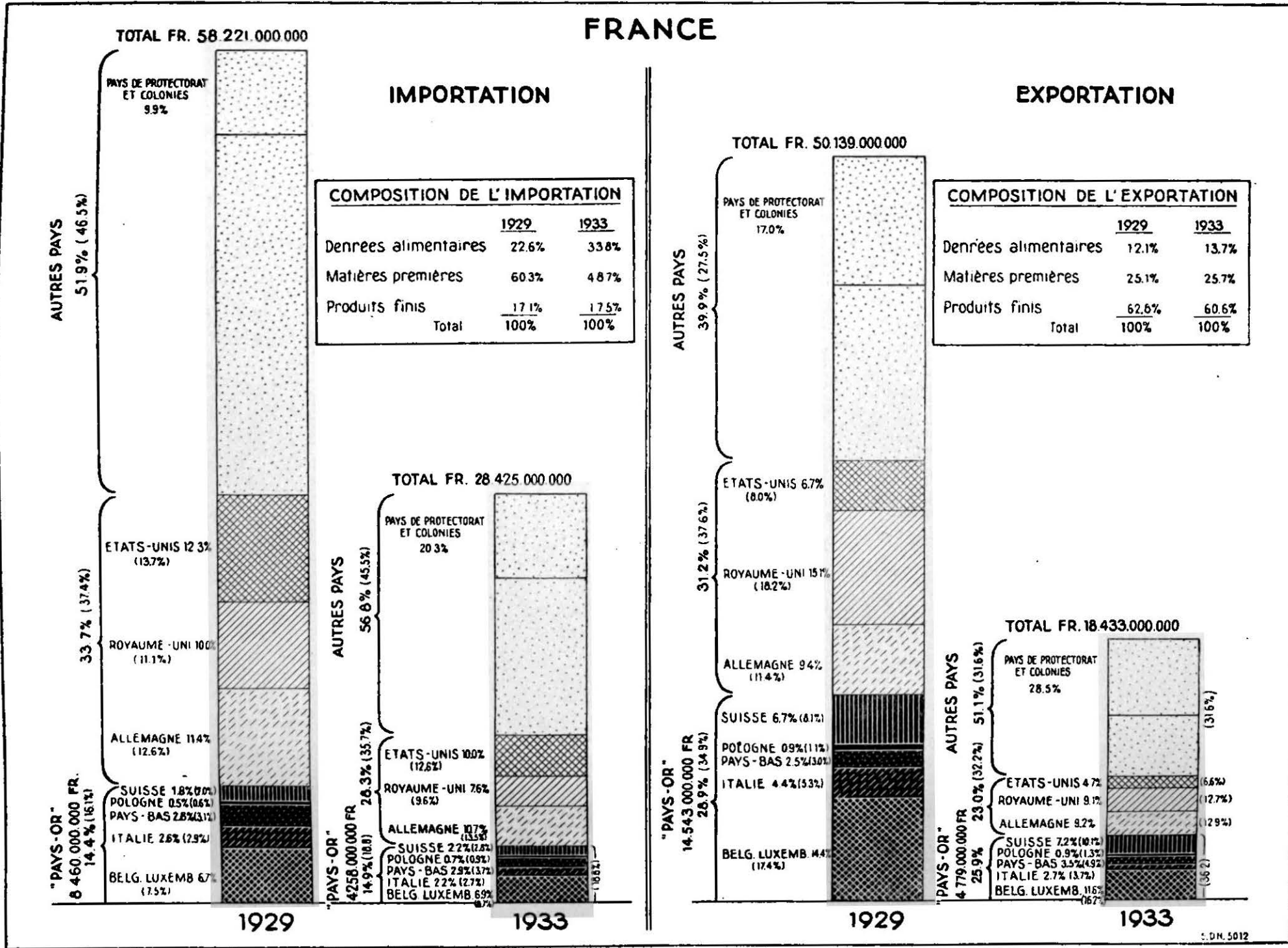
120

## Union Belgo-Luxembourgeoise. — e) EXPORTATION PAR GROUPES D'ARTICLES EN 1933.

Marchandises exportées	Valeur en milliers de francs belges	% de l'exportation totale	Pays de destination									
			France	Italie	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allema- gne	Royaume- Uni	Etats- Unis	Autres pays
Métaux et ouvrages en métaux . . . . .	3.748.314	26,2	529.898	97.779	312.207	21.473	120.741	1.082.098	281.996	536.883	59.721	1.787.616
	100%		14,1%	2,6%	8,3%	0,7%	3,2%	28,9%	7,5%	14,3%	1,6%	47,7%
Produits minéraux . . . . .	1.693.214	11,8	716.570	21.773	254.107	338	40.845	1.033.633	130.002	146.378	63.014	320.187
	100%		42,3%	1,3%	15,0%	—	2,4%	61,0%	7,7%	8,6%	3,7%	19,0%
Produits de l'industrie textile . . . . .	1.581.185	11,0	73.917	31.994	222.478	5.836	84.542	418.767	121.818	199.548	260.455	580.597
	100%		4,7%	2,0%	14,1%	0,4%	5,3%	26,5%	7,7%	12,6%	16,5%	36,7%
Animaux vivants et produits animaux . . . . .	1.507.281	10,5	543.169	65.635	79.879	40.119	54.484	783.286	390.593	99.457	34.883	199.062
	100%		36,0%	4,4%	5,3%	2,7%	3,6%	52,0%	25,9%	6,6%	2,3%	13,2%
Produits du règne végétal . . . . .	1.040.384	7,3	360.096	8.776	105.617	2.647	28.841	505.977	171.242	134.557	20.320	208.288
	100%		34,7%	0,8%	10,1%	0,2%	2,8%	48,6%	16,5%	12,9%	2,0%	20,0%
Produits chimiques et pharmaceutiques, etc. . . . .	1.035.963	7,2	190.117	11.529	142.657	8.188	11.881	364.372	189.733	117.471	89.416	274.971
	100%		18,4%	1,1%	13,8%	0,7%	1,2%	35,2%	18,3%	11,3%	8,7%	26,5%
Ouvrages en pierres, poteries . . . . .	674.617	4,7	82.684	37.555	99.812	224	5.179	225.454	28.436	81.910	124.862	213.955
	100%		12,3%	5,6%	14,8%	—	0,7%	33,4%	4,3%	12,1%	18,5%	31,7%
Verre et ouvrages en verre . . . . .	523.536	3,7	25.594	17.052	48.222	2.406	18.726	112.000	2.001	170.452	11.892	227.191
	100%		4,9%	3,3%	9,2%	0,4%	3,6%	21,4%	0,3%	32,6%	2,3%	43,4%
Machines et appareils . . . . .	473.865	3,3	90.211	7.509	73.727	1.598	31.600	204.645	13.656	36.725	6.837	212.002
	100%		19,0%	1,6%	15,6%	0,3%	6,7%	43,2%	2,9%	7,8%	1,4%	44,7%
Produits alimentaires, boissons et tabacs . . . . .	442.896	3,1	105.798	23.109	49.709	103	36.192	214.911	10.120	67.178	1.127	149.560
	100%		23,9%	5,2%	11,2%	—	8,2%	48,5%	2,2%	15,2%	0,3%	33,8%
Papier et ses applications . . . . .	318.119	2,2	68.489	9.975	53.182	3.740	5.721	141.107	8.105	35.026	15.407	118.474
	100%		21,5%	3,2%	16,7%	1,2%	1,8%	44,4%	2,6%	11,0%	4,8%	37,2%
Véhicules autres que pour voies ferrées . . . . .	259.085	1,8	14.205	554	122.306	818	63.410	201.293	12.123	3.870	438	41.361
	100%		5,5%	0,2%	47,2%	0,3%	24,5%	77,7%	4,7%	1,5%	0,1%	16,0%
Cuir et peaux et leurs ouvrages . . . . .	255.670	1,8	46.493	7.574	23.320	4.277	12.008	93.672	70.764	37.218	12.408	41.608
	100%		18,2%	3,0%	9,1%	1,6%	4,7%	36,6%	27,7%	14,5%	4,9%	16,3%
Caoutchouc et ouvrages en caoutchouc . . . . .	183.663	1,3	55.646	2.838	17.409	3.424	9.877	89.194	2.391	16.546	320	75.212
	100%		30,3%	1,5%	9,5%	1,9%	5,3%	48,5%	1,3%	9,0%	0,2%	41,0%
Vêtements, lingerie et confections . . . . .	182.825	1,3	14.947	597	85.654	62	10.703	111.963	4.413	24.121	2.616	39.712
	100%		8,2%	0,3%	46,9%	—	5,9%	61,3%	2,5%	13,2%	1,3%	21,7%
Bois et ouvrages en bois . . . . .	119.803	0,8	23.481	378	49.848	57	1.033	74.797	2.192	13.315	3.930	25.669
	100%		19,6%	0,4%	41,6%	—	0,8%	62,4%	1,8%	11,1%	3,3%	21,4%
Compositions diverses . . . . .	287.805	2,0	28.225	5.300	26.456	2.952	11.289	74.222	9.257	72.536	15.345	116.445
	100%		9,8%	1,8%	9,3%	1,0%	3,9%	25,8%	3,2%	25,2%	5,3%	40,5%
<b>Total . . . . .</b>	<b>14.328.325</b>	<b>100</b>	<b>2.969.540</b>	<b>349.927</b>	<b>1.766.590</b>	<b>98.262</b>	<b>547.072</b>	<b>5.731.391</b>	<b>1.448.842</b>	<b>1.793.191</b>	<b>722.991</b>	<b>4.631.910</b>
	100%		20,7%	2,4%	12,3%	0,7%	3,8%	39,9%	10,1%	12,6%	5,0%	32,5%

2. FRANCE.

A. DONNÉES ESSENTIELLES RELATIVES AU RÔLE DE LA FRANCE  
DANS LE BLOC-OR.



N. B. — Les pourcentages indiqués entre parenthèses se rapportent au commerce de la France avec l'étranger, à l'exclusion du commerce avec ses colonies et pays de protectorat, ce dernier étant considéré comme commerce intérieur. Ils correspondent aux données du tableau statistique ci-après « Chiffres globaux annuels du commerce avec l'étranger ».

1. — Ainsi qu'on l'a vu dans les commentaires de la première partie, la position de la France dans le Bloc-or est centrale. Bien que l'intensité des courants commerciaux qui la relie aux autres pays du Bloc soit, par comparaison avec son commerce extérieur total, d'un pourcentage moins élevé que pour l'Union Belgo-Luxembourgeoise, c'est cependant la France qui échange les valeurs les plus considérables avec les autres pays du groupe. En 1929, en effet, les achats de la France, dans les cinq autres pays du Bloc, ont atteint un total de 8.460 millions de francs, alors que ses ventes à destination de ces mêmes pays ont atteint 14.543 millions de francs. C'était alors, de beaucoup, le plus important débouché français, et la balance entre l'importation et l'exportation laissait à la France un très important solde actif.

En 1933, les achats français dans les autres pays du Bloc-or se sont élevés à 4.258 millions de francs et ses ventes dans les mêmes pays à 4.779 millions de francs.

Bien que la différence entre la valeur des échanges de ces deux années reflète assez exactement le recul général du commerce extérieur de la France, sa position vis-à-vis du Bloc-or s'est modifiée au cours de cette période. En effet :

Depuis 1932, le commerce entre la France et les autres pays du Bloc-or est dépassé en importance par le commerce qu'entretient la France avec l'ensemble de son empire colonial.

La balance commerciale entre la France et le Bloc-or, tout en restant active, tend vers l'équilibre.

2. — Parmi les rapports commerciaux qui unissent bilatéralement la France à chacun des autres pays du Bloc, bien que tous soient importants, il en existe de plus particulièrement étroits. Tels sont les rapports avec l'Union Belgo-Luxembourgeoise et les rapports avec la Suisse. Ces deux pays sont tout spécialement intéressants pour l'exportation française, comme le montrent les tableaux statistiques ci-après. C'est ainsi qu'en 1929, par exemple, les achats de l'Union Belgo-Luxembourgeoise en France ont atteint un total de 7.225 millions de francs, soit un montant à peu près équivalent aux achats du Royaume-Uni et d'environ 50% supérieur à ceux de l'Allemagne. En cette même année, l'exportation française vers la Suisse a atteint 3.383 millions de francs, somme un peu supérieure à l'exportation française vers les Etats-Unis. Ainsi, dans ce dernier exemple, le débouché offert à l'exportation française par un pays de 4 millions d'habitants se révèle plus important que l'immense marché d'un pays de 125 millions d'habitants.

3. — Le commerce franco-britannique, malgré une régression très accentuée depuis 1931, est demeuré fort important dans l'ensemble du commerce extérieur de la France.

En effet, en 1929, la France a importé pour 5.828 millions de francs de produits britanniques, alors qu'elle lui a vendu pour 7.573 millions de francs de produits français.

Pour l'année 1933, l'importation des produits anglais est tombée à 2.167 millions de francs, alors que les ventes françaises à destination du Royaume-Uni ont subi un recul plus accentué encore et se sont réduites à 1.676 millions de francs.

Il est à remarquer que, bien que les échanges franco-britanniques ne soient entravés par aucune restriction en ce qui concerne les moyens de paiements, leur recul est plus accentué que celui du commerce extérieur de la France en général. Ils ont donc subi par rapport à lui une détérioration relative qui affecte davantage l'exportation vers le Royaume-Uni que l'importation en provenance de ce pays, cela malgré les restrictions mises à l'importation, à tel point que, depuis 1932, la balance du commerce franco-britannique, auparavant active, est devenue passive.

La divergence de ces deux mouvements est probablement explicable, tout au moins en partie, par la double influence limitative pour l'importation, stimulante pour l'exportation qu'eurent sur le commerce du Royaume-Uni, d'une part, l'adoption en 1931 de mesures de protection douanière et, d'autre part, presque à la même époque, la dévalorisation de la livre sterling.

4. — Les commentaires précédents montrent que les échanges entre la France et les autres pays du Bloc-or ainsi que les échanges franco-britanniques ont subi une évolution de même orientation depuis 1929, tant en ce qui concerne le recul des valeurs échangées que le mouvement vers l'équilibre des importations et des exportations. En dehors du domaine commercial, comme les conditions dans lesquelles s'effectuent les paiements sont demeurées identiques, aussi bien dans les pays du Bloc-or que dans le Royaume-Uni, le mouvement touristique, notamment, est resté un facteur important de la balance des comptes et par conséquent des rapports économiques réciproques de ces pays.

5. — Le commerce franco-allemand est demeuré très important. En 1929, la valeur des importations allemandes en France atteignait un total de 6.613 millions de francs, alors que la valeur de l'exportation française en Allemagne était de 4.734 millions de francs.

En 1933, la valeur de l'importation allemande était tombée à 3.044 millions de francs, celle de l'exportation française vers l'Allemagne, à 1.703 millions de francs.

La balance commerciale est restée déficitaire, mais depuis la conclusion d'un accord de clearing elle tend vers l'équilibre.

Les réglementations financière et monétaire allemandes exercent actuellement une très forte influence restrictive sur tous les facteurs de la vie économique, et notamment le mouvement touristique.

6. — Considérés dans leur ensemble, les échanges commerciaux extérieurs de la France donnent encore lieu aux constatations suivantes :

La régression de ces échanges est considérable :

Comparés à ceux de l'année 1929, les chiffres de 1933 ne représentent plus, pour l'importation, que le 48,8%, pour l'exportation que le 36,8%.

Les résultats provisoires de l'année 1934 permettent de constater que la régression de l'importation continue, notamment pour les matières premières. Par contre, l'exportation est en léger progrès. L'origine de ce redressement est probablement à rechercher dans la conclusion des accords de clearing.

7. — Depuis l'année 1928, la direction des courants commerciaux s'est sensiblement modifiée.

A l'importation, la part proportionnelle des pays du Bloc-or s'est légèrement réduite, moins cependant que celle du Royaume-Uni ou des Etats-Unis, à peu de choses près parallèlement à celle de l'Allemagne.

A l'exportation, il en est à peu près de même.

Dans les deux cas, le déplacement s'est fait au profit de l'empire colonial français qui est devenu le plus grand fournisseur comme le plus vaste débouché.

8. — Le recul des échanges ne s'est pas fait sentir avec la même intensité pour tous les groupes de marchandises.

D'une façon générale, ce sont :

A l'importation, les matières premières industrielles telles que la laine, le coton, la soie, le cuivre ;

A l'exportation, les produits des industries textiles, notamment les tissus de soie, les tissus de laine, ainsi que les confections qui ont subi les baisses les plus considérables.

Dans le commerce réciproque avec les autres pays du Bloc-or, on peut signaler, à titre d'exemple, parmi les produits ayant subi les reculs les plus importants :

A l'importation, les pierres gemmes brutes ou taillées de Belgique et des Pays-Bas ; la soie et la bourre de soie d'Italie et de Suisse ;

A l'exportation, les tissus de coton, de soie et de laine destinés à l'Union Belgo-Luxembourgeoise et la Suisse, les vêtements et la lingerie destinés à l'Union Belgo-Luxembourgeoise, l'Italie, les Pays-Bas et la Suisse, les automobiles destinées à l'Italie et à la Pologne.

9. — Le recul du commerce extérieur étant plus marqué à l'exportation qu'à l'importation, il en est résulté un déficit considérable de la *balance commerciale*.

Ainsi qu'il l'a été dit précédemment déjà, les échanges de la France avec les pays du Bloc-or d'une part, avec le Royaume-Uni d'autre part, qui lui assuraient un très important excédent d'exportation, ont évolué de plus en plus vers l'équilibre, sous l'influence de la tendance actuelle de la politique commerciale visant à l'équilibre bilatéral des échanges de marchandises. Depuis 1932, en effet, seule la balance du commerce franco-suisse est demeurée largement active.

Mais par contre cette tendance n'a pas réussi — comme du reste pour aucun des pays industriels européens — à corriger sensiblement la passivité de la balance commerciale de la France vis-à-vis des pays fournisseurs de matières premières. Même avec l'Allemagne, ce n'est que dans ces tout derniers temps qu'on a constaté un renversement, probablement temporaire, des positions antérieures. Ce fait est d'ailleurs dû à des circonstances toutes particulières, qui apparaissent comme des conséquences de l'accord de clearing existant entre les deux pays, et ce renversement n'a pas été sans provoquer des difficultés pour les paiements, aux exportateurs français, du produit de leurs ventes à l'Allemagne.

10. — Enfin, il n'est pas sans intérêt de mentionner que la politique du contrôle et de la restriction quantitative de l'importation pratiquée par la France, ainsi que le maintien de la monnaie gagée sur l'or, ont exercé une indéniable influence sur le niveau intérieur des prix qui est resté élevé par comparaison aux prix du marché international. Toute relative que soit cette indication, elle explique, au moins en partie, la forte diminution du mouvement touristique étranger en France, mouvement qui constituait l'un des postes actifs importants de la balance des paiements de ce pays.

**B. RENSEIGNEMENTS STATISTIQUES.**

**France. — a) COMMERCE EXTÉRIEUR. — CHIFFRES GLOBAUX ANNUELS**

(Valeur en millions de francs).

*Importation.*

Provenance	1928		1929		1930		1931		1932		1933		* 1934	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	4.040	7,5	3.920	6,7	4.199	8,0	3.633	8,6	2.447	8,2	1.966	6,9	1.502	6,3
Italie . . . . .	1.525	2,8	1.516	2,6	1.527	2,9	1.437	3,4	630	2,1	622	2,2	487	2,0
Pays-Bas . . . . .	1.705	3,2	1.647	2,8	1.756	3,3	1.609	3,8	1.044	3,5	833	2,9	612	2,6
Pologne . . . . .	214	0,4	302	0,5	356	0,7	457	1,1	236	0,8	205	0,7	174	0,7
Suisse . . . . .	933	1,7	1.075	1,8	1.133	2,2	904	2,1	607	2,0	632	2,2	534	2,2
<b>Total des cinq pays . . . . .</b>	<b>8.417</b>	<b>15,6</b>	<b>8.460</b>	<b>14,4</b>	<b>8.971</b>	<b>17,1</b>	<b>8.040</b>	<b>19,0</b>	<b>4.964</b>	<b>16,6</b>	<b>4.258</b>	<b>14,9</b>	<b>3.309</b>	<b>13,8</b>
Allemagne . . . . .	5.004	9,3	6.613	11,4	7.937	15,1	6.142	14,6	3.613	12,1	3.044	10,7	2.315	9,6
Royaume-Uni . . . . .	5.297	9,9	5.828	10,0	5.273	10,0	3.724	8,8	2.457	8,2	2.167	7,6	1.654	6,9
Etats-Unis . . . . .	6.177	11,5	7.160	12,3	6.148	11,7	3.801	9,0	2.900	9,8	2.851	10,0	2.395	10,0
Autres pays <sup>1</sup> . . . . .	28.749	53,7	30.160	51,9	24.181	46,1	20.499	48,6	15.874	53,3	16.105	56,8	14.328	59,7
<b>Total général . . . . .</b>	<b>53.644</b>	<b>100</b>	<b>58.221</b>	<b>100</b>	<b>52.510</b>	<b>100</b>	<b>42.206</b>	<b>100</b>	<b>29.808</b>	<b>100</b>	<b>28.425</b>	<b>100</b>	<b>24.001</b>	<b>100</b>

*Exportation.*

Destination	1928		1929		1930		1931		1932		1933		* 1934	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	7.955	15,3	7.225	14,4	5.442	12,7	3.582	11,8	2.240	11,4	2.140	11,6	1.914	11,1
Italie . . . . .	2.184	4,2	2.209	4,4	1.681	3,9	992	3,2	595	3,0	492	2,7	529	3,0
Pays-Bas . . . . .	1.343	2,6	1.257	2,5	1.225	2,9	927	3,0	609	3,1	644	3,5	528	3,0
Pologne . . . . .	432	0,8	469	0,9	435	1,0	299	1,0	322	1,6	173	0,9	148	0,9
Suisse . . . . .	3.226	6,2	3.383	6,7	3.095	7,2	2.309	7,6	1.511	7,7	1.330	7,2	1.259	7,3
<b>Total des cinq pays . . . . .</b>	<b>15.140</b>	<b>29,1</b>	<b>14.543</b>	<b>28,9</b>	<b>11.878</b>	<b>27,7</b>	<b>8.109</b>	<b>26,6</b>	<b>5.277</b>	<b>26,8</b>	<b>4.779</b>	<b>25,9</b>	<b>4.378</b>	<b>25,3</b>
Allemagne . . . . .	5.623	10,8	4.734	9,4	4.155	9,7	2.749	9,0	1.699	8,6	1.703	9,2	1.864	10,8
Royaume-Uni . . . . .	7.881	15,1	7.573	15,1	6.845	16,0	5.043	16,6	1.963	10,0	1.676	9,1	1.480	8,5
Etats-Unis . . . . .	3.033	5,8	3.335	6,7	2.435	5,7	1.543	5,1	957	4,9	868	4,7	870	5,0
Autres pays <sup>1</sup> . . . . .	20.427	39,2	19.954	39,9	17.522	40,9	12.992	42,7	9.809	49,7	9.407	51,1	8.720	50,4
<b>Total général . . . . .</b>	<b>52.104</b>	<b>100</b>	<b>50.139</b>	<b>100</b>	<b>42.835</b>	<b>100</b>	<b>30.436</b>	<b>100</b>	<b>19.705</b>	<b>100</b>	<b>18.433</b>	<b>100</b>	<b>17.312</b>	<b>100</b>

<sup>1</sup> Sous « autres pays » on a groupé le commerce de la France avec ses colonies, et le commerce avec tous les pays non désignés; dans cet ensemble, le commerce avec les colonies représente :

A l'importation . . . . .	5.521	10,3	5.798	9,9	5.633	10,8	5.322	12,6	5.285	17,7	5.797	20,3	5.741	23,9
A l'exportation . . . . .	8.089	15,5	8.489	17,0	8.125	19,9	6.530	21,5	5.466	27,7	5.246	28,5	5.326	30,8

<sup>2</sup> Pour 1934, les estimations ont été faites sur la base de la moyenne mensuelle des chiffres indiqués dans la statistique officielle pour les huit premiers mois de l'année.

Les résultats provisoires pour l'année sont les suivants : importation 23.061  
exportation 17.822

*Balance du commerce.*

Pays	1928	1929	1930	1931	1932	1933	1934 <sup>2</sup>
Union Belgo-Luxembourgeoise . . . . .	+ 3.915	+ 3.305	+ 1.243	— 51	— 207	+ 174	+ 412
Italie . . . . .	+ 659	+ 693	+ 154	— 445	— 35	— 130	+ 42
Pays-Bas . . . . .	— 362	— 390	— 531	— 682	— 435	— 189	— 84
Pologne . . . . .	+ 218	+ 167	+ 79	— 158	+ 86	— 32	— 26
Suisse . . . . .	+ 2.293	+ 2.308	+ 1.962	+ 1.405	+ 904	+ 698	+ 725
<b>Total des cinq pays . . . . .</b>	<b>+ 6.723</b>	<b>+ 6.083</b>	<b>+ 2.907</b>	<b>+ 69</b>	<b>+ 313</b>	<b>+ 521</b>	<b>+ 1.069</b>
Allemagne . . . . .	+ 619	— 1.879	— 3.782	— 3.393	— 1.914	— 1.341	— 451
Royaume-Uni . . . . .	+ 2.584	+ 1.745	+ 1.572	+ 1.319	— 494	— 491	— 174
Etats-Unis . . . . .	— 2.144	— 3.825	— 3.713	— 2.258	— 1.943	— 1.983	— 1.525
Autres pays . . . . .	— 8.322	— 10.206	— 6.659	— 7.507	— 6.065	— 6.698	— 5.608
<b>Balance totale . . . . .</b>	<b>— 1.540</b>	<b>— 8.082</b>	<b>— 9.675</b>	<b>— 11.770</b>	<b>— 10.103</b>	<b>— 9.992</b>	<b>— 6.089</b>

<sup>2</sup> Estimations.

Selon les résultats provisoires, le déficit s'élève à 5.239.

France. — b) CHIFFRES GLOBAUX ANNUELS DU COMMERCE AVEC L'ÉTRANGER.

Dans ces tableaux le commerce entre la France d'une part, les pays de protectorat et les Colonies françaises d'autre part, a été considéré comme du commerce intérieur.

(Valeur en millions de francs.)

*Importation.*

Provenance	1928		1929		1930		1931		1932		1933		1934 <sup>1</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	4.040	8,4	3.920	7,5	4.199	9,0	3.633	9,8	2.447	10,0	1.966	8,7	1.502	8,2
Italie . . . . .	1.525	3,2	1.516	2,9	1.527	3,3	1.437	3,9	630	2,6	622	2,7	487	2,7
Pays-Bas . . . . .	1.705	3,5	1.647	3,1	1.756	3,7	1.609	4,4	1.044	4,3	833	3,7	612	3,4
Pologne . . . . .	214	0,5	302	0,6	356	0,8	457	1,2	236	0,9	205	0,9	174	0,9
Suisse . . . . .	933	1,9	1.075	2,0	1.133	2,4	904	2,5	607	2,5	632	2,8	534	2,9
<b>Total des cinq pays . . .</b>	<b>8.417</b>	<b>17,5</b>	<b>8.460</b>	<b>16,1</b>	<b>8.971</b>	<b>19,2</b>	<b>8.040</b>	<b>21,8</b>	<b>4.964</b>	<b>20,3</b>	<b>4.258</b>	<b>18,8</b>	<b>3.309</b>	<b>18,1</b>
Allemagne . . . . .	5.004	10,4	6.613	12,6	7.937	16,9	6.142	16,7	3.613	14,7	3.044	13,5	2.315	12,7
Royaume-Uni . . . . .	5.297	11,0	5.828	11,1	5.273	11,2	3.724	10,1	2.457	10,0	2.167	9,6	1.654	9,1
Etats-Unis . . . . .	6.177	12,8	7.160	13,7	6.148	13,1	3.801	10,3	2.900	11,8	2.851	12,6	2.395	13,1
Autres pays . . . . .	23.228	48,3	24.362	46,5	18.548	39,6	15.177	41,1	10.589	43,2	10.308	45,5	8.587	47,0
<b>Total général . . . . .</b>	<b>48.123</b>	<b>100</b>	<b>52.423</b>	<b>100</b>	<b>46.877</b>	<b>100</b>	<b>36.884</b>	<b>100</b>	<b>24.523</b>	<b>100</b>	<b>22.628</b>	<b>100</b>	<b>18.260</b>	<b>100</b>

*Exportation.*

Destination	1928		1929		1930		1931		1932		1933		1934 <sup>1</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	7.955	18,1	7.225	17,4	5.442	15,7	3.582	15,0	2.240	15,7	2.140	16,2	1.914	16,0
Italie . . . . .	2.184	5,0	2.209	5,3	1.681	4,8	992	4,1	595	4,2	492	3,7	529	4,4
Pays-Bas . . . . .	1.343	3,0	1.257	3,0	1.225	3,5	927	3,9	609	4,3	644	4,9	528	4,4
Pologne . . . . .	432	1,0	469	1,1	435	1,3	299	1,2	322	2,3	173	1,3	148	1,2
Suisse . . . . .	3.226	7,3	3.383	8,1	3.095	8,9	2.309	9,7	1.511	10,6	1.330	10,1	1.259	10,5
<b>Total des cinq pays . . .</b>	<b>15.140</b>	<b>34,4</b>	<b>14.543</b>	<b>34,9</b>	<b>11.878</b>	<b>34,2</b>	<b>8.109</b>	<b>33,9</b>	<b>5.277</b>	<b>37,1</b>	<b>4.779</b>	<b>36,2</b>	<b>4.378</b>	<b>36,5</b>
Allemagne . . . . .	5.623	12,8	4.734	11,4	4.155	12,0	2.749	11,5	1.699	11,9	1.703	12,9	1.864	15,6
Royaume-Uni . . . . .	7.881	17,9	7.573	18,2	6.845	19,7	5.043	21,1	1.963	13,8	1.676	12,7	1.480	12,3
Etats-Unis . . . . .	3.033	6,9	3.335	8,0	2.435	7,0	1.543	6,5	957	6,7	868	6,6	870	7,3
Autres pays . . . . .	12.338	28,0	11.465	27,5	9.397	27,1	6.462	27,0	4.343	30,5	4.161	31,6	3.394	28,3
<b>Total général . . . . .</b>	<b>44.015</b>	<b>100</b>	<b>41.650</b>	<b>100</b>	<b>34.710</b>	<b>100</b>	<b>23.906</b>	<b>100</b>	<b>14.239</b>	<b>100</b>	<b>13.187</b>	<b>100</b>	<b>11.986</b>	<b>100</b>

<sup>1</sup> Pour 1934, les estimations ont été faites sur la base de la moyenne mensuelle des chiffres indiqués dans la statistique officielle pour les huit premiers mois de l'année.

*Balance du commerce.*

Pays	1928	1929	1930	1931	1932	1933	1934
Union Belgo-Luxembourgeoise . . . . .	+ 3.915	+ 3.305	+ 1.243	— 51	— 207	+ 174	+ 412
Italie . . . . .	+ 659	+ 693	+ 154	— 445	— 35	— 130	+ 42
Pays-Bas . . . . .	— 362	— 390	— 531	— 682	— 435	— 189	— 84
Pologne . . . . .	+ 218	+ 167	+ 79	— 158	+ 86	— 32	— 26
Suisse . . . . .	+ 2.293	+ 2.308	+ 1.962	+ 1.405	+ 904	+ 698	+ 725
<b>Total des cinq pays . . .</b>	<b>+ 6.723</b>	<b>+ 6.083</b>	<b>+ 2.907</b>	<b>+ 69</b>	<b>+ 313</b>	<b>+ 521</b>	<b>+ 1.069</b>
Allemagne . . . . .	+ 619	— 1.879	— 3.782	— 3.393	— 1.914	— 1.341	— 451
Royaume-Uni . . . . .	+ 2.584	+ 1.745	+ 1.572	+ 1.319	— 494	— 491	— 174
Etats-Unis . . . . .	— 3.144	— 3.825	— 3.713	— 2.258	— 1.943	— 1.983	— 1.525
Autres pays . . . . .	— 10.890	— 12.897	— 9.151	— 8.715	— 6.246	— 6.147	— 5.193
<b>Balance totale . . . . .</b>	<b>— 4.108</b>	<b>— 10.773</b>	<b>— 12.167</b>	<b>— 12.978</b>	<b>— 10.284</b>	<b>— 9.441</b>	<b>— 6.274</b>

France. — c. IMPORTATION PAR PRINCIPAUX ARTICLES EN 1929.

Marchandises importées	Valeur en milliers de francs	% de l'importation totale	Pays de provenance									
			Union Bolgo-Luxembourgeoise	Italie	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres Pays
Laine et déchets de laine	5.145.848	8,8	403.194	11.115	3.849	2.434	11.330	431.922	—	369.823	2.805	4.341.298
	100%		7,8%	0,2%	0,1%	—	0,2%	8,4%	—	7,2%	—	84,4%
Coton et déchets de coton	4.485.051	7,7	74.073	4.479	88.807	—	69.815	237.174	76.603	83.869	2.432.048	1.655.357
	100%		1,7%	—	2,0%	—	1,6%	5,3%	1,7%	1,9%	54,2%	36,9%
Houille	4.288.483	7,4	716.832	—	326.293	81.962	1.502	1.126.589	1.390.652	1.748.728	2.812	19.702
	100%		16,7%	—	7,6%	1,9%	—	26,2%	32,4%	40,8%	0,1%	0,5%
Céréales	3.016.432	5,2	14.257	—	2.700	3.883	—	20.840	61.972	1.395	181.764	2.750.461
	100%		0,5%	—	0,1%	0,1%	—	0,7%	2,1%	—	6,0%	91,2%
Vins	2.136.519	3,7	—	10.291	—	—	—	10.291	6.202	—	—	2.120.026
	100%		—	0,5%	—	—	—	0,5%	0,3%	—	—	99,2%
Graines et fruits oléagineux	2.544.205	4,4	13.927	642	5.075	517	—	20.161	—	4.936	—	2.519.108
	100%		0,5%	—	0,3%	—	—	0,8%	—	0,2%	—	99,0%
Machines et mécaniques	2.232.632	3,8	98.427	17.941	42.399	1.292	155.094	315.153	1.014.977	315.013	494.568	92.921
	100%		4,4%	0,8%	1,9%	0,1%	6,9%	14,1%	45,5%	14,1%	22,2%	4,1%
Huiles et essences de pétrole	1.986.311	3,4	25.403	—	1.361	3.013	830	30.607	—	1.121	1.171.299	783.284
	100%		1,3%	—	0,1%	0,1%	—	1,5%	—	0,1%	59,0%	39,4%
Cuivre	1.739.598	3,0	64.616	11.706	8.870	—	41.123	126.315	123.320	76.712	935.642	477.609
	100%		3,7%	0,7%	0,5%	—	2,4%	7,3%	7,1%	4,4%	53,8%	27,4%
Soies et bourre de soie	1.680.877	2,9	—	391.212	—	—	47.346	438.558	—	1.527	1.040	1.239.752
	100%		—	23,3%	—	—	2,8%	26,1%	—	0,1%	0,1%	73,7%
Café	1.652.076	2,8	5.085	—	17.096	—	—	22.181	5.755	3.878	1.018	1.619.244
	100%		0,3%	—	1,0%	—	—	1,3%	0,4%	0,2%	0,1%	98,0%
Bois communs	1.309.187	2,2	52.576	6.492	2.820	60.509	16.490	138.887	163.848	2.780	63.197	940.475
	100%		4,0%	0,4%	0,3%	4,6%	1,3%	10,6%	12,5%	0,3%	4,8%	71,8%
Peaux et pelleteries brutes	1.157.565	2,0	79.728	56.471	49.829	1.651	23.157	210.836	—	153.331	56.529	736.869
	100%		6,9%	4,9%	4,3%	0,1%	2,0%	18,2%	—	13,2%	4,9%	63,7%
Fruits de table	1.028.349	1,8	56.417	57.586	30.839	—	4.953	149.795	12.002	14.290	137.240	715.022
	100%		5,5%	5,6%	3,0%	—	0,5%	14,6%	1,2%	1,4%	13,3%	69,5%
Pierres gemmes brutes ou taillées	980.241	1,7	332.024	64.525	178.601	—	36.076	611.226	28.216	235.750	—	105.049
	100%		33,9%	6,6%	18,2%	—	3,7%	62,4%	2,9%	24,0%	—	10,7%
Produits des industries chimiques	921.713	1,6	142.861	37.202	16.821	280	43.638	240.802	156.312	50.046	33.386	441.167
	100%		15,6%	4,0%	1,8%	—	4,7%	26,1%	17,0%	5,4%	3,6%	47,9%
Outils et ouvrages en métaux	751.799	1,3	61.486	6.153	10.637	—	49.954	128.230	390.237	91.465	86.890	54.977
	100%		8,2%	0,9%	1,4%	—	6,6%	17,1%	51,9%	12,2%	11,6%	7,2%
Autres articles	21.163.736	36,3	1.899.320	840.518	861.198	146.391	573.220	4.320.647	3.182.875	2.673.306	1.559.312	9.427.596
	100%		9,0%	4,0%	4,1%	0,6%	2,7%	20,4%	15,0%	12,6%	7,5%	44,5%
<b>Total</b>	<b>58.220.622</b>	<b>100</b>	<b>4.040.226</b>	<b>1.516.333</b>	<b>1.647.195</b>	<b>301.932</b>	<b>1.074.528</b>	<b>8.580.214</b>	<b>6.612.971</b>	<b>5.827.970</b>	<b>7.159.550</b>	<b>30.039.917</b>
	100%		6,9%	2,6%	2,8%	0,6%	1,8%	14,7%	11,4%	10,0%	12,3%	51,6%



France. — d. IMPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises importées	Valeur en milliers de francs	% de l'importation totale	Pays de provenance										
			Union Belgo-Luxembourgeoise	Italie	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres Pays	
Vins . . . . .	3.154.438	11,1	—	7.069	—	—	—	—	7.069	3.091	—	—	3.144.278
	100%		—	0,2%	—	—	—	—	0,2%	0,1%	—	—	99,7%
Houille crue . . . . .	2.245.897	7,9	416.044	—	187.220	71.630	31.564	706.458	600.328	894.494	79	44.538	2,0%
	100%		18,5%	—	8,3%	3,2%	1,4%	31,4%	26,8%	39,8%	—	—	2,0%
Coton et déchets de coton . . . . .	1.573.696	5,6	26.742	642	4.812	—	1.499	33.695	17.069	10.528	995.485	516.919	32,8%
	100%		1,7%	—	0,3%	—	0,1%	2,1%	1,1%	0,7%	63,3%	—	32,8%
Laine et déchets de laine . . . . .	1.545.243	5,4	119.856	2.358	2.123	—	4.039	128.376	6.016	133.131	—	1.277.720	82,6%
	100%		7,8%	0,1%	0,1%	—	—	8,3%	0,4%	8,7%	—	—	82,6%
Céréales . . . . .	1.340.915	4,7	5.762	—	314	20.602	—	26.678	4.522	—	9.097	1.300.618	97,0%
	100%		0,4%	—	—	1,6%	—	2,0%	0,3%	—	0,7%	—	97,0%
Huiles et essences de pétrole . . . . .	1.301.542	4,6	5.227	—	—	—	—	5.227	—	—	432.121	864.194	66,4%
	100%		0,4%	—	—	—	—	0,4%	—	—	33,2%	—	66,4%
Machines et mécaniques . . . . .	1.231.492	4,4	59.627	16.253	44.703	—	105.793	226.376	569.669	139.238	195.118	101.091	8,2%
	100%		4,9%	1,3%	3,6%	—	8,6%	18,4%	46,2%	11,3%	15,9%	—	8,2%
Graines et fruits oléagineux . . . . .	1.176.803	4,1	3.357	—	—	57	—	3.414	—	—	—	1.173.389	99,7%
	100%		0,3%	—	—	—	—	0,3%	—	—	—	—	99,7%
Fruits de table . . . . .	946.614	3,3	8.453	55.184	2.569	—	8.407	74.613	3.391	489	136.217	731.904	77,3%
	100%		0,9%	5,8%	0,3%	—	0,9%	7,9%	0,4%	—	14,4%	—	77,3%
Café . . . . .	877.551	3,1	22	—	2	—	—	24	—	15	99	877.413	100%
	100%		—	—	—	—	—	—	—	—	—	—	100%
Produits des industries chimiques . . . . .	840.188	3,0	136.917	17.198	36.128	—	53.930	244.173	168.743	104.545	120.863	201.864	24,0%
	100%		16,3%	2,0%	4,3%	—	6,4%	29,0%	20,1%	12,5%	14,4%	—	24,0%
Bois communs . . . . .	505.665	1,8	6.587	2.129	509	40.321	989	50.535	34.967	—	21.244	398.919	78,9%
	100%		1,3%	0,4%	0,1%	8,0%	0,2%	10,0%	6,9%	—	4,2%	—	78,9%
Peaux et pelleteries brutes . . . . .	483.677	1,7	19.514	31.895	21.174	1.848	15.991	90.422	39.896	99.528	21.834	231.997	48,0%
	100%		4,0%	6,6%	4,3%	0,4%	3,3%	18,6%	8,3%	20,6%	4,5%	—	48,0%
Sucres bruts et raffinés . . . . .	456.286	1,6	—	—	—	4.273	—	4.273	256	—	—	451.757	99,0%
	100%		—	—	—	1,0%	—	1,0%	—	—	—	—	99,0%
Huiles lourdes et résidus de pétrole . . . . .	431.984	1,5	5.336	—	—	2.873	—	8.209	5.237	9.575	202.761	206.202	47,7%
	100%		1,2%	—	—	0,7%	—	1,9%	1,2%	2,2%	47,0%	—	47,7%
Cuivre . . . . .	412.441	1,4	129.000	—	291	—	19.101	148.392	30.629	31.872	141.990	59.558	14,4%
	100%		31,3%	—	0,1%	—	4,6%	36,0%	7,5%	7,7%	34,4%	—	14,4%
Outils et ouvrages en métaux . . . . .	404.461	1,4	34.421	6.003	12.283	—	35.303	88.010	200.297	39.813	41.034	35.307	8,7%
	100%		8,5%	1,5%	3,0%	—	8,8%	21,8%	49,5%	9,8%	10,2%	—	8,7%
Autres articles . . . . .	9.496.517	33,4	988.684	483.524	520.776	63.601	355.570	2.412.155	1.359.555	703.599	532.039	4.488.519	47,3%
	100%		10,4%	5,1%	5,5%	0,7%	3,7%	25,4%	14,3%	7,4%	5,6%	—	47,3%
<b>Total . . . . .</b>	<b>28.425.410</b>	<b>100</b>	<b>1.965.549</b>	<b>622.255</b>	<b>832.904</b>	<b>205.205</b>	<b>632.186</b>	<b>4.258.099</b>	<b>3.043.666</b>	<b>2.166.827</b>	<b>2.850.631</b>	<b>16.106.187</b>	<b>56,6%</b>
	100%		6,9%	2,2%	2,9%	0,7%	2,2%	14,9%	10,7%	7,6%	10,2%	—	56,6%

France. — c) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1920.

Marchandises exportées	Valeur en milliers de francs	% de l'exportation totale	Pays de destination									
			Union Belgo-Luxembourgeoise	Italie	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Tissus de soie et de bourre de soie . . . . .	3.031.831	8,0	177.758	63.887	76.630	19.106	227.217	564.598	137.495	1.152.477	297.681	879.590
	100%		5,9%	2,1%	2,5%	0,6%	7,5%	18,6%	4,6%	38,0%	9,6%	29,0%
Tissus de coton . . . . .	2.712.854	5,4	166.962	24.479	39.841	4.058	127.489	362.829	119.600	187.283	185.588	1.857.564
	100%		6,2%	0,9%	1,5%	0,1%	4,7%	13,4%	4,4%	6,9%	6,8%	68,6%
Fonte, fer et acier . . . . .	2.660.578	5,3	522.854	199.830	32.796	23.254	194.293	973.027	680.435	300.587	30.184	676.345
	100%		19,7%	7,5%	1,2%	0,9%	7,3%	36,6%	25,6%	11,3%	1,1%	25,4%
Machines et mécaniques . . . . .	2.192.561	4,4	441.859	113.279	34.732	29.870	111.402	731.142	127.501	117.296	20.278	1.194.344
	100%		20,1%	5,1%	1,6%	1,4%	5,1%	33,3%	5,8%	5,4%	0,9%	54,6%
Tissus de laine . . . . .	2.014.905	4,0	248.332	35.441	73.871	1.640	152.409	511.693	93.430	520.949	129.668	759.165
	100%		12,3%	1,7%	3,7%	0,1%	7,6%	25,4%	4,6%	25,9%	6,4%	37,7%
Laines et déchets de laine . . . . .	2.031.857	4,1	732.632	159.125	20.640	161.063	131.799	1.205.259	330.623	257.314	29.015	209.646
	100%		36,1%	7,8%	1,0%	7,9%	6,5%	59,3%	16,3%	12,7%	1,4%	10,3%
Outils et ouvrages en métaux . . . . .	1.850.273	3,7	267.358	47.518	33.440	5.802	85.123	439.241	224.493	84.550	72.476	1.029.513
	100%		14,4%	2,6%	1,8%	0,3%	4,6%	23,7%	12,1%	4,6%	3,9%	55,7%
Vêtements et lingerie . . . . .	1.844.165	3,7	53.170	33.158	62.220	862	61.282	210.692	30.897	788.589	339.914	474.073
	100%		2,8%	1,8%	3,4%	0,1%	3,3%	11,4%	1,7%	42,8%	18,4%	25,7%
Produits chimiques . . . . .	1.651.320	3,3	577.193	81.170	93.664	5.708	101.504	859.239	234.802	102.266	70.385	384.628
	100%		35,0%	4,9%	5,7%	0,3%	6,1%	52,0%	14,2%	6,2%	4,3%	23,3%
Automobiles . . . . .	1.608.592	3,2	193.842	60.604	38.455	34.786	90.806	418.293	65.405	106.411	10.409	1.008.074
	100%		12,0%	3,8%	2,4%	2,2%	5,6%	26,0%	4,1%	6,6%	0,6%	62,7%
Fils de laine . . . . .	1.275.200	2,5	352.359	4.773	69.011	5.180	42.829	474.143	281.874	319.849	3.976	195.358
	100%		27,6%	0,4%	5,4%	0,4%	3,4%	37,2%	22,1%	25,1%	0,3%	15,3%
Vins . . . . .	1.176.582	2,3	203.357	16.409	51.898	12.795	72.662	357.121	107.987	230.089	—	481.385
	100%		17,3%	1,4%	4,4%	1,1%	6,1%	30,3%	9,2%	19,6%	—	40,9%
Peaux et pelleteries brutes . . . . .	927.033	1,8	300.739	32.409	42.196	2.663	11.182	389.189	205.949	53.038	224.110	54.747
	100%		32,4%	3,5%	4,5%	0,3%	1,3%	42,0%	22,2%	5,7%	24,2%	5,9%
Poterics, verres et cristaux . . . . .	891.961	1,8	85.883	9.335	7.360	1.730	33.716	138.024	83.918	62.168	64.660	543.191
	100%		9,6%	1,1%	0,8%	0,2%	3,8%	15,5%	9,4%	7,2%	7,6%	60,9%
Peaux préparées . . . . .	882.166	1,9	77.673	49.792	21.319	12.769	59.508	221.061	172.315	207.860	84.240	196.690
	100%		8,8%	5,7%	2,4%	1,4%	6,8%	25,1%	19,5%	23,6%	9,5%	22,3%
Papier et ses applications . . . . .	866.324	1,7	102.217	19.008	23.788	838	47.323	193.174	23.086	102.887	145.725	401.452
	100%		11,8%	2,2%	2,7%	0,1%	5,5%	22,3%	2,7%	11,9%	16,8%	46,3%
Parfumerie et savons . . . . .	860.954	1,7	46.911	31.284	21.481	7.163	21.434	128.273	29.564	108.612	86.690	507.815
	100%		5,5%	3,6%	2,5%	0,8%	2,5%	14,9%	3,4%	12,6%	10,1%	58,9%
Autres articles . . . . .	21.659.995	43,2	2.673.455	1.227.692	513.524	139.425	1.810.722	6.364.818	1.794.211	2.870.487	1.539.637	9.090.842
	100%		12,3%	5,6%	2,4%	0,6%	8,4%	29,3%	8,3%	13,3%	7,1%	42,0%
<b>Total . . . . .</b>	<b>50.139.151</b>	<b>100</b>	<b>7.224.545</b>	<b>2.209.193</b>	<b>1.256.866</b>	<b>468.712</b>	<b>3.382.500</b>	<b>14.541.816</b>	<b>4.743.585</b>	<b>7.572.712</b>	<b>3.334.636</b>	<b>19.946.402</b>
	100%		14,4%	4,4%	2,5%	0,9%	6,8%	29,0%	9,5%	15,1%	6,6%	39,8%

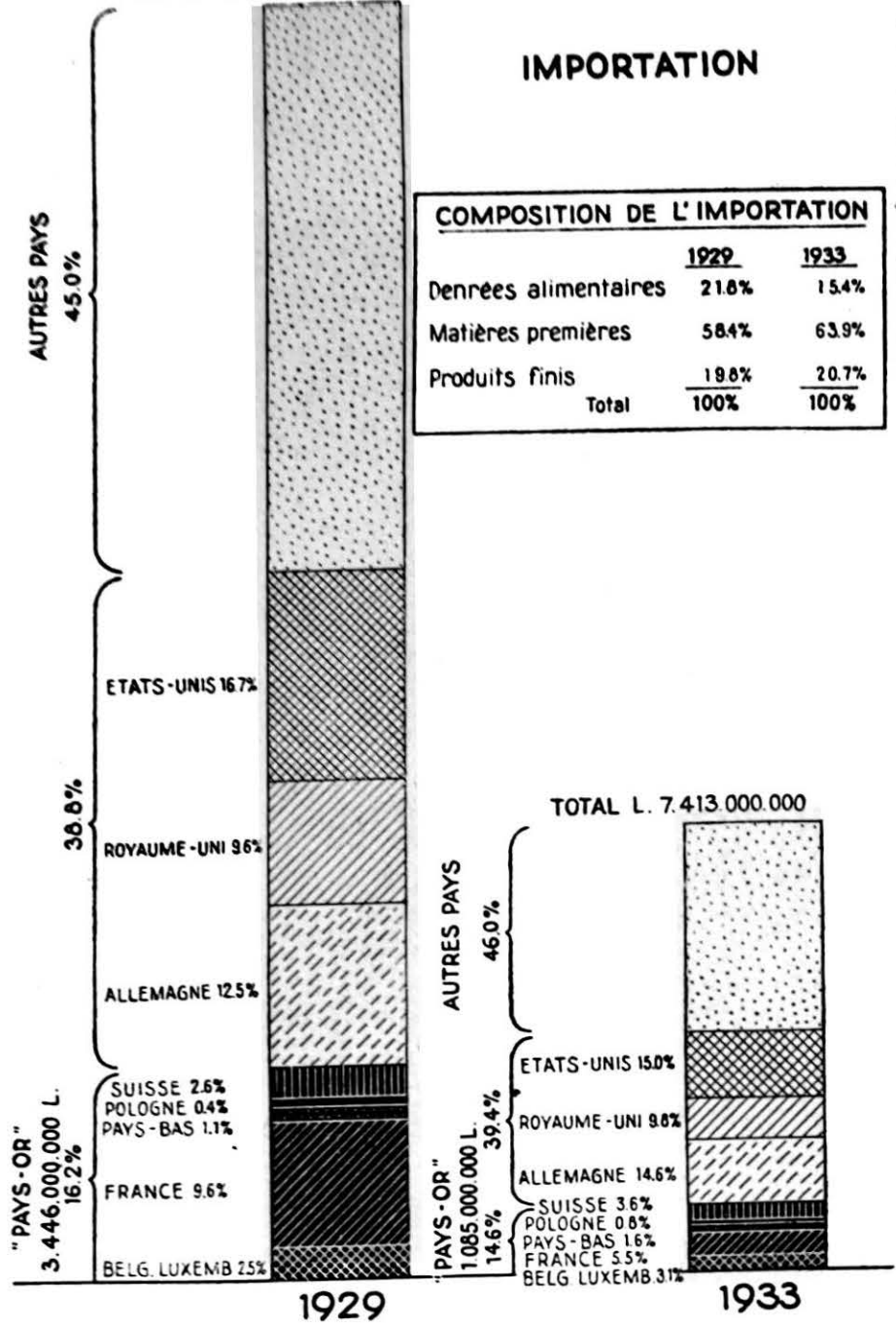
France. — f) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises exportées	Valeur en milliers de francs	% de l'exportation totale	Pays de destination									
			Union Belgo-Luxembourgeoise	Italie	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Produits des industries chimiques . . . . .	1.761.375	9,6	287.693	27.179	75.443	8.660	67.434	466.409	150.148	55.374	31.009	1.058.435
	100%		16,4%	1,5%	4,3%	0,5%	3,8%	26,5%	8,5%	3,1%	1,8%	60,1%
Fonte, fer et acier . . . . .	1.302.528	7,1	95.716	72.125	46.251	3.265	128.989	346.346	399.649	79.401	6.513	470.619
	100%		7,4%	5,5%	3,5%	0,3%	9,9%	26,6%	30,7%	6,1%	0,5%	36,1%
Tissus de coton . . . . .	965.984	5,2	25.208	4.551	7.997	1.134	16.788	55.678	7.144	17.114	102.352	783.696
	100%		2,6%	0,5%	0,9%	0,1%	1,7%	5,8%	0,7%	1,8%	10,6%	81,1%
Machines et mécaniques . . . . .	856.575	4,7	92.256	31.317	13.745	8.845	36.480	182.643	36.037	28.380	7.105	602.410
	100%		10,8%	3,7%	1,6%	1,0%	4,2%	21,3%	4,2%	3,3%	0,8%	70,4%
Laine et déchets de laine . . . . .	809.676	4,4	201.763	30.132	8.495	29.480	34.926	304.796	212.612	145.677	5.257	141.334
	100%		24,9%	3,7%	1,1%	3,6%	4,3%	37,6%	26,3%	18,0%	0,6%	17,5%
Outils et ouvrages en métaux . . . . .	786.810	4,3	53.332	13.676	29.690	2.799	33.708	133.205	66.070	11.522	4.868	571.145
	100%		6,8%	1,7%	3,8%	0,3%	4,3%	16,9%	8,4%	1,5%	0,6%	72,6%
Tissus de soie et de bourre de soie . . . . .	724.909	3,9	55.576	19.263	43.588	2.256	30.948	151.631	18.795	259.818	62.711	231.954
	100%		7,6%	2,7%	6,0%	0,3%	4,3%	20,9%	2,6%	35,8%	8,7%	32,0%
Automobiles . . . . .	688.606	3,7	61.222	4.792	29.338	4.062	39.934	139.346	16.618	37.465	899	494.278
	100%		8,9%	0,7%	4,2%	0,6%	5,8%	20,2%	2,4%	5,5%	0,1%	71,8%
Papier et ses applications . . . . .	480.315	2,6	71.341	10.070	7.985	815	28.808	119.019	5.973	30.562	91.687	233.074
	100%		14,9%	2,1%	1,7%	0,1%	6,0%	24,8%	1,2%	6,3%	19,1%	48,6%
Vins . . . . .	476.705	2,6	55.350	2.252	12.321	2.075	52.240	124.238	9.632	90.812	—	252.023
	100%		11,6%	0,5%	2,6%	0,4%	11,0%	26,1%	2,0%	19,0%	—	52,9%
Sucres bruts et raffinés . . . . .	413.469	2,2	—	—	—	—	12.580	12.580	—	—	—	400.889
	100%		—	—	—	—	3,0%	3,0%	—	—	—	97,0%
Fils de laine . . . . .	384.500	2,1	125.716	924	61.781	4.005	23.712	216.138	31.948	10.740	1.768	123.906
	100%		32,7%	0,2%	16,1%	1,0%	6,2%	56,2%	8,3%	2,8%	0,5%	32,2%
Houille crue . . . . .	362.467	2,0	55.005	48.946	948	—	118.681	223.580	124.076	—	—	14.811
	100%		15,2%	13,5%	0,3%	—	32,7%	61,7%	34,2%	—	—	4,1%
Tissus de laine . . . . .	347.149	1,9	34.429	8.829	21.838	—	43.622	108.718	17.548	29.133	28.136	163.614
	100%		9,9%	2,5%	6,3%	—	12,6%	31,3%	5,1%	8,4%	8,1%	47,1%
Peaux et pelletteries brutes . . . . .	291.556	1,6	64.966	13.826	20.655	2.993	4.838	107.278	68.656	16.369	73.125	26.128
	100%		22,3%	4,7%	7,1%	1,0%	1,7%	36,8%	23,5%	5,6%	25,1%	9,0%
Parfumeries et savons . . . . .	285.823	1,5	17.521	6.835	12.231	3.713	9.654	49.954	4.130	14.352	17.193	200.194
	100%		6,2%	2,4%	4,3%	1,3%	3,4%	17,6%	1,4%	5,0%	6,0%	70,0%
Poteries, verres et cristaux . . . . .	280.924	1,5	22.027	4.753	9.181	—	17.681	53.642	26.046	15.072	10.870	175.294
	100%		7,8%	1,7%	3,3%	—	6,3%	19,1%	9,3%	5,4%	3,8%	62,4%
Autres articles . . . . .	7.213.783	39,1	821.003	193.002	242.524	98.612	629.202	1.984.343	507.469	834.656	424.554	3.462.761
	100%		11,4%	2,7%	3,4%	1,3%	8,7%	27,5%	7,0%	11,6%	5,9%	48,0%
<b>Total . . . . .</b>	<b>18.433.154</b>	<b>100</b>	<b>2.140.124</b>	<b>492.472</b>	<b>644.009</b>	<b>172.714</b>	<b>1.330.225</b>	<b>4.779.544</b>	<b>1.702.551</b>	<b>1.676.447</b>	<b>868.047</b>	<b>9.406.565</b>
	100%		11,6%	2,7%	3,5%	0,9%	7,2%	25,9%	9,2%	9,1%	4,7%	51,1%

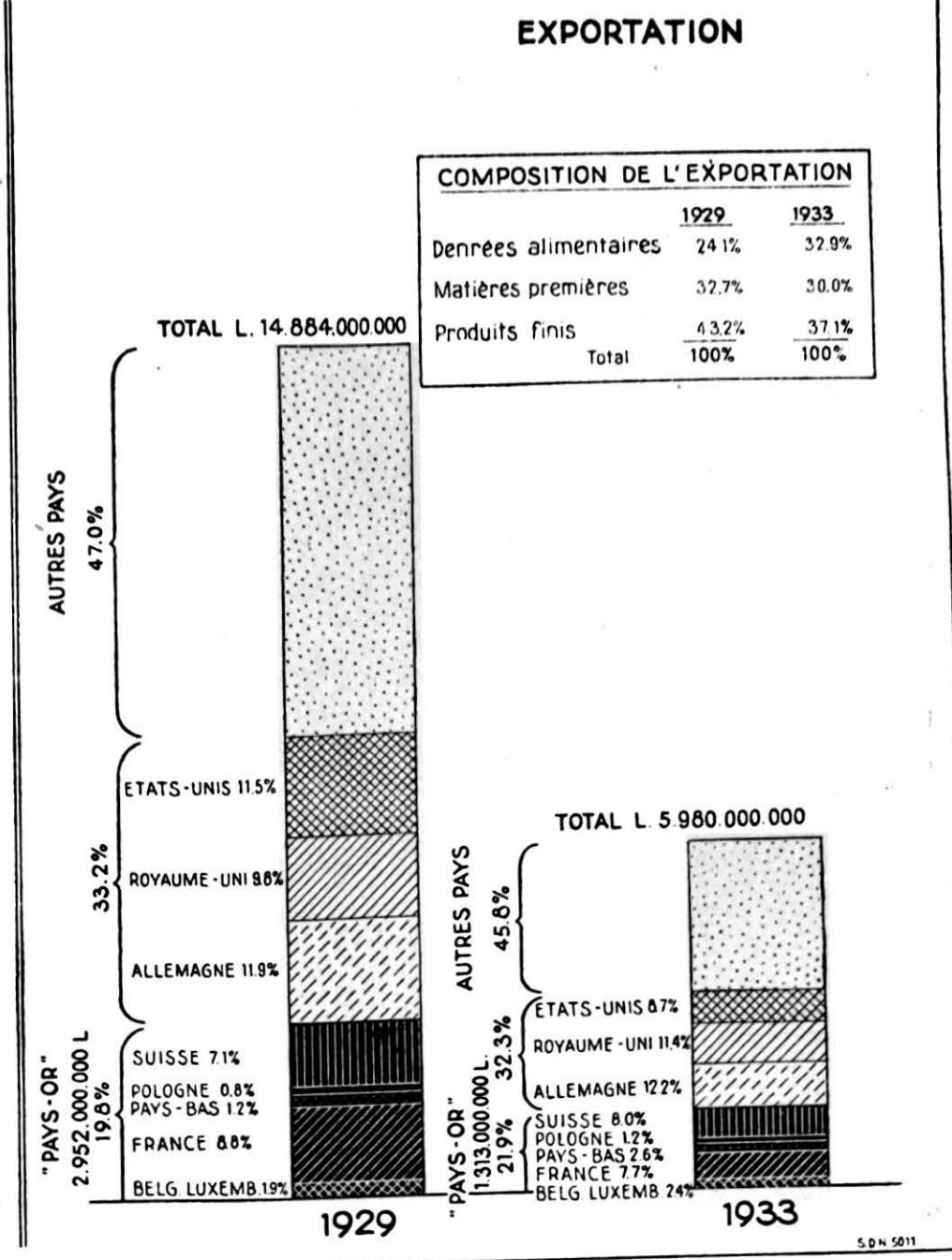
# ITALIE

TOTAL L. 21.303.000.000

## IMPORTATION



## EXPORTATION



A. DONNÉES ESSENTIELLES RELATIVES AU RÔLE DE L'ITALIE  
DANS LE BLOC-OR.

### 3. ITALIE.

1. — Ainsi que cela correspond à sa situation géographique, l'Italie occupe dans le Bloc-or une position excentrique. Cela explique que des relations économiques plus intenses n'existent qu'avec les deux pays-or voisins, la France et la Suisse. Toutefois, le marché du Bloc-or considéré comme un ensemble, constitue pour l'Italie un élément commercial important, aussi bien du point de vue de la valeur des marchandises échangées qu'en ce qui concerne le rôle qui revient à ce groupe dans l'ensemble du commerce extérieur de l'Italie. Le Bloc-or est, en effet, le plus grand fournisseur de l'Italie à côté des Etats-Unis, et son importance comme débouché pour les marchandises italiennes dépasse celle de n'importe quel pays.

2. — En 1929, les importations de l'Italie, provenant des cinq autres pays du Bloc-or, ont atteint le chiffre de 3.446 millions de liras, alors que les achats effectués par ces pays en Italie se sont élevés à un total de 2.952 millions. En 1933, les chiffres correspondants ont été 1.085 et 1.313 millions de liras. Ainsi, pour cette dernière année, comme d'ailleurs pour toutes les précédentes depuis 1930, le commerce de l'Italie avec les autres pays-or se solde par un actif en faveur de celle-là.

Il ressort de ces chiffres que la force de résistance de l'exportation italienne vers les autres pays du Bloc a été plus grande que celle de l'exportation de ce groupe à destination de l'Italie.

3. — Parmi les rapports commerciaux qui unissent l'Italie à chacun des autres pays du Bloc, ceux existant avec la France et avec la Suisse sont de beaucoup les plus importants.

Aussi bien en tant que fournisseur que comme débouché, la France vient immédiatement après les trois plus grands partenaires commerciaux de l'Italie, à savoir les Etats-Unis, l'Allemagne et le Royaume-Uni. L'importance du débouché suisse équivaut à peu près à celle de la France.

4. — Bien qu'ayant suivi le recul général du commerce extérieur de l'Italie, le commerce italo-britannique est demeuré très important dans l'ensemble des échanges de ce pays.

En 1929, l'Italie a importé pour 2.040 millions de liras de produits britanniques, et a exporté vers le Royaume-Uni des produits italiens atteignant la valeur de 1.461 millions. Pour l'année 1933, l'importation des produits anglais est tombée à 725 millions de liras et l'exportation vers le Royaume-Uni à 682 millions de lire. En conséquence, le commerce italo-britannique — fortement passif en 1929 — n'accuse en 1933 qu'un déficit de 43 millions. Aussi constate-t-on, pour les deux années comparées, un certain parallélisme dans l'évolution des échanges entre l'Italie et les autres pays-or d'une part, et, d'autre part, entre l'Italie et le Royaume-Uni. Ce parallélisme concerne aussi bien le recul des échanges que le changement intervenu à l'égard de la balance commerciale.

5. — Le commerce italo-allemand est également demeuré très important. Alors que les Etats-Unis marchent toujours à la tête des fournisseurs de l'Italie, l'Allemagne a été presque constamment le principal débouché en dehors du Bloc-or. Cependant, l'importance des achats italiens effectués en Allemagne dépasse encore sensiblement celle des achats allemands en Italie.

En effet, en 1929 l'Italie a importé de ce pays pour 2.675 millions de marchandises et y a exporté des produits italiens pour 1.777 millions de liras. En 1933, la valeur des importations italiennes provenant d'Allemagne est tombée à 1.087 millions de liras et celle des exportations italiennes dirigées vers ce pays à 728 millions. Conformément à cette réduction des échanges, le déficit de la balance commerciale de l'Italie vis-à-vis de l'Allemagne a considérablement diminué.

6. — Considérés dans leur ensemble, les échanges commerciaux de l'Italie donnent encore lieu aux observations suivantes :

*La régression de ces échanges est considérable.*

Comparés à ceux de l'année 1929, les chiffres de 1933 ne représentent plus que le 34,8% pour l'importation et le 40,1% pour l'exportation. Conformément à cette régression plus marquée des importations, la balance déficitaire s'est fortement réduite. En 1929, la valeur des marchandises exportées ne représentait, en effet, que le 69,8% de celle des marchandises importées, alors qu'en 1933 cette proportion est montée au 80,8%.

D'après les résultats provisoires pour 1934, cette évolution n'a toutefois pas continué. Ces chiffres montrent en effet une diminution des exportations et une augmentation, bien que moins considérable, des importations, de sorte que la balance passive a subi, à nouveau, une augmentation sensible.

7. — Depuis l'année 1928, la direction des courants commerciaux, dans son ensemble, n'a pas subi des changements profonds.

Toutefois, du côté des importations, on constate une diminution légère de l'importance relative des importations provenant du Bloc-or, alors que la part proportionnelle de ces pays à l'exportation s'est accrue à peu près dans la même mesure.

L'Allemagne et le Royaume-Uni ont pu augmenter leur importance tant comme acheteurs que comme clients. Par contre, celle des Etats-Unis a diminué dans les deux rapports.

La balance de l'Italie est devenue active aussi bien vis-à-vis de l'ensemble des autres pays-or que par rapport à chacun d'entre eux, à l'exception de l'Union Belgo-Luxembourgeoise dont les échanges avec l'Italie se soldent constamment par un passif considérable pour cette dernière. Dans les rapports avec les trois autres pays considérés, l'Italie reste fortement passive.

8. — En ce qui concerne la *répartition des échanges par groupes de marchandises*, il convient de noter que les groupes figurant dans les tableaux pour 1929 ne correspondent pas toujours entièrement aux groupes similaires pour 1933 et qu'ils ne peuvent pas être comparés dans certains cas.

Pour ce qui est de l'importation, une comparaison entre les années 1929 et 1933 montre, outre un recul général de la valeur des différents groupes de marchandises importées, l'importance accrue des matières premières, alors que les produits de l'agriculture ne jouent plus le même rôle qu'autrefois. Cette évolution s'explique sans doute en partie par la chute des prix particulièrement accentuée des produits agricoles, en partie par la politique agraire de l'Italie.

Parmi les importations provenant en quantités considérables des autres pays-or, la part proportionnelle des produits chimiques, des peaux brutes et du charbon a augmenté, celle des machines et des peaux préparées s'est réduite d'une façon plus ou moins considérable.

A l'exportation, ce sont avant tout des produits industriels, notamment les produits textiles, les chapeaux et les automobiles, qui ont subi les reculs les plus marqués. La production agricole, par contre, a mieux résisté et a augmenté son rôle dans l'ensemble des exportations, notamment pour les oranges et les citrons, les autres fruits, le fromage et le riz. Parmi les produits industriels qui ont montré une certaine force de résistance, il convient de signaler en tout premier lieu les machines.

Dans les échanges avec les autres pays-or, la part proportionnelle des tissus de laine, de la soie artificielle, des fruits, des chapeaux, des fromages, etc., a augmenté, alors que la chute des exportations a été particulièrement grave pour la soie moulinée, les fils de coton, etc.

9. — Dans les relations économiques de l'Italie aussi bien avec les pays du Bloc-or notamment avec la France et la Suisse qu'avec le Royaume-Uni et l'Allemagne, *le facteur tourisme* constitue pour l'Italie un élément positif important de la balance des comptes.

Le mouvement touristique étranger a toutefois largement subi l'influence défavorable de la dépression économique, influence à laquelle s'ajoute, pour l'Allemagne, les conséquences que le contrôle sévère du commerce des devises, institué par ce pays, a probablement exercé sur les possibilités de voyages et de séjours de ses nationaux à l'étranger.

---

**B. RENSEIGNEMENTS STATISTIQUES.**

**Italie. — a) COMMERCE EXTÉRIEUR. — CHIFFRES GLOBAUX ANNUELS.**  
(Valeur en millions de lire.)

*Importation.*

Provenance	1928		1929		1930		1931		1932		1933		1934 <sup>1</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise	597	2,7	526	2,5	369	2,1	237	2,1	198	2,4	226	3,1	225	3,0
France	2.060	9,4	2.044	9,6	1.504	8,7	825	7,1	485	5,9	410	5,5	403	5,3
Pays-Bas	293	1,3	230	1,1	177	1,0	139	1,2	132	1,6	120	1,6	116	1,5
Pologne	131	0,6	97	0,4	104	0,6	109	0,9	84	1,0	59	0,8	77	1,0
Suisse	546	2,5	549	2,6	548	3,2	401	3,4	310	3,8	270	3,6	252	3,3
<b>Total des cinq pays</b>	<b>3.627</b>	<b>16,5</b>	<b>3.446</b>	<b>16,2</b>	<b>2.702</b>	<b>15,6</b>	<b>1.711</b>	<b>14,7</b>	<b>1.209</b>	<b>14,7</b>	<b>1.085</b>	<b>14,6</b>	<b>1.073</b>	<b>14,1</b>
Allemagne	2.209	10,1	2.675	12,5	2.187	12,6	1.534	13,2	1.106	13,4	1.087	14,6	1.147	15,1
Royaume-Uni	1.794	8,2	2.040	9,6	1.677	9,7	1.099	9,4	739	8,9	725	9,8	890	11,7
Etats-Unis	4.011	18,3	3.561	16,7	2.538	14,6	1.327	11,4	1.111	13,5	1.113	15,0	995	13,1
Autres pays <sup>2</sup>	10.279	46,9	9.581	45,0	8.243	47,5	5.972	51,3	4.092	49,5	3.403	46,0	3.520	46,0
<b>Total</b>	<b>21.920</b>	<b>100</b>	<b>21.303</b>	<b>100</b>	<b>17.347</b>	<b>100</b>	<b>11.643</b>	<b>100</b>	<b>8.257</b>	<b>100</b>	<b>7.413</b>	<b>100</b>	<b>7.625</b>	<b>100</b>

<sup>1</sup> Pour 1934, les estimations ont été faites sur la base de la moyenne mensuelle des chiffres indiqués dans la statistique officielle pour les 8 premiers mois de l'année.

<sup>2</sup> Le commerce avec les colonies est compris dans la rubrique « Autres pays ». Il a été de 119 millions de lire en 1928, de 107 millions en 1929, de 81 millions en 1930 et de 77 millions en 1931. Pour les années à partir de 1932, les chiffres indiquant le commerce avec les colonies ne sont pas encore disponibles.

*Exportation.*

Destination	1928		1929		1930		1931		1932		1933		1934 <sup>1</sup>	
Union Belgo-Luxembourgeoise	264	1,8	286	1,9	257	2,1	156	1,5	123	1,8	144	2,4	121	2,4
France	1.362	9,4	1.304	8,8	1.234	10,2	1.119	10,9	517	7,6	458	7,7	329	6,4
Pays-Bas	156	1,1	185	1,2	195	1,6	150	1,5	143	2,1	156	2,6	138	2,7
Pologne	127	0,9	126	0,8	98	0,8	97	1,0	71	1,0	72	1,2	89	1,7
Suisse	988	6,8	1.051	7,1	929	7,7	771	7,5	579	8,5	483	8,0	461	8,9
<b>Total des cinq pays</b>	<b>2.897</b>	<b>20,0</b>	<b>2.952</b>	<b>19,8</b>	<b>2.713</b>	<b>22,4</b>	<b>2.293</b>	<b>22,4</b>	<b>1.433</b>	<b>21,0</b>	<b>1.313</b>	<b>21,9</b>	<b>1.138</b>	<b>22,1</b>
Allemagne	1.855	12,7	1.777	11,9	1.155	12,8	1.090	10,7	779	11,4	729	12,2	795	15,4
Royaume-Uni	1.404	9,7	1.461	9,8	1.190	9,8	1.201	11,7	738	10,8	682	11,4	527	10,2
Etats-Unis	1.521	10,4	1.718	11,5	1.327	10,9	1.046	10,2	638	9,4	518	8,7	372	7,2
Autres pays <sup>2</sup>	6.882	47,2	6.976	47,0	5.734	44,1	4.580	45,0	3.223	47,4	2.739	45,8	2.319	45,1
<b>Total</b>	<b>14.559</b>	<b>100</b>	<b>14.884</b>	<b>100</b>	<b>12.119</b>	<b>100</b>	<b>10.210</b>	<b>100</b>	<b>6.811</b>	<b>100</b>	<b>5.980</b>	<b>100</b>	<b>5.151</b>	<b>100</b>

<sup>1</sup> Pour 1934, les estimations ont été faites sur la base de la moyenne mensuelle des chiffres indiqués dans la statistique officielle pour les 8 premiers mois de l'année.

Les résultats provisoires pour l'année sont les suivants : importation 7.665  
exportation 5.232

<sup>2</sup> Le commerce avec les colonies est compris dans la rubrique « Autres pays ». Il a été de 292 millions de lire en 1928, de 312 millions en 1929, de 281 millions en 1930 et de 248 millions en 1931. Pour les années à partir de 1932, les chiffres indiquant le commerce avec les colonies ne sont pas encore disponibles.

*Balance du commerce.*

Pays	1928	1929	1930	1931	1932	1933	1934 <sup>1</sup>
Union Belgo-Luxembourgeoise	— 333	— 240	— 112	— 81	— 75	— 82	— 104
France	— 698	— 740	— 270	+ 294	+ 32	+ 48	— 74
Pays-Bas	— 137	— 45	+ 18	+ 11	+ 11	+ 35	+ 22
Pologne	— 4	+ 29	— 6	— 12	— 13	+ 13	+ 12
Suisse	+ 442	+ 502	+ 381	+ 370	+ 269	+ 213	+ 209
<b>Total des cinq pays</b>	<b>— 730</b>	<b>— 494</b>	<b>+ 11</b>	<b>+ 582</b>	<b>+ 224</b>	<b>+ 227</b>	<b>+ 65</b>
Allemagne	— 354	— 898	— 1.032	— 444	— 327	— 359	— 352
Royaume-Uni	— 390	— 579	— 487	+ 102	— 1	— 43	— 363
Etats-Unis	— 2.490	— 1.843	— 1.211	— 281	— 473	— 595	— 623
Autres pays <sup>2</sup>	— 3.397	— 2.605	— 2.509	— 1.392	— 869	— 663	— 1.201
<b>Total</b>	<b>— 7.361</b>	<b>— 6.419</b>	<b>— 5.228</b>	<b>— 1.433</b>	<b>— 1.446</b>	<b>— 1.433</b>	<b>— 2.474</b>

<sup>1</sup> Pour 1934, les estimations ont été faites sur la base de la moyenne mensuelle des chiffres indiqués dans la statistique officielle pour les 8 premiers mois de l'année.

Selon les résultats provisoires, le déficit s'élève à — 2.433.

<sup>2</sup> La balance du commerce avec les colonies est comprise dans la rubrique « Autres pays ». Elle montre un actif de 173 millions de lire en 1928, de 205 millions en 1929, de 200 millions en 1930 et de 171 millions en 1931. Pour les années à partir de 1932, les chiffres indiquant le commerce avec les colonies ne sont pas encore disponibles.

Italie. — b) IMPORTATION PAR PRINCIPAUX ARTICLES EN 1929.

Marchandises importées	Valeur (en milliers de livres)	% de l'impor- tation totale	Pays de provenance										
			Union Belgo- Luxem- bourgeoise	France	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume- Uni	Etats-Unis	Autres pays	
Coton brut . . . . .	2.201.340	10,3	—	—	—	—	—	—	—	—	—	1.543.758	657.582
	100%		—	—	—	—	—	—	—	—	—	70,1%	29,9%
Froment . . . . .	1.718.024	8,1	—	—	—	—	—	—	—	31.820	—	415.820	1.270.384
	100%		—	—	—	—	—	—	—	1,9%	—	24,2%	73,9%
Charbon et coke . . . . .	1.548.007	7,3	3.275	64.820	3.094	40.283	—	—	—	111.272	348.253	922.264	46.903
	100%		0,2%	4,3%	0,2%	2,6%	—	—	—	7,3%	22,5%	59,6%	3,0%
Laine brute et déchets de laine . . . . .	1.021.973	4,8	94.831	141.060	439	98	6.481	—	—	242.907	74.418	128.393	3.896
	100%		9,3%	13,8%	0,1%	—	0,6%	—	—	23,8%	7,3%	12,6%	0,3%
Machines, appareils et parties . . . . .	964.874	4,5	16.257	97.696	8.100	120	68.574	—	—	190.747	420.617	150.009	137.466
	100%		1,7%	10,1%	0,9%	—	7,1%	—	—	19,8%	43,6%	15,6%	14,2%
Huiles minérales et déchets d'huile minérale . . . . .	803.674	3,8	1.958	3.858	104	2.560	441	—	—	8.321	4.579	7.526	355.682
	100%		0,2%	0,5%	—	0,3%	—	—	—	1,0%	0,6%	0,9%	44,3%
Céréales autres que le froment, riz, etc. . . . .	801.042	3,8	26	2.652	13.390	11.044	43	—	—	27.155	26.354	939	27.679
	100%		—	0,3%	1,7%	1,4%	—	—	—	3,4%	3,3%	—	3,5%
Bois . . . . .	632.518	3,0	851	7.799	74	88	3.203	—	—	12.015	1.845	953	79.857
	100%		0,1%	1,2%	—	—	0,5%	—	—	1,9%	0,3%	0,2%	12,6%
Graines oléagineuses . . . . .	590.433	2,8	13	955	178	64	376	—	—	1.586	102	22	15
	100%		—	0,2%	—	—	0,1%	—	—	0,3%	—	—	99,7%
Peaux préparées . . . . .	458.144	2,1	18.090	68.292	4.913	—	3.265	—	—	94.560	263.864	18.487	47.617
	100%		3,9%	14,9%	1,1%	—	0,7%	—	—	20,6%	57,6%	4,0%	10,4%
Peaux brutes . . . . .	436.806	2,1	660	25.623	344	—	1.604	—	—	28.231	18.775	7.870	12.264
	100%		0,2%	5,8%	0,1%	—	0,4%	—	—	6,5%	4,3%	1,8%	2,8%
Cuivre, laiton, bronze . . . . .	429.244	2,0	10.423	9.222	273	—	10.387	—	—	30.305	21.223	7.526	268.928
	100%		2,4%	2,1%	0,1%	—	2,4%	—	—	7,0%	4,9%	1,8%	62,7%
Produits chimiques et engrais . . . . .	428.760	2,0	13.394	69.485	19.066	542	15.459	—	—	117.946	145.885	38.494	14.536
	100%		3,1%	16,3%	4,4%	0,1%	3,6%	—	—	27,5%	34,0%	9,0%	3,4%
Poisson . . . . .	414.389	1,9	1.143	27.866	306	—	539	—	—	29.854	1.212	34.959	10.773
	100%		0,3%	6,7%	0,1%	—	0,1%	—	—	7,2%	0,3%	8,4%	2,6%
Café . . . . .	409.341	1,9	—	—	—	—	—	—	—	—	—	—	—
	100%		—	—	—	—	—	—	—	—	—	—	100%
Animaux de race bovine . . . . .	406.450	1,9	210	210.747	16.666	—	12.864	—	—	240.487	4.370	10	—
	100%		—	51,8%	4,1%	—	3,2%	—	—	59,1%	1,1%	—	—
Pierres précieuses . . . . .	385.347	1,8	79.056	210.468	17.617	—	10.122	—	—	317.263	39.816	18.395	—
	100%		20,5%	54,6%	4,6%	—	2,6%	—	—	82,3%	10,3%	4,8%	—
Autres produits . . . . .	7.651.655	35,9	352.730	1.104.545	145.273	42.233	415.880	—	—	2.060.661	1.271.383	703.734	594.863
	100%		4,6%	14,5%	1,9%	0,6%	5,4%	—	—	27,0%	16,6%	9,2%	7,8%
<b>Total . . . . .</b>	<b>21.300.021</b>	<b>100</b>	<b>592.317</b>	<b>2.044.888</b>	<b>229.837</b>	<b>97.030</b>	<b>549.238</b>	<b>3.513.310</b>	<b>2.674.516</b>	<b>2.039.581</b>	<b>3.560.057</b>	<b>9.512.557</b>	<b>9.512.557</b>
	100%		2,8%	9,6%	1,1%	0,5%	2,6%	16,6%	12,5%	9,5%	16,7%	44,7%	44,7%



Italie. — e. IMPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises importées	Valeur (en milliers de liras)	% de l'impor- tation totale	Pays de provenance									
			Union Belgo- Luxem- bourgeoise	France	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume- Uni	Etats-Unis	Autres pays
Coton brut . . . . .	840.063	11,3	—	—	—	—	—	—	2.410	—	630.796	206.857
	100%		—	—	—	—	—	—	0,3%	—	75,1%	24,6%
Charbon . . . . .	676.530	9,1	11.069	17.396	7.674	39.517	—	75.656	172.976	330.685	1.054	96.159
	100%		1,6%	2,6%	1,1%	5,9%	—	11,2%	25,6%	48,9%	0,1%	14,2%
Laine brute, déchets et bourre de laine . . . . .	468.260	6,3	39.206	19.318	—	—	1.517	60.041	8.949	53.225	—	346.045
	100%		8,4%	4,1%	—	—	0,3%	12,8%	1,9%	11,4%	—	73,9%
Machines et parties . . . . .	364.231	4,9	4.775	24.900	2.344	—	28.034	60.053	191.800	47.006	36.564	28.808
	100%		1,3%	6,8%	0,7%	—	7,7%	16,5%	52,7%	12,9%	10,0%	7,9%
Huiles minérales et déchets d'huile minérale . . . . .	279.056	3,8	1.910	83	—	260	—	2.253	2.429	4.322	52.087	217.965
	100%		0,7%	—	—	0,1%	—	0,8%	0,9%	1,5%	18,7%	78,1%
Bois . . . . .	261.033	3,5	364	1.605	—	—	512	2.481	853	451	36.035	221.213
	100%		0,2%	9,6%	—	—	0,2%	1,0%	0,3%	0,2%	13,8%	84,7%
Froment . . . . .	205.751	2,8	—	—	—	—	—	—	2.835	—	95.434	107.482
	100%		—	—	—	—	—	—	1,4%	—	46,4%	52,2%
Peaux brutes . . . . .	187.399	2,6	569	12.520	7.783	—	327	21.199	14.991	17.251	3.128	130.830
	100%		0,3%	6,7%	4,2%	—	0,1%	11,3%	8,0%	9,2%	1,7%	69,8%
Café . . . . .	182.419	2,5	—	—	—	—	—	—	—	377	—	182.042
	100%		—	—	—	—	—	—	—	0,2%	—	99,8%
Poisson . . . . .	164.078	2,2	461	4.891	1.016	—	—	6.368	776	7.360	1.756	147.818
	100%		0,3%	3,0%	0,6%	—	—	3,9%	0,4%	4,5%	1,1%	90,1%
Produits chimiques et engrais . . . . .	148.198	2,0	5.990	28.118	10.079	150	7.248	51.585	51.319	13.280	19.792	12.222
	100%		4,0%	19,0%	6,8%	0,1%	4,9%	34,8%	34,6%	9,0%	13,4%	8,2%
Cuivre, laiton, bronze . . . . .	147.280	2,0	6.254	988	633	—	5.961	13.836	6.239	3.820	39.461	83.924
	100%		4,3%	0,7%	0,4%	—	4,0%	9,4%	4,2%	2,6%	26,8%	57,0%
Graines oléagineuses . . . . .	138.842	1,9	—	—	—	—	—	—	—	—	—	138.842
	100%		—	—	—	—	—	—	—	—	—	100%
Pâte à papier . . . . .	132.754	1,8	—	—	—	—	556	556	5.314	—	—	126.884
	100%		—	—	—	—	0,4%	0,4%	4,0%	—	—	95,6%
Ouvrages en fer et en acier . . . . .	129.531	1,7	4.985	9.791	710	—	3.004	18.490	63.091	19.223	3.602	25.125
	100%		3,9%	7,6%	0,5%	—	2,3%	14,3%	48,7%	14,8%	2,8%	19,4%
Peaux préparées . . . . .	128.119	1,7	8.252	7.304	1.254	—	507	17.317	68.208	10.015	18.211	12.368
	100%		6,5%	5,8%	0,9%	—	0,5%	13,7%	54,1%	7,9%	14,5%	9,8%
Soie (y compris la soie artificielle), déchets de soie et man. . . . .	116.056	1,6	69	37.929	2.540	1.435	22.623	64.596	12.915	4.633	1.411	32.501
	100%		0,1%	32,7%	2,2%	1,2%	19,5%	55,7%	11,1%	4,0%	1,2%	28,0%
Tissus et autres articles manufacturés de coton . . . . .	106.138	1,4	394	5.787	—	—	6.112	12.293	23.577	8.995	2.302	58.971
	100%		0,3%	5,5%	—	—	5,8%	11,6%	22,2%	8,4%	2,2%	55,6%
Autres produits . . . . .	2.738.986	36,9	141.384	239.026	86.407	17.684	193.982	678.483	458.170	204.254	171.577	1.226.502
	100%		5,2%	8,7%	3,2%	0,6%	7,1%	24,8%	16,6%	7,5%	6,3%	44,8%
<b>Total . . . . .</b>	<b>7.412.724</b>	<b>100</b>	<b>225.682</b>	<b>409.656</b>	<b>120.440</b>	<b>59.046</b>	<b>270.383</b>	<b>1.085.207</b>	<b>1.086.852</b>	<b>724.897</b>	<b>1.113.210</b>	<b>3.402.558</b>
	100%		3,0%	5,5%	1,6%	0,8%	3,7%	14,6%	14,7%	9,8%	15,0%	45,9%

Italie. — d) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1929.

Marchandises exportées	Valeur (en milliers de lires)	% de l'expor- tation totale	Pays de destination									
			Union Belgo- Luxem- bourgeoise	France	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume- Uni	Etats-Unis	Autres pays
Tissus et autres articles manufacturés en coton . . .	1.518.465	10,2	3.305	10.768	11.640	902	8.417	35.032	10.653	69.300	26.316	1.377.164
	100%		0,2%	0,7%	0,8%	0,1%	0,5%	2,3%	0,7%	4,6%	1,7%	90,7%
Soie moulinée . . . . .	1.277.681	8,6	133	307.463	33	8.339	386.187	702.155	301.265	27.217	130.076	116.968
	100%		—	24,1%	—	0,7%	30,2%	55,0%	23,6%	2,1%	10,2%	9,1%
Tissus et autres articles manufacturés en soie . . . .	1.099.434	7,4	7.503	35.244	14.108	1.635	46.025	104.575	16.914	262.298	71.819	643.828
	100%		0,7%	3,2%	1,3%	0,1%	4,2%	9,5%	1,5%	23,9%	6,5%	58,6%
Tissus et autres articles manufacturés en laine . . . .	638.686	4,3	4.855	19.151	4.075	31	16.004	44.116	4.427	136.056	127.417	326.670
	100%		0,8%	3,0%	0,6%	—	2,5%	6,9%	0,7%	21,3%	20,0%	51,1%
Soie artificielle et déchets de soie artificielle . . . .	529.826	3,5	3.619	20.981	4.266	622	21.328	50.816	115.140	7.629	40.643	309.598
	100%		0,7%	4,0%	0,8%	0,1%	4,1%	9,7%	22,0%	1,5%	7,7%	59,1%
Oranges, citrons, etc. . . . .	490.406	3,3	5.733	13.626	5.429	18.574	15.821	59.183	157.047	78.370	39.990	155.816
	100%		1,2%	2,8%	1,1%	3,8%	3,2%	12,1%	32,0%	16,0%	8,1%	31,8%
Fruits secs . . . . .	487.583	3,2	311	27.864	6	37	33.982	62.200	131.919	52.161	70.370	170.933
	100%		0,1%	5,7%	—	—	7,0%	12,8%	27,0%	10,7%	14,4%	35,1%
Chapeaux . . . . .	463.420	3,1	3.731	17.405	6.217	1.564	12.264	41.181	17.020	310	122.505	282.404
	100%		0,8%	3,8%	1,3%	0,3%	2,7%	8,9%	3,7%	0,1%	26,4%	60,9%
Fromage . . . . .	371.834	2,5	1.647	57.368	101	59	12.107	71.282	12.030	53.767	185.271	49.484
	100%		0,4%	15,4%	0,1%	—	3,3%	19,2%	3,2%	14,5%	49,8%	13,3%
Conserves de tomates . . . . .	367.865	2,5	13.989	20.884	2.678	193	7.660	45.404	9.917	59.902	170.349	82.293
	100%		3,8%	5,7%	0,7%	—	2,1%	12,3%	2,7%	16,3%	46,3%	22,4%
Automobiles . . . . .	355.692	2,4	12.616	27.790	8.643	8.219	22.277	79.545	27.886	17.527	6.926	223.808
	100%		3,5%	7,8%	2,5%	2,3%	6,3%	22,4%	7,8%	4,9%	2,0%	62,9%
Raisins et autres fruits frais . . . . .	335.442	2,2	6.401	14.937	39.288	2.285	22.661	85.572	144.873	17.762	60.916	26.319
	100%		1,9%	4,5%	11,7%	0,7%	6,7%	25,5%	43,2%	5,3%	18,2%	7,8%
Fils de coton . . . . .	333.540	2,2	147	1.327	—	814	14.003	16.291	17.474	18.723	52	281.000
	100%		0,1%	0,4%	—	0,2%	4,2%	4,9%	5,2%	5,6%	0,2%	84,1%
Chanvre, lin et autres matières textiles végétales, brutes	321.851	2,2	27.043	76.980	2.123	1.949	14.866	122.961	69.663	27.587	5.570	96.070
	100%		8,4%	23,9%	0,7%	0,6%	4,6%	38,2%	21,7%	8,6%	1,7%	29,8%
Peaux brutes . . . . .	307.506	2,1	8.779	52.020	799	1.940	17.283	80.821	66.712	41.729	44.282	73.962
	100%		2,9%	16,9%	0,3%	0,6%	5,6%	26,3%	21,7%	13,6%	14,4%	24,0%
Riz . . . . .	272.233	1,8	2.249	30.674	6.717	11	23.873	63.524	18.588	4.210	1.308	184.603
	100%		0,8%	11,3%	2,5%	—	8,7%	23,3%	6,8%	1,6%	0,5%	67,8%
Machines et appareils et leurs parties . . . . .	265.629	1,8	8.465	24.975	3.095	2.922	8.350	47.807	15.923	11.000	12.195	178.704
	100%		3,2%	9,4%	1,2%	1,1%	3,1%	18,0%	6,0%	4,1%	4,6%	67,3%
Autres produits . . . . .	5.457.747	36,7	179.625	543.748	75.457	75.654	370.416	1.244.900	639.437	574.002	598.087	2.401.321
	100%		3,3%	9,9%	1,4%	1,4%	6,8%	22,8%	11,7%	10,5%	11,0%	44,0%
<b>Total . . . . .</b>	<b>14.888.840</b>	<b>100</b>	<b>290.151</b>	<b>1.303.205</b>	<b>184.735</b>	<b>125.750</b>	<b>1.053.524</b>	<b>2.957.365</b>	<b>1.776.888</b>	<b>1.459.550</b>	<b>1.714.092</b>	<b>6.980.945</b>
	100%		2,0%	8,8%	1,2%	0,8%	7,1%	19,9%	11,9%	9,8%	11,5%	46,9%

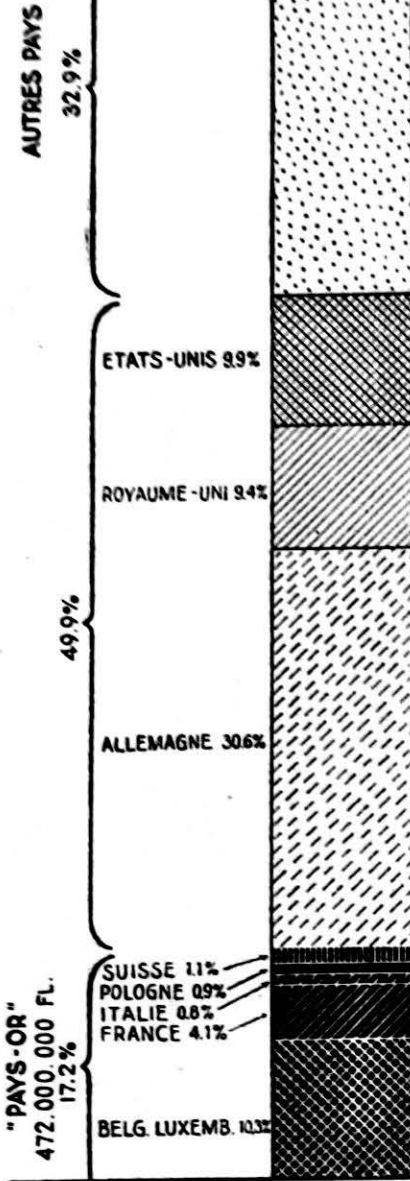
Italie. — e) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises exportées	Valeur (en milliers de lires)	% de l'impor- tation totale	Pays de destination									
			Union Belgo- Luxem- bourgeoise	France	Pays-Bas	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume- Uni	Etats-Unis	Autres pays
Tissus et autres articles manufacturés de coton . . .	404.722	6,8	1.610	3.101	3.988	772	5.161	14.632	1.091	10.593	12.762	365.644
	100%		0,4%	0,8%	0,9%	0,2%	1,3%	3,6%	0,3%	2,6%	3,2%	90,3%
Oranges, citrons, etc. . . . .	332.440	5,6	2.656	10.869	5.172	9.868	22.461	51.026	106.053	68.880	7.459	99.022
	100%		0,8%	3,2%	1,6%	3,0%	6,7%	15,3%	31,9%	20,7%	2,3%	29,8%
Tissu de soie art. . . . .	262.372	4,3	5.000	5.089	19.278	—	16.108	45.475	4.899	93.389	24.755	93.854
	100%		1,9%	1,9%	7,4%	—	6,1%	17,3%	1,9%	35,6%	9,4%	35,8%
Soie artificielle. . . . .	245.829	4,1	14.009	6.980	4.542	768	34.575	60.874	73.084	14.646	16.330	80.895
	100%		5,7%	2,8%	1,9%	0,3%	14,1%	24,8%	29,7%	6,0%	6,6%	32,9%
Soie moulinée . . . . .	209.157	3,5	259	40.000	—	4.103	24.180	68.542	24.037	2.742	67.890	45.946
	100%		0,1%	19,1%	—	2,0%	11,6%	32,8%	11,5%	1,3%	32,5%	21,9%
Fruits secs . . . . .	208.164	3,5	612	17.274	—	—	19.794	37.680	67.725	18.869	7.575	76.315
	100%		0,3%	8,3%	—	—	9,5%	18,1%	32,6%	9,1%	3,6%	36,7%
Tissus de laine . . . . .	200.757	3,4	1.566	3.129	3.345	—	7.988	16.028	1.426	35.094	18.467	129.742
	100%		0,8%	1,5%	1,7%	—	4,0%	8,0%	0,7%	17,5%	9,2%	64,6%
Fils de coton . . . . .	199.378	3,3	—	—	—	41	2.299	2.340	1.116	—	—	195.922
	100%		—	—	—	—	1,2%	1,2%	0,5%	—	—	98,3%
Raisins et autres fruits frais . . . . .	189.444	3,2	5.983	10.418	2.326	823	33.886	53.436	96.448	13.380	652	25.528
	100%		3,2%	5,5%	1,2%	0,4%	17,9%	28,2%	50,9%	7,1%	0,3%	13,5%
Fromage . . . . .	174.721	2,9	491	34.844	—	—	7.729	43.064	2.157	23.075	87.086	19.339
	100%		0,3%	20,0%	—	—	4,4%	24,7%	1,2%	13,2%	49,9%	11,0%
Machines et appareils et leurs parties . . . . .	167.206	2,8	3.558	15.482	1.847	2.016	5.579	28.482	6.999	3.363	1.450	126.912
	100%		2,1%	9,3%	1,1%	1,2%	3,3%	17,0%	4,2%	2,0%	0,9%	75,9%
Riz . . . . .	162.167	2,7	3.073	17.093	9.910	—	11.475	41.551	26.724	8.858	504	84.530
	100%		1,9%	10,5%	6,1%	—	7,1%	25,6%	16,5%	5,5%	0,3%	52,1%
Chanvre, lin et autres matières textiles végétales . . . .	141.902	2,4	20.579	20.876	662	1.825	6.547	50.489	35.456	19.058	1.996	34.903
	100%		14,5%	14,7%	0,5%	1,3%	4,6%	35,6%	25,0%	13,4%	1,4%	24,6%
Conserves de tomates . . . . .	135.571	2,3	10.964	4.594	1.118	—	3.980	20.656	4.714	26.485	61.999	21.717
	100%		8,1%	3,4%	0,8%	—	2,9%	15,2%	3,5%	19,5%	45,7%	16,0%
Vins et vermouth . . . . .	124.590	2,1	1.136	5.120	1.227	516	57.681	65.680	17.289	3.616	7.065	30.940
	100%		0,9%	4,1%	0,9%	0,4%	46,4%	52,7%	13,8%	2,9%	5,7%	24,8%
Chapeaux . . . . .	110.169	1,8	2.188	9.013	4.896	—	5.670	21.767	2.171	19.927	30.962	35.342
	100%		2,0%	8,2%	4,4%	—	5,2%	19,8%	2,0%	18,1%	28,1%	32,0%
Farine et semoule . . . . .	102.441	1,7	752	386	2.319	—	12.616	16.073	2.131	27.920	—	56.317
	100%		0,7%	0,4%	2,3%	—	12,3%	15,7%	2,1%	27,2%	—	55,0%
Autres produits . . . . .	2.608.628	43,6	69.307	253.874	94.897	51.244	204.926	674.248	254.238	291.640	170.761	1.217.741
	100%		2,6%	9,7%	3,6%	2,0%	7,9%	25,8%	9,8%	11,2%	6,5%	46,7%
Total . . . . .	5.979.658	100	143.743	458.142	155.527	71.976	482.655	1.312.043	727.758	681.535	517.713	2.740.609
	100%		2,4%	7,7%	2,6%	1,2%	8,0%	21,9%	12,2%	11,4%	8,7%	45,8%

# PAYS-BAS

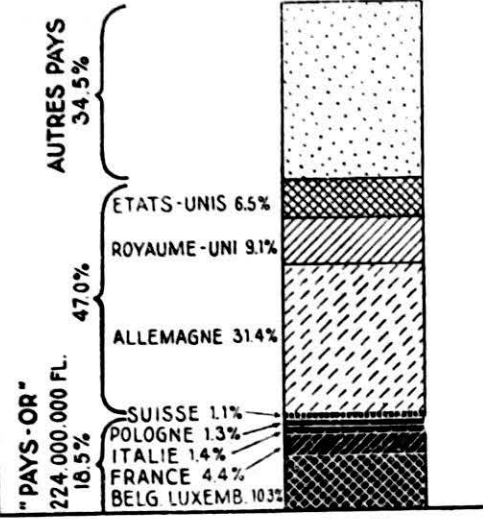
TOTAL FL. 2752.000.000

## IMPORTATION

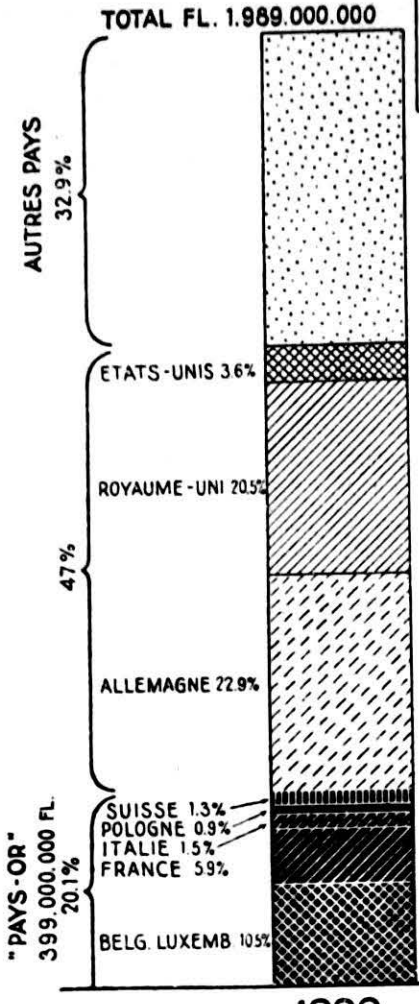


	1929	1933
Denrées alimentaires	21.6%	20.2%
Matières premières	35.9%	30.7%
Produits finis	42.5%	49.1%
Total	100%	100%

TOTAL FL. 1.209.000.000

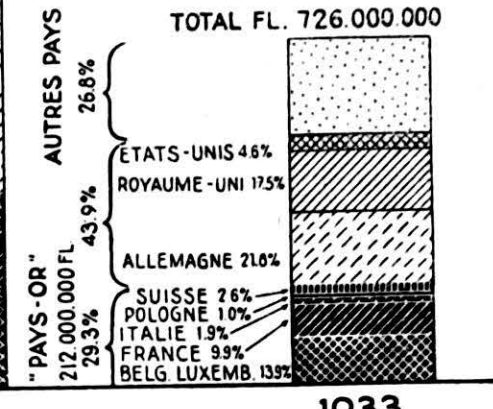


## EXPORTATION



	1929	1933
Denrées alimentaires	37.7%	34.7%
Matières premières	16.0%	20.8%
Produits finis	46.3%	44.5%
Total	100%	100%

TOTAL FL. 726.000.000



S.D.N. 4286

A. DONNÉES ESSENTIELLES RELATIVES AU RÔLE DES PAYS-BAS  
DANS LE BLOC-OR.

### 4. PAYS-BAS.

1. — *Les Pays-Bas entretiennent avec les cinq autres pays du Bloc-or un échange de marchandises très actif.* Ainsi, en 1929, la valeur globale des produits importés en provenance de ces cinq pays atteignait 472 millions de florins et représentait le 17,2% de l'importation totale néerlandaise.

La valeur globale de l'exportation à destination de ces mêmes pays atteignait 399 millions de florins et représentait le 20,1% de l'exportation néerlandaise totale.

Bien que ces échanges aient subi les effets du mouvement général de régression du commerce international, ils se sont montrés très résistants, et en 1933, la valeur globale des importations provenant des cinq autres pays du Bloc-or a été de 224 millions de florins, représentant le 18,5% de la valeur totale de l'importation, alors que l'exportation vers ces pays a atteint 212 millions de florins, représentant le 29,3% de la valeur totale de l'exportation.

2. — Au cours de ces cinq années, le marché Bloc-or qui, pour l'exportation néerlandaise, était représentatif du cinquième de la valeur totale de ses ventes à l'étranger, a pris une toute autre signification. Il a progressivement augmenté jusqu'à représenter près du tiers de cette valeur. Il est vrai que les estimations de l'année 1934 laissent prévoir un résultat beaucoup moins favorable.

En somme le Bloc-or, qu'il soit considéré en tant que fournisseur ou client, est d'importance primordiale pour les Pays-Bas.

3. — Toutefois si, à l'intérieur de ce Bloc, on examine les rapports commerciaux qui unissent les Pays-Bas individuellement aux autres pays de ce groupe, *les rapports entre les Pays-Bas et l'Union Belgo-Luxembourgeoise* apparaissent comme étant de beaucoup les plus importants, ainsi qu'il l'a été déjà relevé dans les commentaires relatifs à l'Union Belgo-Luxembourgeoise. Les rapports avec la France sont également beaucoup plus intenses que ceux qui unissent les Pays-Bas à l'Italie, la Pologne ou la Suisse.

4. — *L'échange des marchandises entre les Pays-Bas et le Royaume-Uni est également très important, sans atteindre toutefois le niveau du précédent.* En 1929, l'importation en provenance du Royaume-Uni a atteint un total de 258 millions de florins, c'est-à-dire le 9,4% de l'importation totale, alors que l'exportation vers ce pays a atteint, la même année, 408 millions de florins, soit le 20,5% de l'exportation néerlandaise totale.

Ces échanges ont régressé depuis ce moment, tant à l'importation qu'à l'exportation, suivant une courbe un peu plus accentuée que celle du commerce extérieur néerlandais pris dans son ensemble.

5. — *Avec l'Allemagne les échanges sont aussi très actifs ; l'Allemagne est le plus important fournisseur, mais, ainsi qu'on peut le voir sur les tableaux statistiques ci-après, en tant que débouché, ce pays a été dépassé par le Bloc-or, depuis 1930.*

En 1929, l'importation en provenance d'Allemagne a atteint un montant de 842 millions de florins, représentant le 30,6% du total de l'importation néerlandaise.

En cette même année l'exportation vers ce pays a atteint 456 millions de florins, soit le 22,9% de l'exportation totale.

Le recul des échanges germano-néerlandais a suivi, jusqu'en 1933, une courbe à peu près parallèle au mouvement général, en sorte que la situation de l'Allemagne par rapport à l'ensemble du commerce extérieur néerlandais est demeurée sensiblement la même. Les estimations faites pour l'année 1934 laissent toutefois prévoir un changement assez important de cette situation, par suite d'une reprise de l'exportation vers l'Allemagne et d'une baisse de l'importation allemande. Le clearing existant entre les deux pays n'est probablement pas étranger à cette récente évolution.

Toutefois, même si l'on tient compte de ce changement, les échanges néerlandais avec l'Allemagne laissent aux Pays-Bas une balance commerciale très largement passive.

6. — Dans son ensemble, *le commerce extérieur néerlandais a très fortement régressé entre 1929 et 1933.*

La valeur des marchandises importées en 1933 n'atteignait plus, en effet, que le 43,9% de celle de l'importation de l'année 1929.

En ce qui concerne l'exportation, sa valeur n'atteignait plus, en 1933, que le 36,5% de celle de 1929.

7. — Ainsi que l'indiquent les tableaux annexés ci-après, ce mouvement général de recul n'a pas notablement influencé la direction des courants commerciaux. Les deux mouvements les plus nettement perceptibles sont :

A l'importation, un léger déplacement au détriment des Etats-Unis et au profit de l'Allemagne ;

A l'exportation, un déplacement plus ou moins général vers le débouché Bloc-or.

8. — En ce qui concerne les conséquences de la régression des échanges sur leur composition, les tableaux annexés ci-après, relatifs tant à l'importation qu'à l'exportation par principaux articles, permettent de suivre, tout au moins pour quelques grands groupes de marchandises, des oscillations assez importantes. C'est ainsi que pour l'importation, la comparaison des années 1929 et 1933 montre que le recul a surtout affecté les groupes :

fer, aciers et fers ouvragés, semences et graines, huiles animales et végétales, coton et déchets. A l'intérieur de ces groupes eux-mêmes, on observe des déplacements sensibles chez les principaux fournisseurs. C'est ainsi que, pour les produits sidérurgiques, l'importance de l'Allemagne comme fournisseur a beaucoup diminué, surtout au profit de l'Union Belgo-Luxembourgeoise; que, pour les huiles, la part de l'Allemagne s'est également réduite au profit d'autres fournisseurs non spécifiés dans les tableaux et que, pour le coton, la part des Etats-Unis s'est aussi réduite au profit d'autres fournisseurs.

A l'exportation, le recul est particulièrement important pour les groupes : produits textiles, huiles végétales, véhicules et avions. A l'intérieur du groupe des produits textiles, la chute de l'exportation s'est plus spécialement fait sentir vers le débouché britannique et les débouchés non désignés nommément dans les tableaux annexes, alors que les débouchés allemand et du Bloc-or se sont montrés, au contraire, plus résistants. Dans le groupe des huiles végétales, les débouchés britannique et « autres pays » se sont également fermés proportionnellement plus que la moyenne, alors que le débouché Bloc-or résistait mieux que la moyenne. Enfin, pour le groupe des véhicules et avions, les débouchés français, italien, britannique, ont été en 1933 proportionnellement plus importants qu'en 1929.

9. — La balance du commerce extérieur des Pays-Bas est demeurée passive pendant toute la période considérée, soit de 1928 à 1933. On peut toutefois observer que, vis-à-vis du Bloc-or, elle tend vers l'équilibre après avoir été nettement déficitaire; que, vis-à-vis du Royaume-Uni, elle suit une évolution analogue, après avoir été au contraire fortement active; et que, vis-à-vis des Etats-Unis, cette tendance, tout en étant moins prononcée, n'en apparaît pas moins avec une certaine netteté.

Vis-à-vis de l'Allemagne et des autres pays, elle reste, par contre, très fortement déficitaire.

10. — Il n'est peut-être pas sans intérêt de noter que les Pays-Bas étant, avec la Suisse, les seuls pays du Bloc qui aient maintenu inchangée l'ancienne parité de leur monnaie, cette circonstance n'est probablement pas sans avoir exercé une certaine influence sur le niveau des prix intérieurs qui, comparé à celui du marché international, est resté élevé.

Une telle situation n'a pu qu'augmenter les difficultés du commerce d'exportation néerlandais, et elle l'a certainement obligé à faire de grands efforts pour s'adapter aux conditions de la concurrence, notamment pour le maintien de ses livraisons au grand marché britannique.

## B. RENSEIGNEMENTS STATISTIQUES.

### Pays-Bas. — a) COMMERCE EXTÉRIEUR. — CHIFFRES GLOBAUX ANNUELS.

(Valeur en millions de florins.)

#### Importation.

Provenance	1928		1929		1930		1931		1932		1933		1934 <sup>1</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	302	11,3	285	10,3	258	10,7	198	10,4	135	10,4	124	10,3	111	10,5
France . . . . .	120	4,5	113	4,1	107	4,4	76	4,0	55	4,2	53	4,4	44	4,2
Italie . . . . .	18	0,7	21	0,8	22	0,9	20	1,0	16	1,2	17	1,4	15	1,4
Pologne . . . . .	27	1,0	24	0,9	27	1,1	22	1,2	16	1,2	16	1,3	15	1,4
Suisse . . . . .	24	0,9	29	1,1	25	1,0	21	1,1	13	1,0	14	1,1	12	1,2
<b>Total des cinq pays . . . . .</b>	<b>491</b>	<b>18,4</b>	<b>472</b>	<b>17,2</b>	<b>439</b>	<b>18,1</b>	<b>337</b>	<b>17,7</b>	<b>235</b>	<b>18,0</b>	<b>224</b>	<b>18,5</b>	<b>197</b>	<b>18,7</b>
Allemagne . . . . .	730	27,2	842	30,6	768	31,7	620	32,7	400	30,1	378	31,4	307	29,1
Royaume-Uni . . . . .	252	9,4	258	9,4	227	9,4	160	8,4	118	9,1	109	9,1	99	9,4
Etats-Unis . . . . .	266	9,9	272	9,9	211	8,7	148	7,8	86	6,6	78	6,5	80	7,5
Autres pays <sup>2</sup> . . . . .	945	35,1	908	32,9	773	32,1	628	33,4	460	36,2	420	34,5	372	35,3
<b>Total . . . . .</b>	<b>2.684</b>	<b>100</b>	<b>2.752</b>	<b>100</b>	<b>2.418</b>	<b>100</b>	<b>1.893</b>	<b>100</b>	<b>1.299</b>	<b>100</b>	<b>1.209</b>	<b>100</b>	<b>1.055</b>	<b>100</b>

#### Exportation.

Destination	1928		1929		1930		1931		1932		1933		1934 <sup>1</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	174	8,8	207	10,5	195	11,5	174	13,5	118	14,1	100	13,9	80	11,2
France . . . . .	123	6,2	117	5,9	139	8,1	117	9,0	86	10,2	72	9,9	56	7,9
Italie . . . . .	37	1,8	30	1,5	22	1,3	16	1,2	13	1,5	14	1,9	15	2,0
Pologne . . . . .	23	1,1	18	0,9	12	0,7	7	0,6	7	0,8	7	1,0	7	1,1
Suisse . . . . .	25	1,3	27	1,3	27	1,6	19	1,5	20	2,4	19	2,6	17	2,4
<b>Total des cinq pays . . . . .</b>	<b>382</b>	<b>19,2</b>	<b>399</b>	<b>20,1</b>	<b>395</b>	<b>23,2</b>	<b>333</b>	<b>25,8</b>	<b>244</b>	<b>29,0</b>	<b>212</b>	<b>29,3</b>	<b>175</b>	<b>24,6</b>
Allemagne <sup>3</sup> . . . . .	468	23,5	456	22,9	366	21,2	256	19,5	179	21,4	156	21,8	187	26,3
Royaume-Uni . . . . .	432	21,8	408	20,5	383	22,3	321	24,6	160	19,1	126	17,5	141	19,8
Etats-Unis . . . . .	69	3,5	71	3,6	49	2,9	34	2,7	29	3,5	33	4,6	23	3,0
Autres pays <sup>2</sup> . . . . .	635	32,0	655	32,9	526	30,4	368	27,4	234	27,0	199	26,8	186	26,3
<b>Total . . . . .</b>	<b>1.986</b>	<b>100</b>	<b>1.989</b>	<b>100</b>	<b>1.719</b>	<b>100</b>	<b>1.312</b>	<b>100</b>	<b>846</b>	<b>100</b>	<b>726</b>	<b>100</b>	<b>712</b>	<b>100</b>

<sup>1</sup> Pour 1934, les estimations ont été faites sur la base de la moyenne mensuelle des chiffres indiqués dans la statistique officielle pour les neuf premiers mois de l'année.

Les résultats provisoires pour l'année sont les suivants : importation 1.038  
exportation 712

<sup>2</sup> Dont les colonies :

Exportation . . . . .	182	9,2	184	9,3	143	8,3	92	7,0	49	5,8	33	4,5	29*	4,1
Importation . . . . .	152	5,7	150	5,5	97	4,0	77	4,1	64	4,9	60	5,0	59	5,6

\* Pour 1934, les chiffres se rapportant à Curaçao et dépendances ne sont pas disponibles.

<sup>3</sup> Les chiffres de l'année 1930 et des années suivantes comprennent également la Sarre.

#### Balance du commerce.

Pays	1928	1929	1930	1931	1932	1933	1934 <sup>1</sup>
Union Belgo-Luxembourgeoise . . . . .	— 128	— 78	— 63	— 24	— 17	— 24	— 31
France . . . . .	+ 3	+ 4	+ 32	+ 41	+ 31	+ 19	+ 12
Italie . . . . .	+ 19	+ 9	—	— 4	— 3	— 3	—
Pologne . . . . .	— 4	— 6	— 15	— 15	— 9	— 9	— 8
Suisse . . . . .	+ 1	— 2	+ 2	— 2	+ 7	+ 5	+ 5
<b>Total des cinq pays . . . . .</b>	<b>— 109</b>	<b>— 73</b>	<b>— 44</b>	<b>— 4</b>	<b>+ 9</b>	<b>— 12</b>	<b>— 22</b>
Allemagne . . . . .	— 262	— 386	— 402	— 364	— 221	— 222	— 120
Royaume-Uni . . . . .	+ 180	+ 150	+ 156	+ 161	+ 42	+ 17	+ 42
Etats-Unis . . . . .	— 197	— 201	— 162	— 114	— 57	— 45	— 57
Autres pays . . . . .	— 310	— 253	— 247	— 260	— 226	— 221	— 186
<b>Total . . . . .</b>	<b>— 698</b>	<b>— 763</b>	<b>— 699</b>	<b>— 581</b>	<b>— 453</b>	<b>— 483</b>	<b>— 343</b>

<sup>1</sup> Estimation.

Selon les résultats provisoires, le déficit s'élève à — 326.

Pays-Bas. -- b) IMPORTATION PAR PRINCIPAUX ARTICLES EN 1929.

Marchandises importées	Valeur (en milliers de florins)	% de l'impor- tation totale	Pays de provenance									
			Union Belgo- Luxem- bourgeoise	France	Italie	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume- Uni	Etats-Unis	Autres pays
Céréales <sup>1</sup> . . . . .	226.014	8,2	9.318	5	144	553	—	10.020	17.477	438	40.792	157.287
	100%		4,2%	—	0,1%	0,2%	—	4,5%	7,7%	0,2%	18,0%	69,6%
Produits textiles . . . . .	224.144	8,1	27.681	30.266	2.632	165	4.895	65.639	65.002	77.376	2.363	13.764
	100%		12,3%	13,5%	1,1%	0,1%	2,2%	29,2%	29,6%	34,5%	1,1%	6,2%
Fer, aciers et fers ouvragés . . . . .	178.441	6,5	32.019	7.578	91	305	522	40.515	122.829	8.754	1.627	4.716
	100%		17,9%	4,2%	0,1%	0,2%	0,3%	22,7%	68,9%	4,9%	0,9%	2,6%
Machines . . . . .	164.997	6,0	9.347	5.897	486	50	9.100	24.880	98.977	23.590	8.857	8.693
	100%		5,7%	3,6%	0,3%	—	5,6%	15,1%	60,6%	14,3%	5,3%	5,3%
Bois et ouvrages en bois . . . . .	159.428	5,8	5.859	1.389	286	11.553	7	19.094	23.289	2.220	7.423	107.402
	100%		3,7%	0,8%	0,2%	7,2%	—	11,9%	14,6%	1,4%	4,7%	67,4%
Produits chimiques <sup>2</sup> . . . . .	139.823	5,1	20.774	10.241	1.576	5	2.590	35.186	71.678	5.540	2.459	24.960
	100%		14,8%	7,3%	1,1%	—	1,9%	25,1%	51,2%	4,0%	1,8%	17,9%
Peaux, pelleteries, fourrures et cuirs <sup>3</sup> . . . . .	131.456	4,8	27.939	10.516	2.690	1.894	1.339	44.278	54.807	10.835	2.651	18.885
	100%		21,3%	8,0%	2,0%	1,4%	1,0%	33,7%	41,7%	8,2%	2,0%	14,4%
Houille, coke et briquettes . . . . .	122.933	4,4	6.608	393	—	1.122	—	8.123	91.205	23.588	—	17
	100%		5,3%	0,3%	—	1,0%	—	6,6%	74,2%	19,2%	—	—
Véhicules . . . . .	86.803	3,1	28.575	4.298	1.397	1	146	34.417	27.927	8.316	15.233	910
	100%		32,9%	4,9%	1,6%	—	0,2%	39,6%	32,2%	9,6%	17,5%	1,1%
Semences et graines . . . . .	82.424	3,0	1.041	150	199	2.217	2	3.609	2.071	368	196	76.180
	100%		1,3%	0,2%	0,2%	2,7%	—	4,4%	2,5%	0,5%	0,2%	92,4%
Huiles animales et végétales . . . . .	71.344	2,6	2.182	118	15	4	6	2.325	15.347	3.311	32	50.329
	100%		3,0%	0,2%	0,1%	—	—	3,3%	21,5%	4,6%	0,1%	70,5%
Benzine, huiles minérales brutes et pétrole . . . . .	68.145	2,5	4.824	236	—	31	—	5.091	1.906	2.773	35.417	22.958
	100%		7,1%	0,3%	—	—	—	7,4%	2,8%	4,1%	52,0%	33,7%
Fourrage . . . . .	59.438	2,2	2.091	1.424	298	—	60	3.873	16.001	2.581	26.433	10.550
	100%		3,5%	2,4%	0,5%	—	0,1%	6,5%	26,9%	4,4%	44,5%	17,7%
Coton et déchets . . . . .	58.774	2,1	811	449	8	—	27	1.295	6.003	1.413	42.135	7.928
	100%		1,4%	0,8%	—	—	—	2,2%	10,2%	2,4%	71,7%	13,5%
Café . . . . .	48.757	1,8	415	107	—	1	—	523	635	561	823	46.215
	100%		1,0%	0,1%	—	—	—	1,1%	1,3%	1,1%	1,7%	94,8%
Tabac brut . . . . .	40.089	1,5	802	1	—	—	—	803	1.746	131	12.260	25.149
	100%		2,0%	—	—	—	—	2,0%	4,4%	0,3%	30,6%	62,7%
Autres produits . . . . .	889.288	32,3	104.595	39.933	11.505	6.199	10.551	172.783	225.155	85.805	73.460	332.085
	100%		11,7%	4,5%	1,3%	0,7%	1,2%	19,4%	25,3%	9,7%	8,3%	37,3%
<b>Total</b> . . . . .	<b>2.752.298</b>	<b>100</b>	<b>284.881</b>	<b>113.001</b>	<b>21.227</b>	<b>24.100</b>	<b>29.245</b>	<b>472.454</b>	<b>842.055</b>	<b>257.600</b>	<b>272.161</b>	<b>908.028</b>
	100%		10,3%	4,2%	0,7%	0,8%	1,1%	17,1%	30,6%	9,4%	9,9%	33,0%

<sup>1</sup> Maïs, froment, seigle, avoine et orge.

<sup>2</sup> Y compris les engrais artificiels.

<sup>3</sup> Y compris les vêtements.



Pays-Bas. — c) IMPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises importées	Valeur (en milliers de florins)	% de l'impor- tation totale	Pays de provenance									
			Union Belgo- Luxem- bourgeoise	France	Italie	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume- Uni	Etats-Unis	Autres pays
Produits textiles . . . . .	105.828	8,8	16.082	14.148	2.773	116	2.570	35.689	34.273	26.855	597	8.414
	100%		15,2%	13,4%	2,6%	0,1%	2,4%	33,7%	32,4%	25,4%	0,5%	8,0%
Céréales <sup>1</sup> . . . . .	91.452	7,6	2.033	488	306	1.041	—	3.868	3.469	—	2.643	81.472
	100%		2,2%	0,5%	0,3%	1,2%	—	4,2%	3,8%	—	2,9%	89,1%
Machines . . . . .	70.775	5,9	4.452	2.101	284	28	3.042	9.905	42.294	10.428	4.420	3.728
	100%		6,3%	3,0%	0,4%	—	4,3%	14,0%	59,8%	14,7%	6,2%	5,3%
Peaux, pelleteries et cuirs <sup>2</sup> . . . . .	69.804	5,8	7.624	3.708	1.110	1.197	443	14.082	36.914	6.341	1.920	10.547
	100%		10,9%	5,3%	1,6%	1,7%	0,6%	20,1%	52,9%	9,1%	2,8%	15,1%
Produits chimiques <sup>3</sup> . . . . .	69.301	5,7	8.240	8.251	681	240	2.034	19.446	31.578	3.784	1.917	12.576
	100%		11,9%	11,9%	1,0%	0,4%	2,9%	28,1%	45,6%	5,5%	2,7%	18,1%
Fer, aciers et leurs produits . . . . .	69.131	5,7	17.014	3.776	146	1.204	116	22.256	37.313	4.178	1.056	4.328
	100%		24,6%	5,5%	0,2%	1,7%	0,2%	32,2%	54,0%	6,0%	1,5%	6,3%
Bois et ouvrages en bois . . . . .	68.409	5,7	2.715	248	47	7.648	27	10.685	10.034	875	2.353	44.462
	100%		4,0%	0,4%	—	11,2%	—	15,6%	14,7%	1,3%	3,4%	65,0%
Houille, coke et briquettes . . . . .	50.763	4,2	5.352	61	—	743	—	6.156	33.827	10.366	—	414
	100%		10,5%	0,1%	—	1,5%	—	12,1%	66,7%	20,4%	—	0,8%
Benzine, huiles minérales brutes et pétrole . . . . .	41.333	3,4	5.616	526	4	19	—	6.165	1.730	1.003	10.733	21.702
	100%		13,6%	1,3%	—	—	—	14,9%	4,2%	2,4%	26,0%	52,5%
Véhicules . . . . .	37.707	3,1	11.082	3.315	372	8	182	14.959	9.381	5.104	7.702	561
	100%		29,4%	8,8%	1,0%	—	0,5%	39,7%	24,9%	13,5%	20,4%	1,5%
Semences et graines . . . . .	24.710	2,0	419	42	53	811	—	1.325	378	225	95	22.687
	100%		1,7%	0,2%	0,2%	3,3%	—	5,4%	1,5%	0,9%	0,4%	91,8%
Café . . . . .	24.460	2,0	125	38	—	4	—	167	279	502	268	23.244
	100%		0,5%	0,2%	—	—	—	0,7%	1,1%	2,1%	1,1%	95,0%
Tabac brut . . . . .	23.781	2,0	1.234	—	29	—	—	1.263	1.240	259	4.411	16.608
	100%		5,2%	—	0,1%	—	—	5,3%	5,2%	1,1%	18,6%	69,8%
Papier et articles en papier . . . . .	19.434	1,6	2.341	248	45	39	134	2.807	10.563	1.710	204	4.150
	100%		12,0%	1,3%	0,2%	0,2%	0,7%	14,4%	54,4%	8,8%	1,0%	21,4%
Huiles animales et végétales . . . . .	19.388	1,6	627	66	12	25	—	730	956	340	86	17.276
	100%		3,2%	0,3%	0,1%	0,2%	—	3,8%	4,9%	1,8%	0,4%	89,1%
Fourrage . . . . .	18.558	1,5	681	1.141	334	352	36	2.544	2.515	442	6.831	6.226
	100%		3,7%	6,1%	1,8%	1,9%	0,2%	13,7%	13,6%	2,4%	36,8%	33,5%
Fruits du Midi . . . . .	18.417	1,5	438	73	2.660	—	—	3.171	252	350	423	14.221
	100%		2,4%	0,4%	14,4%	—	—	17,2%	1,4%	1,9%	2,3%	77,2%
Coton et déchets . . . . .	17.013	1,4	473	61	—	—	—	534	2.871	177	10.249	3.182
	100%		2,8%	0,3%	—	—	—	3,1%	16,9%	1,0%	60,3%	18,7%
Autres produits . . . . .	368.965	30,5	37.000	14.932	7.878	2.709	5.177	67.696	118.488	36.092	21.762	124.927
	100%		10,1%	4,0%	2,1%	0,7%	1,4%	18,3%	32,1%	9,8%	5,9%	33,9%
<b>Total</b> . . . . .	<b>1.209.229</b>	<b>100</b>	<b>123.548</b>	<b>53.223</b>	<b>16.734</b>	<b>16.182</b>	<b>13.761</b>	<b>223.448</b>	<b>378.355</b>	<b>109.031</b>	<b>77.670</b>	<b>420.725</b>
	100%		10,2%	4,4%	1,4%	1,4%	1,1%	18,5%	31,3%	9,0%	6,4%	34,8%

<sup>1</sup> Maïs, blé, orge et seigle.

<sup>2</sup> Y compris les vêtements.

<sup>3</sup> Y compris les engrais artificiels.

Pays-Bas — d) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1929.

Marchandises exportées	Valeur en milliers de florins	% de l'exportation totale	Pays de destination									
			Union Bolgo-Luxembourgeoise	France	Italie	Pologne	Suisse	Total des cinq pays	Allomagne	Royaume-Uni	Etats-Unis	Autres pays
Beurre, fromages, lait et autres produits laitiers . . .	221.560	11,1	21.198	11.590	373	363	258	33.782	105.095	52.299	2.966	27.418
100%			9,6%	5,2%	0,2%	0,2%	0,1%	15,3%	47,4%	23,6%	1,3%	12,4%
Produits textiles . . . . .	204.057	10,3	10.736	2.634	217	494	1.325	15.406	18.994	26.066	6.304	137.287
100%			5,3%	1,3%	0,1%	0,2%	0,7%	7,6%	9,3%	12,8%	3,1%	67,2%
Produits alimentaires non spécialement dénommés . . .	153.022	7,7	22.271	8.502	4.086	2.343	4.758	41.960	31.410	29.235	6.963	43.454
100%			14,6%	5,6%	2,6%	1,5%	3,1%	27,4%	20,5%	19,1%	4,6%	28,4%
Huiles végétales . . . . .	114.690	5,8	14.413	2.648	1.475	2.777	3.780	25.091	11.046	23.245	3.822	51.486
100%			12,6%	2,3%	1,3%	2,4%	3,3%	21,9%	9,6%	20,3%	3,3%	44,9%
Houille, coke et briquettes . . . . .	89.948	4,5	28.225	26.674	2.876	45	2.971	60.791	15.146	4.168	154	9.689
100%			31,4%	29,7%	3,2%	—	3,3%	67,6%	16,8%	4,6%	0,2%	10,8%
Viandes . . . . .	87.150	4,4	9.728	5.515	1.571	—	—	16.814	19.432	49.642	—	1.262
100%			11,2%	6,3%	1,8%	—	—	19,3%	22,3%	57,0%	—	1,4%
Appareils de radio . . . . .	81.459	4,1	—	—	—	—	—	—	—	—	—	81.459
100%			—	—	—	—	—	—	—	—	—	100%
Œufs et produits à base d'œufs . . . . .	70.446	3,5	528	23	—	—	144	695	47.437	20.610	18	1.686
100%			0,8%	—	—	—	0,2%	1,0%	67,3%	29,3%	—	2,4%
Produits chimiques . . . . .	69.312	3,5	3.515	1.434	1.306	327	638	7.220	5.056	8.894	4.801	43.341
100%			5,1%	2,1%	1,9%	0,4%	0,9%	10,4%	7,3%	12,8%	6,9%	62,5%
Machines . . . . .	57.717	2,9	4.538	2.636	2.037	239	554	10.004	6.356	7.365	290	33.702
100%			7,9%	4,6%	3,5%	0,4%	1,0%	17,4%	11,0%	12,7%	0,5%	58,4%
Fer, aciers et leurs produits . . . . .	52.455	2,6	4.942	1.618	544	2.605	476	10.085	7.737	7.069	1.412	26.152
100%			9,4%	3,1%	1,0%	4,8%	0,9%	19,2%	14,7%	13,5%	2,7%	49,9%
Plantes vivantes . . . . .	52.446	2,6	424	1.811	221	385	717	3.558	10.637	20.009	8.126	10.116
100%			0,8%	3,4%	0,4%	0,7%	1,4%	6,7%	20,3%	38,2%	15,5%	19,3%
Véhicules et avions . . . . .	51.841	2,6	7.179	1.195	274	460	114	9.222	4.659	1.867	177	35.916
100%			13,9%	2,3%	0,5%	0,9%	0,2%	17,8%	9,0%	3,6%	0,3%	69,3%
Peaux, pelleteries, cuirs et fourrures <sup>1</sup> . . . . .	50.000	2,5	6.732	6.257	1.124	1.741	406	16.260	11.824	9.422	10.162	2.332
100%			13,5%	12,5%	2,2%	3,5%	0,8%	32,5%	23,7%	18,8%	20,3%	4,7%
Papiers et articles en papier . . . . .	41.310	2,1	2.953	2.218	49	4	33	5.257	308	21.778	312	13.655
100%			7,2%	5,4%	0,1%	—	—	12,7%	0,7%	52,7%	0,8%	33,1%
Margarine . . . . .	40.139	2,0	1.700	304	9	72	—	2.085	1.340	27.685	8	9.021
100%			4,2%	0,8%	—	0,2%	—	5,2%	3,3%	69,0%	—	22,5%
Lampes . . . . .	32.948	1,7	—	—	—	—	—	—	—	—	—	32.948
100%			—	—	—	—	—	—	—	—	—	100%
Autres produits . . . . .	518.931	26,1	68.417	42.116	14.263	5.991	10.482	141.269	159.052	98.170	25.672	94.768
100%			13,1%	8,1%	2,8%	1,2%	2,0%	27,2%	30,6%	18,9%	4,9%	18,3%
Total . . . . .	1.989.431	100	207.499	117.173	30.425	17.746	26.656	399.499	455.529	407.524	71.187	655.692
100%			10,4%	5,9%	1,5%	0,9%	1,4%	20,1%	22,9%	20,5%	3,5%	33,0%

<sup>1</sup> Y compris les vêtements.

La statistique officielle des Pays-Bas ne donne pas le chiffre d'exportation des appareils de radio et des lampes vers les différents pays. C'est pourquoi les totaux d'exportation de ces deux articles figurent sous la rubrique « Autres pays ».

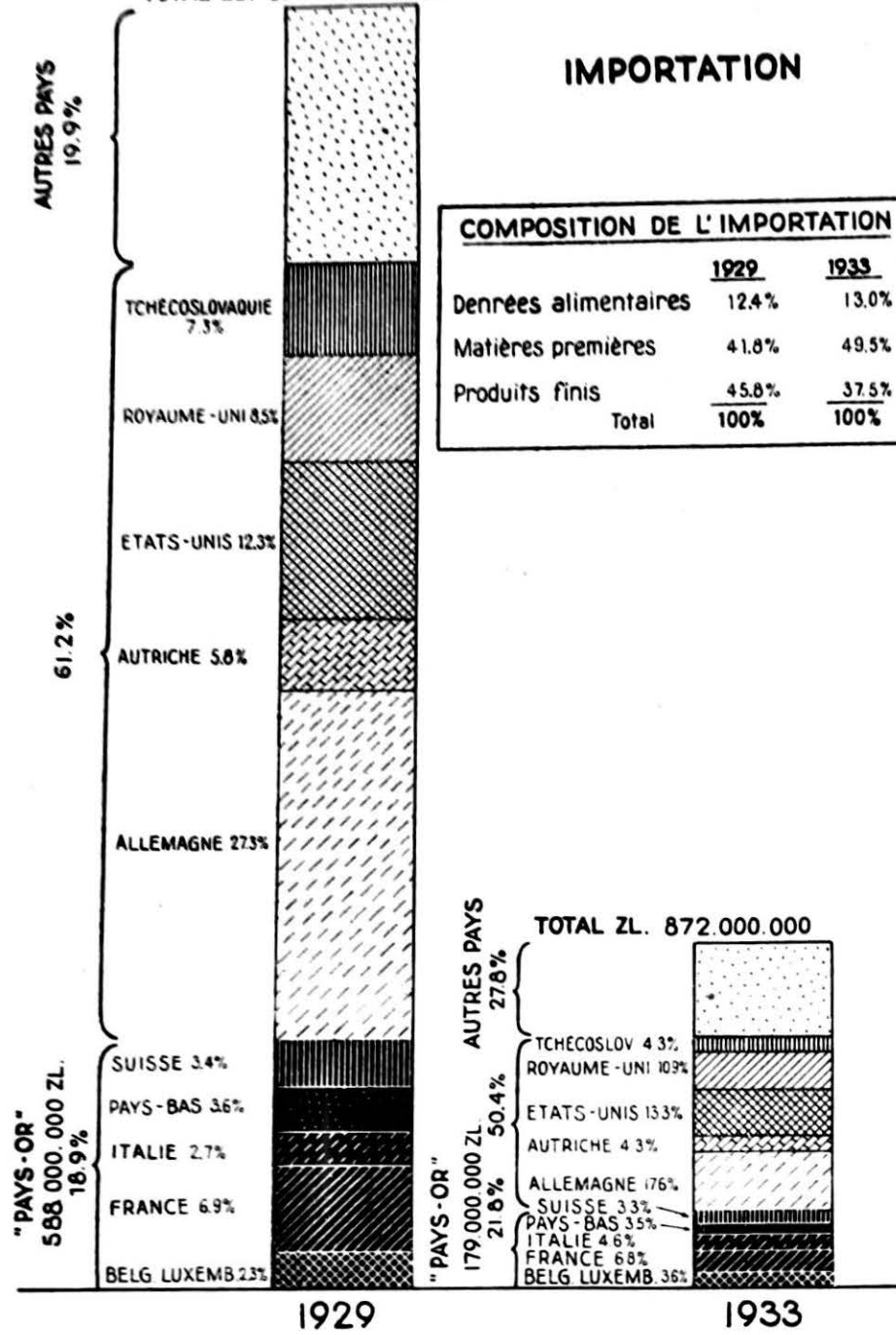
Pays-Bas. — e) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises exportées	Valeur (en milliers de florins)	% de l'expor- tation totale	Pays de destination									
			Union Belgo- Luxem- bourgeoise	France	Italie	Pologne	Suisse	Total des cinq pays	Allemagne	Royaume- Uni	Etats-Unis	Autres pays
Fromage, lait et produits laitiers, beurre . . . . .	75.239	10,4	11.612	6.422	152	13	73	18.272	21.835	22.878	473	11.781
	100%		15,5%	8,5%	0,2%	—	0,1%	24,3%	29,0%	30,4%	0,6%	15,7%
Produits alimentaires non spécialement dénommés . .	68.095	9,4	10.631	6.735	1.721	960	1.108	21.155	14.405	13.725	1.754	16.966
	100%		15,6%	9,9%	2,5%	1,5%	1,6%	31,1%	21,2%	20,2%	2,6%	24,9%
Houille, coke et briquettes . . . . .	47.346	6,5	13.809	15.598	828	183	2.399	32.817	10.403	5	3	4.118
	100%		29,2%	32,9%	1,8%	0,3%	5,1%	69,3%	22,0%	—	—	8,7%
Produits textiles . . . . .	45.980	6,3	4.388	1.454	374	155	1.464	7.835	8.997	2.069	1.718	25.361
	100%		9,5%	3,2%	0,8%	0,3%	3,2%	17,0%	19,6%	4,5%	3,7%	55,2%
Produits chimiques . . . . .	42.391	5,8	2.320	783	614	329	487	4.513	3.331	2.219	1.276	31.052
	100%		5,5%	1,8%	1,4%	0,8%	1,1%	10,6%	7,9%	5,2%	3,0%	73,3%
Appareils de radio . . . . .	39.620	5,5	—	—	—	—	—	—	—	—	—	39.620
	100%		—	—	—	—	—	—	—	—	—	100%
Plantes vivantes et produits de plantes . . . . .	34.421	4,7	1.825	3.116	252	177	1.020	6.390	8.391	10.762	3.106	5.772
	100%		5,3%	9,1%	0,7%	0,5%	3,0%	18,6%	24,4%	31,2%	9,0%	16,8%
Viandes . . . . .	33.426	4,6	3.833	3.294	1.595	—	—	8.722	5.549	18.754	—	401
	100%		11,5%	9,8%	4,8%	—	—	26,1%	16,6%	56,0%	—	1,2%
Huiles végétales . . . . .	30.245	4,2	5.880	3.515	327	915	1.988	12.625	2.383	3.038	980	11.219
	100%		19,5%	11,6%	1,0%	3,0%	6,6%	41,7%	7,9%	10,0%	3,3%	37,1%
Oeufs et produits à base d'œufs . . . . .	22.081	3,0	518	65	10	6	197	796	17.622	3.024	—	639
	100%		2,3%	0,3%	0,1%	—	0,9%	3,6%	79,8%	13,7%	—	2,9%
Peaux, pelleteries et cuirs . . . . .	21.964	3,0	3.052	2.253	1.192	1.266	475	8.238	4.193	4.324	3.051	2.158
	100%		14,3%	10,6%	5,6%	5,9%	2,2%	38,6%	19,6%	20,3%	14,3%	7,2%
Machines . . . . .	19.905	2,7	1.846	1.318	413	83	6	3.666	2.857	2.068	181	11.133
	100%		9,3%	6,6%	2,1%	0,4%	—	18,4%	14,4%	10,4%	0,9%	55,9%
Fer, aciers et leurs produits . . . . .	17.871	2,5	2.891	1.206	333	452	858	5.740	3.146	829	1.780	6.376
	100%		16,2%	6,7%	1,9%	2,5%	4,8%	32,1%	17,6%	4,6%	10,0%	35,7%
Papier et articles en papier . . . . .	15.729	2,2	1.230	654	107	6	50	2.047	132	8.869	127	4.554
	100%		7,8%	4,2%	0,7%	—	0,3%	13,0%	0,8%	56,4%	0,8%	29,0%
Véhicules et avions . . . . .	11.810	1,6	563	783	677	—	1	2.024	359	923	3	8.501
	100%		4,8%	6,6%	5,7%	—	—	17,2%	3,0%	7,8%	—	72,0%
Lampes . . . . .	9.289	1,3	—	—	—	—	—	—	—	—	—	9.289
	100%		—	—	—	—	—	—	—	—	—	100%
Etain et produits en étain . . . . .	7.320	1,0	333	1.126	43	36	234	1.772	3.214	4	313	2.017
	100%		4,6%	15,4%	0,6%	0,4%	3,2%	24,2%	43,9%	—	4,3%	27,6%
Semences . . . . .	6.785	0,9	448	594	29	18	51	1.140	1.616	692	2.195	1.142
	100%		6,6%	8,8%	0,4%	0,3%	0,7%	16,8%	23,8%	10,2%	32,4%	16,8%
Autres produits . . . . .	176.217	24,4	34.964	22.957	5.235	2.367	8.497	74.020	47.686	32.150	16.422	5.939
	100%		19,8%	13,0%	3,0%	1,3%	4,8%	41,9%	26,9%	18,2%	9,3%	3,7%
<b>Total . . . . .</b>	<b>725.644</b>	<b>100</b>	<b>100.143</b>	<b>71.873</b>	<b>13.902</b>	<b>6.966</b>	<b>18.868</b>	<b>211.772</b>	<b>156.119</b>	<b>126.333</b>	<b>33.382</b>	<b>198.038</b>
	100%		13,8%	9,9%	1,9%	1,0%	2,6%	29,2%	21,5%	17,4%	4,6%	27,3%

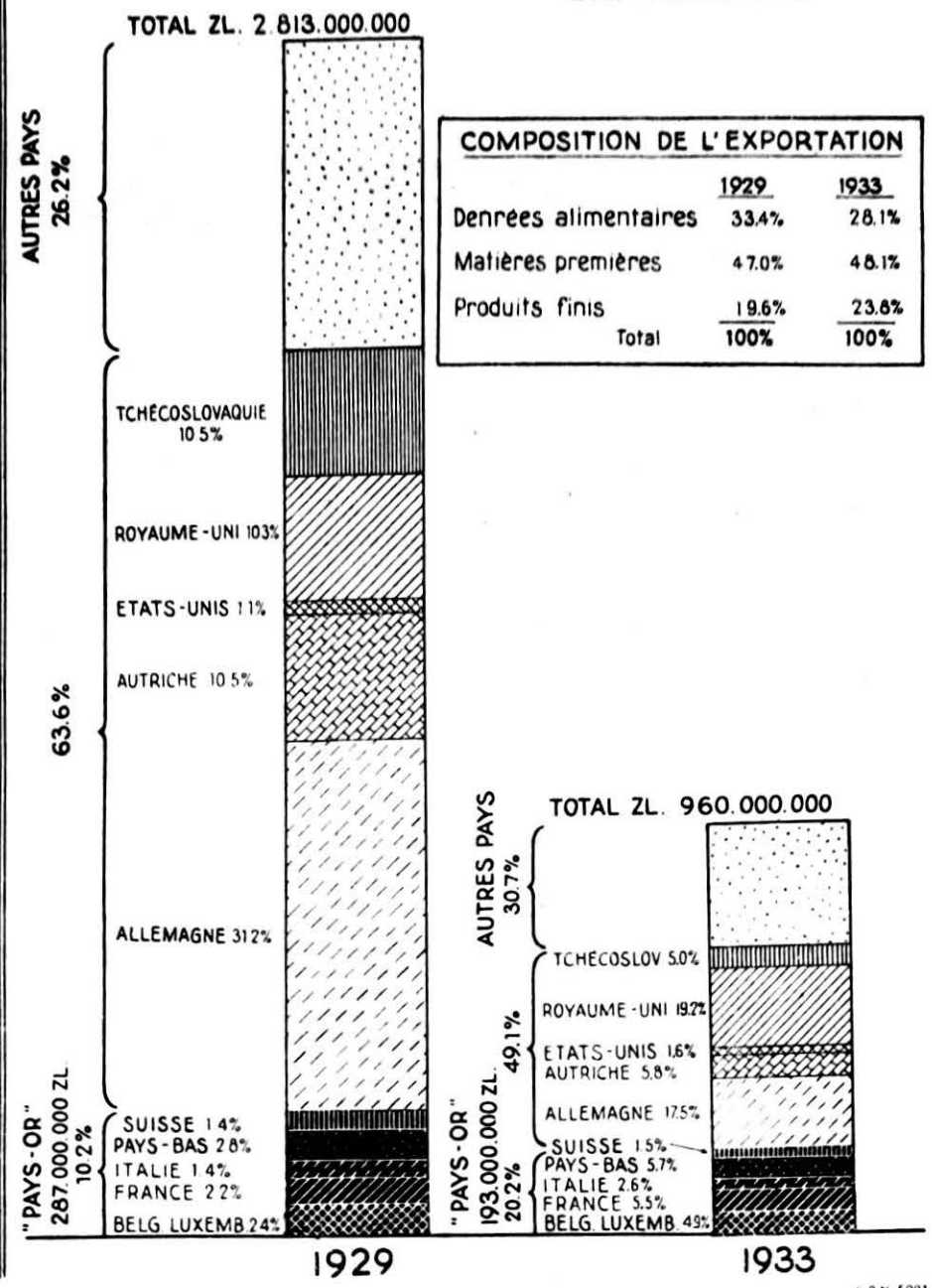
# POLOGNE

TOTAL ZL. 3.111.000.000

## IMPORTATION



## EXPORTATION



A. DONNÉES ESSENTIELLES RELATIVES AU RÔLE DE LA POLOGNE  
DANS LE BLOC-OR.

### 5. POLOGNE.

1. — Les pays du Bloc-or fournissent à la Pologne le cinquième environ de la valeur de ses importations et lui prennent une part de ses exportations qui est allée du dixième en 1929 au cinquième en 1933. Les pays du Bloc-or jouent donc dans le commerce extérieur polonais un rôle qui tend à augmenter, tout au moins en tant que clients.

La balance commerciale de la Pologne avec les pays du Bloc-or, fortement passive en 1929, où elle accusait un déficit de 301 millions de zloty, s'est renversée et a atteint, en 1932 et en 1933, des excédents d'exportation de 36 et de 14 millions de zloty respectivement.

2. — De tous les pays du Bloc-or, c'est à la *France* que la Pologne a fait les achats les plus importants (56 millions de zloty en 1933). Si l'on considère que c'est en *Suisse* que ses achats ont été les plus faibles (27 millions de zloty) on en peut conclure que les produits des divers pays qui forment le Bloc-or figurent sans grandes disproportions sur le marché polonais.

En ce qui concerne l'exportation, les différences que présentent entre eux les pays du Bloc-or comme clients sont restreintes aussi, tout au moins en ce qui concerne l'*Union Belgo-Luxembourgeoise*, la *France*, l'*Italie* et les *Pays-Bas*. A ce dernier pays, la Pologne a vendu en 1933 pour 54 millions de zloty et à l'*Italie* pour 25 millions, à la *Suisse*, elle a vendu pour 14 millions de zloty.

3. — En 1933, le 10,9% de l'importation polonaise provenait du *Royaume-Uni*.

L'importance de ce pays comme marché pour les produits polonais est en voie d'accroissement (10,3% en 1929 et 19,2% en 1933) bien que la valeur des ventes faites par la Pologne au Royaume-Uni ait passé de 238 millions de zloty en 1929 à 185 millions en 1933.

La balance commerciale de la Pologne avec le Royaume-Uni, passive en 1928 et 1929, s'est renversée et a atteint un excédent d'exportation de 214 millions de zloty en 1931 et 102 millions en 1933.

4. — C'est d'*Allemagne* que la Pologne tirait, en 1933 encore, la part la plus importante de ses importations, mais cette part, qui a passé de 27,3% en 1929 à 17,6% en 1933, est en voie de diminution, et les *Etats-Unis* arrivent au premier rang des fournisseurs de la Pologne.

En 1929, la Pologne plaçait le 31,2% de son exportation en *Allemagne*, c'était son principal marché. Dès lors la situation s'est modifiée en ce sens que c'est au Royaume-Uni que la Pologne a placé la plus grande partie de son exportation; tandis que le pourcentage de cette exportation à destination de l'*Allemagne* tombait à 17,5%.

En 1929, la Pologne vendait à l'*Allemagne* pour 877 millions de zloty et lui achetait pour 850 millions; en 1933, ces chiffres ont été respectivement de 168 et 146 millions.

La balance commerciale entre l'*Allemagne* et la Pologne a présenté pour cette dernière un solde passif de 44 millions de zloty en 1928 et 1931 et un excédent d'exportations de 22 millions en 1933.

5. — L'amointrissement du rôle que joue l'*Allemagne* dans le commerce extérieur polonais s'explique en partie par la guerre douanière que se sont faite ces deux pays et qui a contribué partiellement aussi à accroître la part du Royaume-Uni dans l'importation et dans l'exportation de la Pologne.

6. — Le commerce extérieur total (importations et exportations additionnées) de la Pologne, a subi, de 1929 à 1933, un recul chaque année plus fort et ne représentait plus en 1933 que le 30% du chiffre de 1929.

Les importations qui sont réduites à 27% de leur niveau de 1929 ont subi une diminution beaucoup plus forte que les exportations, lesquelles représentaient, en 1933, le 34% de ce qu'elles étaient en 1929.

7. — La *direction des courants commerciaux* s'est modifiée au cours de la période considérée; à l'importation, la part prise par les pays du Bloc-or s'est légèrement accrue (il n'est question ici que des relations et non de valeurs absolues). Il faut citer tout particulièrement le pourcentage relatif à l'*Italie* qui s'est élevé de 2,7% en 1929 à 4,6% en 1933. Celui de la *Suisse*, après s'être élevé de 3,4% en 1929 à 5,5% en 1931, est revenu à 3,3% en 1933.

Au ralentissement déjà signalé plus haut du rôle joué par l'*Allemagne* dans l'importation polonaise, il faut ajouter aussi celui qu'a subi le trafic en provenance de l'*Autriche* et de la *Tchécoslovaquie*.

A l'exportation, on a mentionné déjà l'importance croissante du Bloc-or et du Royaume-Uni comme clients. De même que pour l'importation, le rôle joué par l'*Autriche* et par la *Tchécoslovaquie* comme acheteurs est en voie de diminution.

8. — En ce qui concerne la *composition des échanges*, il convient de signaler qu'à l'importation, la part proportionnelle des matières premières (particulièrement le coton et ses déchets, ainsi que la laine) a augmenté, passant de 41,8% en 1929 à 49,5% en 1933, tandis que les produits finis, spécialement les ouvrages en cuir et les produits textiles, passaient de 45,8% en 1929 à 37,5% en 1933.

A l'exportation, l'augmentation s'est faite au profit des produits finis (19,6% en 1929 et 23,8% en 1933) tandis que les matières alimentaires passaient de 33,4% à 28,1% en 1933. Il faut signaler cependant que la part de la houille qui représentait le 13,9% de l'exportation en 1929 s'est élevée jusqu'à 18% en 1933. Celle des porcs est tombée fortement de 6,6% à 1,3%, celle du sucre de 4,7% à 2,0%.

9. — La diminution de l'importation, beaucoup plus accentuée que celle de l'exportation, a provoqué un renversement de la *balance commerciale polonaise*. Celle-ci, très fortement passive (854 millions de zloty en 1928 et 298 millions en 1929) a fait place en 1930 à un excédent d'exportations qui s'est élevé jusqu'à 411 millions en 1931 et qui était de 133 millions en 1933.

10. — Le renversement de la balance commerciale ainsi que l'augmentation proportionnelle des produits finis dans l'exportation sont dus en grande partie, d'une part à la *déflation* très activement poursuivie par le Gouvernement polonais et dont le résultat a été une *baisse des prix* particulièrement forte pour les produits agricoles et, d'autre part, à une politique rigoureuse de restrictions à l'importation.

Il convient de signaler que les chiffres relatifs à ces dernières années, ainsi que les résultats provisoires pour 1934 permettent de voir que le commerce extérieur de la Pologne tend vers une stabilisation, tant des importations que des exportations, et que le solde actif de la balance commerciale se relève légèrement.

---

**B. RENSEIGNEMENTS STATISTIQUES.**

**Pologne. — a) COMMERCE EXTÉRIEUR. — CHIFFRES GLOBAUX ANNUELS.**

(Valeur en millions de zloty.)

*Importation.*

Provenance	1928		1929		1930		1931		1932		1933		1934 <sup>1</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	67	2,0	72	2,3	55	2,5	46	3,1	29	3,3	29	3,6	27	3,4
France . . . . .	249	7,4	214	6,9	151	6,7	110	7,5	59	6,9	56	6,8	46	5,8
Italie . . . . .	83	2,5	84	2,7	70	3,1	50	3,4	29	3,4	38	4,6	35	4,4
Pays-Bas . . . . .	139	4,1	113	3,6	78	3,5	41	2,8	32	3,7	29	3,5	30	3,8
Suisse . . . . .	89	2,6	105	3,4	85	3,8	80	5,5	41	4,8	27	3,3	23	2,9
<b>Total des cinq pays . . . . .</b>	<b>627</b>	<b>18,6</b>	<b>588</b>	<b>18,9</b>	<b>439</b>	<b>19,6</b>	<b>327</b>	<b>22,3</b>	<b>190</b>	<b>22,1</b>	<b>179</b>	<b>21,8</b>	<b>161</b>	<b>20,3</b>
Allemagne . . . . .	903	26,9	850	27,3	606	27,0	359	24,5	173	20,1	146	17,6	104	13,1
Autriche . . . . .	221	6,6	181	5,8	127	5,7	75	5,1	38	4,4	35	4,3	36	4,5
Royaume-Uni . . . . .	313	9,3	265	8,5	178	7,9	104	7,1	75	8,7	83	10,9	83	10,5
Etats-Unis . . . . .	467	13,9	384	12,3	271	12,0	155	10,5	104	12,0	110	13,3	120	15,1
Tchécoslovaquie . . . . .	213	6,3	228	7,3	170	7,5	100	6,8	46	5,3	36	4,3	31	3,9
Autres pays . . . . .	618	18,4	615	19,9	454	20,3	348	23,7	236	27,4	238	27,8	259	32,6
<b>Total général . . . . .</b>	<b>3.362</b>	<b>100</b>	<b>3.111</b>	<b>100</b>	<b>2.245</b>	<b>100</b>	<b>1.468</b>	<b>100</b>	<b>862</b>	<b>100</b>	<b>827</b>	<b>100</b>	<b>794</b>	<b>100</b>

*Exportation.*

Destination	1928		1929		1930		1931		1932		1933		1934 <sup>1</sup>	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	57	2,3	67	2,4	62	2,5	67	3,6	50	4,6	47	4,9	47	5,0
France . . . . .	43	1,7	61	2,2	75	3,1	103	5,5	62	5,7	53	5,5	42	4,4
Italie . . . . .	49	2,0	40	1,4	31	1,3	36	1,9	33	3,1	25	2,6	32	3,4
Pays-Bas . . . . .	78	3,1	79	2,8	83	3,4	68	3,6	52	4,8	54	5,7	45	4,8
Suisse . . . . .	17	0,7	40	1,4	52	2,1	55	2,9	29	2,6	14	1,5	14	1,4
<b>Total des cinq pays . . . . .</b>	<b>244</b>	<b>9,8</b>	<b>287</b>	<b>10,2</b>	<b>303</b>	<b>12,4</b>	<b>329</b>	<b>17,5</b>	<b>226</b>	<b>20,8</b>	<b>193</b>	<b>20,2</b>	<b>180</b>	<b>19,0</b>
Allemagne . . . . .	859	34,3	877	31,2	627	25,7	315	16,8	176	16,2	168	17,5	167	17,7
Autriche . . . . .	311	12,4	295	10,5	227	9,3	175	9,3	86	8,0	56	5,8	50	5,3
Royaume-Uni . . . . .	227	9,0	238	10,3	294	12,1	318	17,0	178	16,4	185	19,2	197	20,8
Etats-Unis . . . . .	19	0,8	31	1,1	22	0,9	13	0,7	10	0,9	16	1,6	21	2,3
Tchécoslovaquie . . . . .	296	11,8	296	10,5	216	8,9	144	7,7	90	8,3	48	5,0	51	5,4
Autres pays . . . . .	552	21,9	789	28,2	744	30,7	585	31,0	318	29,4	294	30,7	279	29,5
<b>Total général . . . . .</b>	<b>2.508</b>	<b>100</b>	<b>2.813</b>	<b>100</b>	<b>2.433</b>	<b>100</b>	<b>1.879</b>	<b>100</b>	<b>1.084</b>	<b>100</b>	<b>960</b>	<b>100</b>	<b>945</b>	<b>100</b>

<sup>1</sup> Pour 1934, les estimations ont été faites sur la base de la moyenne mensuelle des chiffres indiqués dans la statistique officielle pour les huit premiers mois de l'année.

Les résultats provisoires pour l'année sont les suivants : importation 799  
exportation 976

*Balance du commerce.*

Pays	1928	1929	1930	1931	1932	1933	1934 <sup>1</sup>
Union Belgo-Luxembourgeoise . . . . .	— 10	— 5	+ 7	+ 21	+ 21	+ 18	+ 20
France . . . . .	— 206	— 153	— 76	— 7	+ 3	— 3	— 4
Italie . . . . .	— 34	— 44	— 39	— 14	+ 4	— 13	— 3
Pays-Bas . . . . .	— 61	— 34	+ 5	+ 27	+ 21	+ 25	+ 15
Suisse . . . . .	— 72	— 65	— 33	— 25	— 13	— 13	— 9
<b>Total des cinq pays . . . . .</b>	<b>— 383</b>	<b>— 301</b>	<b>— 136</b>	<b>+ 2</b>	<b>+ 36</b>	<b>+ 14</b>	<b>+ 19</b>
Allemagne . . . . .	— 44	+ 27	+ 21	— 44	+ 3	+ 22	+ 63
Autriche . . . . .	+ 90	+ 114	+ 100	+ 100	+ 48	+ 21	+ 14
Royaume-Uni . . . . .	— 86	— 27	+ 116	+ 214	+ 103	+ 102	+ 114
Etats-Unis . . . . .	— 448	— 353	— 249	— 142	— 94	— 94	— 99
Tchécoslovaquie . . . . .	+ 83	+ 68	+ 46	+ 44	+ 44	+ 12	+ 20
Autres pays . . . . .	— 66	+ 174	+ 290	+ 237	+ 82	+ 56	+ 20
<b>Total . . . . .</b>	<b>— 854</b>	<b>— 298</b>	<b>+ 188</b>	<b>+ 411</b>	<b>+ 222</b>	<b>+ 133</b>	<b>+ 151</b>

<sup>1</sup> Estimation.

Selon les résultats provisoires, le solde actif est de + 177

Pologne. — b) IMPORTATION PAR PRINCIPAUX ARTICLES EN 1920.

Marchandises importées	Valeur en milliers de zloty	% de l'importation totale	Pays de provenance											
			Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Suisse	Total des cinq pays	Allemagne	Autriche	Royaume-Uni	Etats-Unis	Tchécoslovaquie	Autres pays
Machines, appareils et véhicules . . . . .	509.672	16,4	4.697	28.930	6.222	11.103	19.154	70.106	232.975	36.242	35.980	40.281	39.818	54.270
	100%		0,9%	5,7%	1,3%	2,2%	3,8%	13,9%	45,7%	7,1%	7,0%	7,9%	7,8%	10,6%
Produits chimiques . . . . .	333.055	10,7	19.458	18.717	2.778	13.536	11.034	65.523	132.208	9.709	14.200	7.700	11.591	92.124
	100%		5,8%	5,6%	0,8%	4,2%	3,3%	19,7%	39,7%	2,9%	4,2%	2,3%	3,6%	27,6%
Produits textiles . . . . .	294.677	9,5	1.800	42.934	15.774	2.030	41.949	104.487	45.723	33.199	48.699	1.658	45.209	15.702
	100%		0,6%	14,6%	5,3%	0,7%	14,2%	35,4%	15,5%	11,4%	16,5%	0,6%	15,3%	5,3%
Coton et déchets . . . . .	271.392	8,7	124	419	8.093	1.101	1.495	11.232	9.575	1.576	1.409	210.060	788	36.752
	100%		—	0,2%	3,0%	0,4%	0,6%	4,1%	3,5%	0,6%	0,4%	77,6%	0,3%	13,5%
Métaux et articles . . . . .	266.184	8,5	6.030	13.744	794	17.246	5.938	43.752	85.341	21.068	43.565	18.812	20.531	33.115
	100%		2,3%	5,1%	0,3%	6,5%	2,2%	16,4%	32,1%	7,9%	16,4%	7,1%	7,7%	12,4%
Laine et déchets . . . . .	199.576	6,4	14.804	45.480	966	3.170	1.185	65.605	34.385	4.490	16.305	1.286	7.173	70.332
	100%		7,4%	22,8%	0,5%	1,6%	0,6%	32,9%	17,2%	2,3%	8,2%	0,6%	3,6%	35,2%
Minerais . . . . .	104.735	3,4	90	3	1.399	285	6	1.783	53.073	2.264	—	1.153	1.113	45.349
	100%		0,1%	—	1,3%	0,3%	—	1,7%	50,7%	2,2%	—	1,1%	1,0%	43,3%
Graisses animales et végétales comestibles	87.264	2,8	17	883	89	12.595	75	13.659	15.671	132	2.059	45.083	435	10.225
	100%		—	1,0%	0,1%	14,4%	0,1%	15,6%	18,0%	0,1%	2,4%	51,7%	0,5%	11,7%
Cuir travaillé . . . . .	85.634	2,8	6.106	13.886	169	1.930	3.097	25.188	2.936	24.076	3.038	14.312	13.065	3.019
	100%		7,1%	16,2%	0,2%	2,3%	3,6%	29,4%	3,4%	28,1%	3,6%	16,7%	15,3%	3,5%
Thé, café et cacao . . . . .	70.268	2,3	146	860	910	21.214	37	23.167	198	485	10.875	427	1.225	33.891
	100%		0,2%	1,2%	1,3%	30,2%	0,1%	33,0%	0,3%	0,7%	15,5%	0,6%	1,7%	48,2%
Poissons salés, séchés ou fumés . . . . .	57.529	1,8	69	27	1	550	22	669	2.837	21	47.516	189	6	6.291
	100%		0,1%	—	—	1,0%	—	1,2%	4,9%	—	82,6%	0,3%	—	11,0%
Céréales et légumes à cosse . . . . .	53.185	1,7	5	4	1.223	815	4	2.051	10.336	48	1	557	240	39.952
	100%		—	—	2,3%	1,6%	—	3,9%	19,4%	0,1%	—	1,0%	0,5%	75,1%
Tabac . . . . .	51.877	1,7	—	24	10.489	3.070	7	13.590	1.265	217	1.585	4.362	20	30.838
	100%		—	—	20,2%	5,9%	—	26,2%	2,4%	0,4%	3,1%	8,4%	—	59,5%
Peaux brutes . . . . .	42.437	1,4	374	706	744	6.193	929	8.946	11.597	890	320	2.374	2.704	15.606
	100%		0,9%	1,7%	1,7%	14,6%	2,2%	21,1%	27,3%	2,1%	0,7%	5,6%	6,4%	36,8%
Fourrures brutes . . . . .	35.573	1,1	34	556	249	34	—	873	13.745	1.279	1.174	1.156	492	16.854
	100%		0,1%	1,6%	0,7%	0,1%	—	2,5%	38,6%	3,6%	3,3%	3,2%	1,4%	47,4%
Autres articles . . . . .	647.924	20,8	18.101	47.039	34.074	18.332	19.662	137.208	198.543	45.562	38.301	34.241	83.435	110.634
	100%		2,8%	7,3%	5,3%	2,8%	3,0%	21,2%	30,6%	7,0%	5,9%	5,3%	12,9%	17,1%
<b>Total . . . . .</b>	<b>3.110.982</b>	<b>100</b>	<b>71.855</b>	<b>214.212</b>	<b>83.974</b>	<b>113.204</b>	<b>104.594</b>	<b>587.839</b>	<b>850.408</b>	<b>181.258</b>	<b>265.027</b>	<b>383.651</b>	<b>227.845</b>	<b>614.954</b>
	100%		2,3%	6,9%	2,7%	3,6%	3,4%	18,9%	27,4%	5,8%	8,5%	12,3%	7,3%	19,8%



Pologne. — c) IMPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises importées	Valeur en milliers de zloty	% de l'importation totale	Pays de provenance											
			Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Suisse	Total des cinq pays	Allemagne	Autriche	Royaume-Uni	Etats-Unis	Tchécoslovaquie	Autres pays
Coton et déchets . . . . .	97.463	11,8	61	335	—	394	77	867	150	34	338	80.003	204	15.867
	100%		0,1%	0,3%	—	0,4%	0,1%	0,9%	0,2%	—	0,3%	82,1%	0,2%	16,3%
Produits chimiques . . . . .	92.621	11,2	4.413	9.589	1.499	6.446	6.487	28.434	29.695	2.507	4.882	1.709	3.585	21.809
	100%		4,8%	10,3%	1,6%	7,0%	7,0%	30,7%	32,1%	2,7%	5,3%	1,8%	3,9%	23,5%
Laine et déchets . . . . .	79.690	9,6	8.931	11.013	27	481	225	20.677	1.513	5.960	13.713	12	922	36.893
	100%		11,2%	13,8%	—	0,6%	0,3%	25,9%	1,9%	7,5%	17,2%	—	1,2%	46,3%
Machines, appareils et véhicules .	76.001	9,2	393	6.561	5.548	149	3.317	15.968	28.567	3.932	10.335	4.448	3.062	9.689
	100%		0,5%	8,6%	7,3%	0,2%	4,4%	21,0%	37,6%	5,2%	13,6%	5,9%	4,0%	12,7%
Métaux et articles en métaux .	69.922	8,5	5.842	3.163	540	4.152	1.371	15.068	18.117	6.211	10.127	5.146	4.055	11.198
	100%		8,3%	4,5%	0,8%	5,9%	2,0%	21,5%	25,9%	8,9%	14,5%	7,4%	5,8%	16,0%
Produits textiles . . . . .	50.968	6,2	2.499	5.537	4.859	618	10.134	23.647	5.699	5.977	9.561	65	4.373	1.646
	100%		4,9%	10,9%	9,5%	1,2%	19,9%	46,4%	11,2%	11,7%	18,8%	0,1%	8,6%	3,2%
Thé, cacao, café . . . . .	27.911	3,4	—	178	4	1.398	—	1.580	—	—	1.481	60	—	24.790
	100%		—	0,6%	0,1%	5,0%	—	5,7%	—	—	5,3%	0,2%	—	88,8%
Peaux brutes . . . . .	22.468	2,7	1.070	452	11	2.733	184	4.450	2.268	1.446	—	88	2.571	11.645
	100%		4,8%	2,0%	—	12,2%	0,8%	19,8%	10,1%	6,4%	—	0,4%	11,5%	51,8%
Tabac . . . . .	21.758	2,6	—	—	12.362	44	15	12.421	—	134	13	1.727	—	7.463
	100%		—	—	56,8%	0,2%	0,1%	57,1%	—	0,6%	0,1%	7,9%	—	34,3%
Céréales et légumineuses . . . . .	19.079	2,3	—	4	8	7	—	19	5.605	—	1.375	102	—	11.978
	100%		—	—	0,1%	—	—	0,1%	29,4%	—	7,2%	0,5%	—	62,8%
Graines oléagineuses . . . . .	17.713	2,1	—	—	38	719	—	757	128	—	100	—	—	16.728
	100%		—	—	0,2%	4,1%	—	4,3%	0,7%	—	0,6%	—	—	94,4%
Minerais . . . . .	17.291	2,1	12	18	140	—	—	170	7.970	—	—	—	4	9.147
	100%		0,1%	0,1%	0,8%	—	—	1,0%	46,1%	—	—	—	—	52,9%
Fourrures brutes . . . . .	15.692	1,9	52	1.071	472	104	9	1.708	2.827	174	4.886	1.401	446	4.150
	100%		0,3%	6,9%	3,0%	0,7%	0,1%	11,0%	18,1%	1,1%	31,3%	9,0%	2,9%	26,6%
Poissons salés, séchés ou fumés .	15.224	1,8	5	—	—	205	—	210	574	18	10.250	10	—	4.162
	100%		0,1%	—	—	1,3%	—	1,4%	3,8%	0,1%	67,3%	0,1%	—	27,3%
Cuir travaillé . . . . .	14.351	1,7	1.071	2.247	4	535	522	4.379	516	1.665	2.238	4.385	315	853
	100%		7,5%	15,7%	—	3,7%	3,6%	30,5%	3,6%	11,6%	15,6%	30,6%	2,2%	5,9%
Fruits et baies frais . . . . .	14.285	1,7	—	38	5.681	475	5	6.199	65	503	8	2.091	27	5.392
	100%		—	0,3%	39,8%	3,3%	—	43,4%	0,5%	3,5%	0,1%	14,6%	0,2%	37,7%
Autres produits . . . . .	174.657	21,2	4.966	16.273	7.062	10.239	4.699	43.239	42.000	6.609	13.746	8.616	16.064	44.383
	100%		2,8%	9,3%	4,1%	5,9%	2,7%	24,8%	24,0%	3,8%	7,9%	4,9%	9,2%	25,4%
Total . . . . .	826.994	100	29.315	56.479	38.255	28.699	27.045	179.793	145.694	35.170	83.053	109.863	35.628	237.793
	100%		3,5%	6,8%	4,6%	3,5%	3,3%	21,7%	17,6%	4,3%	10,0%	13,3%	4,3%	28,8%

Pologne. — d) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1929.

Marchandises exportées	Valeur en milliers de zloty	% de l'exportation totale	Pays de destination											
			Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Suisse	Total des cinq pays	Allemagne	Autriche	Royaume-Uni	Etats-Unis	Tchécoslovaquie	Autres pays
Bois et ouvrages en bois . . . . .	481.946 100%	17,2	20.479 4,2%	14.655 3,0%	2.705 0,6%	30.814 6,4%	3.258 0,7%	71.911 14,9%	254.199 52,8%	7.427 1,5%	65.681 13,6%	5.578 1,2%	40.046 8,3%	37.104 7,7%
Houille . . . . .	390.692 100%	13,9	1.122 0,3%	17.302 4,4%	13.503 3,5%	2.921 0,6%	3.082 0,8%	37.330 9,6%	3.453 0,9%	102.491 26,2%	571 0,1%	221 0,1%	33.993 8,7%	212.633 54,4%
Métaux et articles en métaux . . . . .	323.751 100%	11,5	90 —	998 0,3%	4.259 1,3%	3.218 1,0%	1.771 0,6%	10.338 3,2%	120.083 37,1%	12.546 3,9%	12.795 4,0%	150 —	22.050 6,8%	145.791 45,0%
Produits textiles . . . . .	217.358 100%	7,7	728 0,3%	1.560 0,7%	2.686 1,2%	1.234 0,6%	18.398 8,5%	24.606 11,3%	30.071 13,9%	15.652 7,2%	14.742 6,8%	2.431 1,1%	4.861 2,2%	124.995 57,5%
Céréales et légumes à cosse . . . . .	203.942 100%	7,2	30.288 14,8%	1.262 0,6%	5.616 2,8%	14.298 7,0%	3.476 1,7%	54.940 26,9%	63.389 31,1%	1.803 0,9%	16.053 7,9%	73 —	4.623 2,3%	63.061 30,9%
Porcs . . . . .	185.182 100%	6,6	— —	— —	— —	— —	20 —	20 —	5.073 2,7%	77.649 41,9%	— —	— —	102.341 55,3%	99 0,1%
Œufs . . . . .	142.504 100%	5,2	447 0,3%	5.792 4,1%	5.583 3,9%	1.165 0,8%	3.222 2,3%	16.209 11,4%	71.673 50,3%	17.467 12,2%	22.791 16,0%	— —	12.268 8,6%	2.096 1,5%
Sucre . . . . .	133.567 100%	4,7	1.323 1,0%	2.331 1,7%	— —	6.241 4,7%	16 —	9.911 7,4%	14.480 10,8%	1 —	52.522 39,3%	— —	43 0,1%	56.610 42,4%
Viandes fraîches et produits de viande . . . . .	96.361 100%	3,4	435 0,5%	1.110 1,2%	88 —	116 0,1%	103 0,1%	1.852 1,9%	164 0,2%	33.048 34,3%	58.574 60,8%	73 —	2.379 2,5%	271 0,3%
Laitage . . . . .	91.065 100%	3,2	436 0,5%	62 0,1%	32 —	733 0,8%	97 0,1%	1.360 1,5%	66.786 73,3%	431 0,5%	20.664 22,7%	3 —	409 0,4%	1.412 1,6%
Pétrole et dérivés . . . . .	74.293 100%	2,6	2.722 3,7%	5.630 7,6%	2.478 3,3%	482 0,6%	2.603 3,5%	13.915 18,7%	11.814 15,9%	7.539 10,2%	5.237 7,0%	506 0,7%	19.865 26,7%	15.417 20,8%
Fourrage . . . . .	64.906 100%	2,3	167 0,3%	23 —	1 —	979 1,5%	13 —	1.183 1,8%	49.315 76,0%	3.732 5,8%	1.107 1,7%	3.101 4,8%	2.225 3,4%	4.243 6,5%
Autres produits . . . . .	407.793 100%	14,5	8.763 2,1%	9.835 2,4%	3.199 0,8%	17.690 4,3%	4.388 1,1%	43.875 10,7%	186.622 45,8%	14.902 3,7%	17.518 4,3%	18.658 4,6%	51.154 12,5%	75.064 18,4%
<b>Total . . . . .</b>	<b>2.813.360</b> <b>100%</b>	<b>100</b>	<b>67.000</b> <b>2,4%</b>	<b>60.560</b> <b>2,2%</b>	<b>40.150</b> <b>1,4%</b>	<b>79.291</b> <b>2,8%</b>	<b>40.447</b> <b>1,4%</b>	<b>287.448</b> <b>10,2%</b>	<b>877.122</b> <b>31,2%</b>	<b>294.688</b> <b>10,5%</b>	<b>288.255</b> <b>10,2%</b>	<b>30.794</b> <b>1,1%</b>	<b>296.257</b> <b>10,5%</b>	<b>738.796</b> <b>26,3%</b>

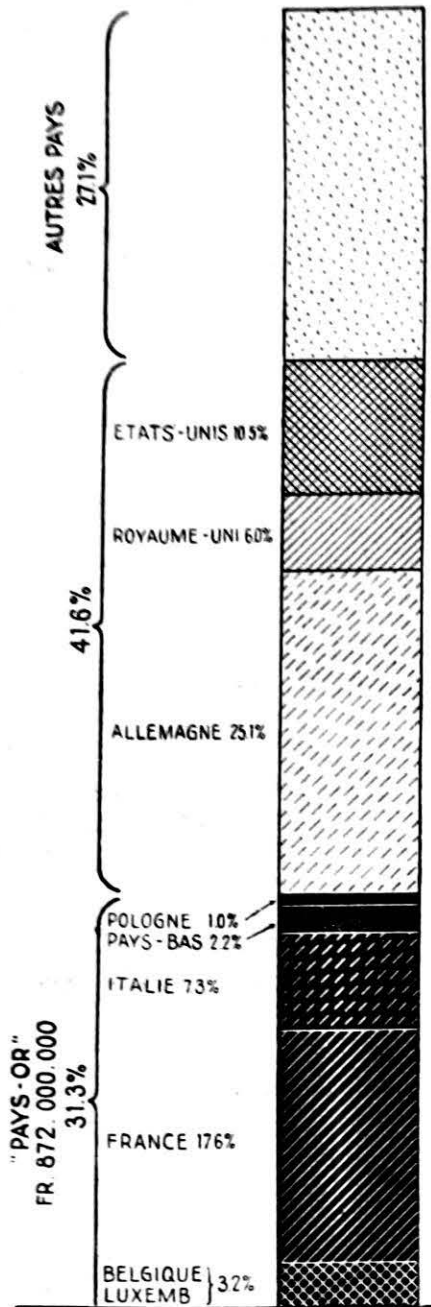
Pologne. — e) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises exportées	Valeur en milliers de zloty	% de l'importation totale	Pays de destination											
			Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Suisse	Total des cinq pays	Allemagne	Autriche	Royaume-Uni	Etats-Unis	Tchécoslovaquie	Autres pays
Houille . . . . .	172.757	18,0	2.734	19.307	15.991	—	1.243	39.275	666	30.597	—	—	9.889	92.330
	100%		1,6%	11,2%	9,3%	—	0,7%	22,8%	0,4%	17,7%	—	—	5,7%	53,4%
Bois et ouvrages en bois . . . . .	154.570	16,1	15.375	12.606	322	19.498	3.906	51.707	20.147	1.008	59.580	3.469	3.612	15.047
	100%		9,9%	8,2%	0,2%	12,7%	2,5%	33,5%	13,0%	0,7%	38,6%	2,2%	2,3%	9,7%
Métaux et articles en métaux . . . . .	120.172	12,5	287	800	658	2.032	768	4.525	28.552	2.291	1.655	297	2.927	79.925
	100%		0,3%	0,7%	0,5%	1,7%	0,6%	3,8%	23,8%	1,9%	1,4%	0,2%	2,4%	66,5%
Céréales et légumineuses . . . . .	81.321	8,5	17.705	2.197	482	8.265	289	28.938	32.306	133	1.546	4.478	192	13.728
	100%		21,8%	2,7%	0,6%	10,2%	0,3%	35,6%	39,7%	0,2%	1,9%	5,5%	0,2%	16,9%
Produits de viandes . . . . .	75.621	7,9	203	75	10	—	17	305	26	105	74.908	231	5	41
	100%		0,3%	0,1%	—	—	—	0,4%	—	0,1%	99,0%	0,3%	—	0,1%
Produits textiles . . . . .	38.825	4,0	95	458	627	600	2.885	4.665	1.025	2.272	1.364	1.037	302	28.160
	100%		0,3%	1,2%	1,6%	1,5%	7,4%	12,0%	2,6%	5,9%	3,5%	2,7%	0,8%	72,5%
Produits chimiques . . . . .	34.541	3,6	1.612	371	145	1.495	164	3.787	11.707	893	342	230	3.923	13.659
	100%		4,7%	1,1%	0,4%	4,3%	0,5%	11,0%	33,9%	2,6%	1,0%	0,6%	11,4%	39,5%
Oeufs . . . . .	33.621	3,5	127	1.012	3.770	74	1.021	6.004	5.712	1.469	14.196	—	1.580	4.660
	100%		0,4%	3,0%	11,2%	0,3%	3,0%	17,9%	17,0%	4,3%	42,2%	—	4,7%	13,9%
Pétrole et dérivés . . . . .	31.150	3,2	1.692	1.347	430	88	1.128	4.685	2.058	1.126	7.364	—	10.245	5.672
	100%		5,4%	4,3%	1,4%	0,3%	3,6%	15,0%	6,6%	3,7%	23,6%	—	32,9%	18,2%
Sucre . . . . .	18.732	2,0	574	1.883	—	13	343	2.813	2.382	—	4.769	—	—	8.768
	100%		3,1%	10,1%	—	—	1,8%	15,0%	12,7%	—	25,5%	—	—	46,8%
Porcs . . . . .	12.172	1,3	—	366	—	—	27	393	3.372	8.060	—	—	338	9
	100%		—	3,0%	—	—	0,2%	3,2%	27,7%	66,2%	—	—	2,8%	0,1%
Autres produits . . . . .	186.161	19,4	6.776	12.689	2.474	22.316	2.281	46.536	59.837	7.689	18.962	6.160	15.088	31.889
	100%		3,6%	6,8%	1,3%	12,0%	1,3%	25,0%	32,1%	4,1%	10,2%	3,3%	8,1%	17,2%
	959.643	100	47.160	53.111	24.909	54.381	14.072	193.633	167.790	55.643	184.686	15.902	48.101	293.888
	100%		4,9%	5,5%	2,6%	5,7%	1,5%	20,2%	17,5%	5,8%	19,2%	1,7%	5,0%	30,6%

# SUISSE

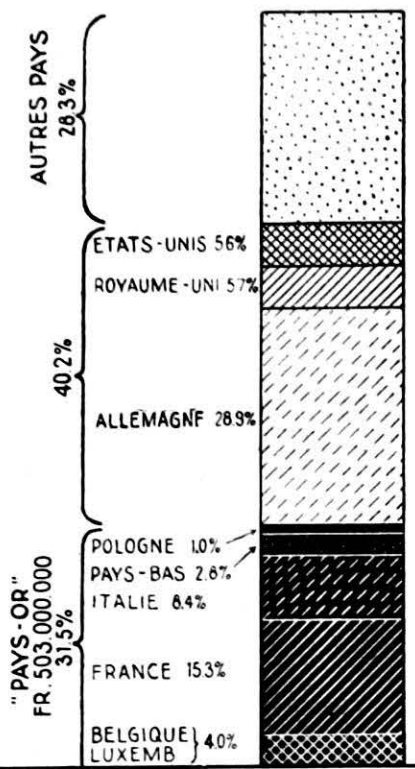
TOTAL FR. 2 784 000 000

## IMPORTATION



	1929	1933
Denrées alimentaires	24%	25%
Matières premières	36%	30%
Produits finis	40%	45%
Total	100%	100%

TOTAL FR. 1 594 000 000

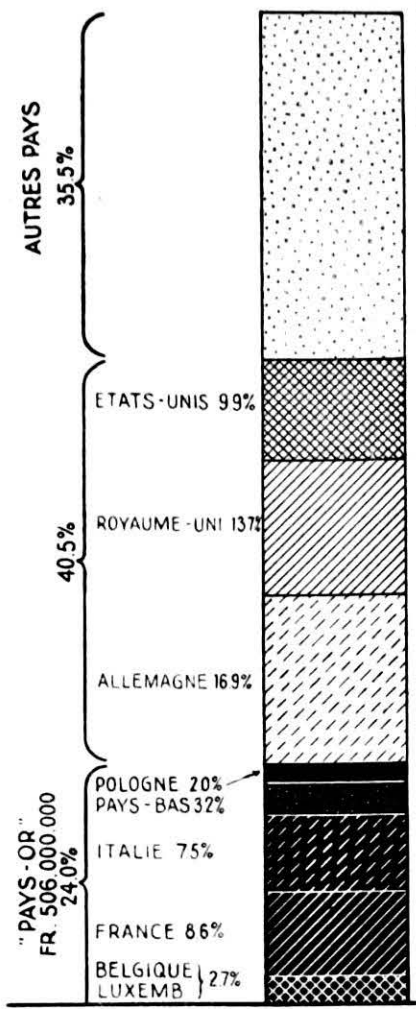


1929

1933

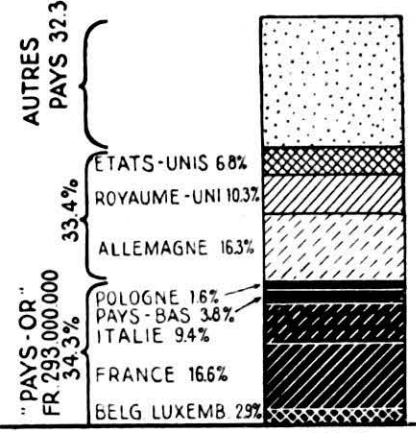
## EXPORTATION

TOTAL FR. 2 104 000 000



	1929	1933
Denrées alimentaires	10%	8%
Matières premières	10%	11%
Produits finis	80%	81%
Total	100%	100%

TOTAL FR. 853 000 000



1929

1933

A. DONNÉES ESSENTIELLES RELATIVES AU RÔLE DE LA SUISSE  
DANS LE BLOC-OR.

6. SUISSE.

1. — L'ensemble des pays du Bloc-or joue, comme fournisseur, un rôle très important dans le commerce extérieur de la Suisse. Ils lui ont, en effet, fourni constamment, depuis 1928, près du tiers de son *importation* totale.

Dans l'*exportation suisse*, le rôle que les pays du Bloc-or jouent comme clients n'a cessé d'augmenter et leur part, comme ensemble, a passé de 24 % en 1929 à 30,8 % en 1934.

2. — Des cinq autres pays du Bloc-or, la *France* est le principal fournisseur de la Suisse, sa part proportionnelle dans l'importation totale de celle-ci, qui n'a que peu varié avec le temps, était de 17,6 % en 1929 et de 16,0 % en 1934 ; les valeurs correspondantes ont été respectivement de 490 millions et de 230 millions de francs.

L'*Union Belgo-Luxembourgeoise*, les *Pays-Bas* et la *Pologne* ont fourni à la Suisse, en 1934, respectivement les 3,6 %, 2,7 % et 1,0 % en valeur.

A l'exportation, c'est encore la *France* qui se trouve au premier rang, et sa part comme client, qui n'a fait que s'accroître d'année en année par rapport à l'exportation totale de la Suisse, a passé de 8,6 % en 1929 à 14,5 % en 1934 après avoir atteint 16,6 % en 1933. Toutefois, la valeur des livraisons a diminué, passant de 182 millions de francs à 122 millions de francs pour la période correspondante.

La part proportionnelle de l'*Italie* dans l'exportation totale suisse a légèrement augmenté, passant de 7,5 % en 1929 à 9,0 % en 1934. Ensuite, les *Pays-Bas*, l'*Union Belgo-Luxembourgeoise* et la *Pologne* ont pris respectivement les 3,1 %, les 2,7 % et 1,5 % de l'exportation suisse en 1934.

3. — Les importations en provenance du *Royaume-Uni* qui étaient de 168 millions de francs en 1929 sont tombées à 91 millions en 1934. Malgré cette forte diminution en valeur, la part du *Royaume-Uni* dans l'importation suisse en tant que fournisseur est restée, exprimée en pourcentages, au même niveau (6,0 % en 1929 et 6,1 % en 1933). Par contre, comme client, le *Royaume-Uni* a joué, vis-à-vis de l'exportation suisse, un rôle moindre en 1934 qu'en 1929 (respectivement 13,7 % et 10,0 %) tandis que la valeur de ses achats diminuaient de 288 millions de francs en 1929 à 84 millions en 1934.

4. — La Suisse a vu ses importations en provenance du *Royaume-Uni* diminuer beaucoup moins rapidement que ses exportations à destination de ce pays. Il en est résulté que la balance active dont jouissait autrefois la Suisse dans ses relations avec le *Royaume-Uni* et qui atteignait encore 140 millions de francs suisses en 1931, s'est renversée et a fait place à une balance commerciale négative (—7 millions de francs en 1934). Ce double mouvement s'explique probablement, tout au moins en partie, par l'influence combinée de la protection que le *Royaume-Uni* a instaurée en 1931 et par la dévalorisation de la livre sterling.

5. — L'*Allemagne* est, de beaucoup, le plus important fournisseur de la Suisse. Sa part relative dans l'importation totale de la Suisse, en augmentation sur 1929 où elle était de 25,1 %, atteignait 28,9 % en 1933. En même temps, les valeurs reculaient de 698 millions de francs à 389 millions.

En ce qui concerne l'exportation suisse, l'*Allemagne* est restée de 1928 à 1934, sauf en 1931, le principal client. En 1934, la Suisse a vendu à l'*Allemagne* pour 182 millions de francs de marchandises, représentant le 21,6 % de son exportation totale.

La balance du commerce avec l'*Allemagne* présente un solde fortement passif pour la Suisse (322 millions de francs en 1933 et 207 millions en 1934).

6. — Le *commerce total* (importations et exportations réunies) de la Suisse n'a cessé de diminuer de 1929 à 1934 (4.888 millions de francs et 2.279 millions respectivement). On peut constater cependant qu'à partir de 1932 cette chute s'est beaucoup ralentie et que le commerce tend à se développer en palier.

7. — En ce qui concerne la *direction et l'origine des courants commerciaux*, on peut constater certaines variations, plus sensibles dans l'exportation que dans l'importation.

En ce qui concerne l'importation, on peut tout au plus citer une légère augmentation du rôle joué par l'*Allemagne* et l'*Italie* comme fournisseurs et une diminution en ce qui concerne les *Etats-Unis*. Ces réserves étant faites, on peut estimer que la structure des importations en ce qui touche aux pays de provenance est restée relativement stable de 1929 à 1934.

Par contre, l'exportation enregistre des modifications plus importantes au nombre desquelles il faut citer le très fort accroissement de la part proportionnelle prise par la *France*, ainsi qu'un progrès du rôle joué par l'*Italie* comme client. Par contre, la *Grande-Bretagne* et les *Etats-Unis* voient diminuer leur importance relative.

8. — En ce qui concerne la *composition du commerce extérieur* au point de vue des trois groupes suivants : denrées alimentaires, matières premières et produits finis, il y a lieu de noter une diminution des matières premières qui ont passé de 36 % de l'importation en 1929 à 30 % en 1933, ainsi qu'une augmentation des produits finis, de 40 % en 1929 à 45 % en 1933.

L'exportation est restée beaucoup plus stable dans sa composition. Tout au plus faut-il noter la légère diminution de 10 % pour 1929 à 8 % en 1933 en ce qui concerne les denrées alimentaires.

Quant à la répartition du commerce extérieur entre les principaux articles, on peut noter les modifications suivantes :

A l'importation, la soie et les articles en soie, qui représentaient le 6 % des valeurs importées, ont passé à 4,3 %. Il faut citer à ce sujet que l'Italie et la France, qui étaient en 1929 les principaux fournisseurs en soieries de la Suisse et qui lui livraient respectivement le 36,3 % et le 37,5 % de son importation de soie, ont été supplantés en 1933 par l'Allemagne, laquelle a livré, en 1934, le 36,1 % de l'importation suisse de soie et de soieries tandis que la part de l'Italie et de la France tombait à 27,6 % et 17,5 % respectivement. Les produits alimentaires de provenance animale qui passent de la huitième place à la douzième. Par contre, les matières minérales marquent un progrès en s'élevant de 6,6 % à 8,0 %. Ce progrès est dû en partie à l'accroissement d'importation de houille et de coke dont la valeur a passé de 51 millions de francs en 1929 à 83 millions en 1933.

On peut noter le recul important des Etats-Unis en tant que fournisseurs de céréales ; leur part dans l'importation de ces articles s'est réduite de 9,7 % en 1929 à 2,4 % en 1933 pour des valeurs respectivement de 25 et de 3 millions de francs.

A l'exportation, on peut mentionner que l'horlogerie qui se tenait au premier rang des exportations suisses en 1929 a passé au troisième rang en 1933, la valeur exportée ayant diminué des deux tiers. C'est dans son exportation aux Etats-Unis que l'horlogerie enregistre la baisse la plus sensible en valeur absolue, 55 millions de moins qu'en 1929, soit une diminution de 82 %. La baisse relative la plus forte a été celle de l'exportation horlogère vers l'Italie qui a été de 85 % entre 1929 et 1933.

Alors que les Etats-Unis étaient, en 1929, le principal acheteur de la Suisse pour ces articles, c'est l'Allemagne qui se trouve en tête aujourd'hui.

Pour les soies et soieries, le Royaume-Uni et l'Allemagne étaient en 1929 les principaux clients avec 15,1 % et 27,4 % respectivement. En 1933, cette situation s'est renversée, l'Allemagne est devenue le principal acheteur avec 31,4 %, la part du Royaume-Uni ayant reculé au 17,9 %.

9. — La balance commerciale de la Suisse, constamment passive, a atteint son maximum avec 962 millions de francs en 1932 (— 680 millions en 1929). Par la suite, l'excédent des importations sur les exportations a subi une compression en ce qui touche, soit à la balance générale, soit aux balances avec la plupart des pays. De 1932 à 1934, le solde passif du commerce avec les pays du Bloc-or a été ramené de 290 millions de francs à 191 millions et celui de la balance générale a passé de 962 millions de francs à 591 millions. La politique de contingentement pratiquée par la Suisse a certainement joué un rôle, partiel tout au moins, dans cette réduction des excédents d'importation.

En ce qui concerne les balances commerciales de la Suisse avec divers pays pris individuellement, il faut citer le renversement de la balance avec les Pays-Bas, laquelle est passée d'un solde actif de 7 millions de francs en 1929 à un solde passif de 13 millions de francs en 1934.

Le renversement le plus sensible pour la Suisse est celui de son commerce avec le Royaume-Uni dont il a été question plus haut.

Il faut remarquer l'importance du solde commercial passif avec l'Allemagne, lequel est passé de 343 millions de francs en 1929 à 462 millions en 1931. Par la suite, ce solde, fortement comprimé, s'est réduit à 207 millions en 1934. Le déficit du commerce suisse avec l'Allemagne formait en 1934 un peu plus du tiers du déficit commercial total de la Suisse, cette proportion étant plus forte encore dans les années précédentes où elle a atteint le 50 % en 1929 et le 51 % en 1931.

On doit signaler enfin, que le Gouvernement suisse, en présence des difficultés éprouvées par les porteurs suisses de créances (commerciales ou autres) sur l'Allemagne à l'occasion du recouvrement de celles-ci, a conclu avec ce pays un accord de compensation en date du 26 juillet 1934, accord partiellement modifié le 8 décembre 1934.

10. — Les revenus du tourisme qui sont pour la Suisse un précieux élément de sa balance des comptes ont fortement diminué. Au nombre des causes de cette diminution il faut citer, outre la baisse générale des revenus privés, la dévaluation de la monnaie de plusieurs des pays qui fournissaient autrefois d'importants contingents de touristes, ainsi que les mesures de limitation de sortie des devises consacrées au tourisme.

Il convient enfin de signaler que la Suisse et les Pays-Bas sont les seuls pays du Bloc-or qui n'ont pas changé la parité de leur monnaie. On peut estimer qu'en ce qui concerne la Suisse, cette circonstance qui a contribué au maintien des prix à un niveau élevé est une des causes des difficultés d'exportation qu'éprouve ce pays.

## B. RENSEIGNEMENTS STATISTIQUES.

### Suisse. — a) COMMERCE EXTÉRIEUR. — CHIFFRES GLOBAUX ANNUELS.

(Valeur en millions de francs.)

#### *Importation.*

Provenance	1928		1929		1930		1931		1932		1933		1934	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	94	3,4	90	3,2	85	3,2	81	3,6	71	4,0	64	4,0	51	3,6
France . . . . .	491	17,9	490	17,6	452	17,0	362	16,1	272	15,4	244	15,3	230	16,0
Italie . . . . .	200	7,3	203	7,3	185	6,9	180	8,0	143	8,1	134	8,4	116	8,1
Pays-Bas . . . . .	53	2,0	60	2,2	59	2,2	47	2,1	53	3,0	45	2,8	39	2,7
Pologne . . . . .	23	0,8	29	1,0	31	1,2	29	1,3	21	1,2	16	1,0	15	1,0
<b>Total des cinq pays . .</b>	<b>861</b>	<b>31,4</b>	<b>872</b>	<b>31,3</b>	<b>812</b>	<b>30,5</b>	<b>699</b>	<b>31,1</b>	<b>560</b>	<b>31,7</b>	<b>503</b>	<b>31,5</b>	<b>451</b>	<b>31,4</b>
Allemagne . . . . .	624	22,7	698	25,1	709	26,6	660	29,3	499	28,3	461	28,9	389	27,1
Royaume-Uni . . . . .	226	8,3	168	6,0	232	8,7	96	4,3	78	4,4	91	5,7	91	6,3
Etats-Unis . . . . .	244	8,9	291	10,5	205	7,7	164	7,3	115	6,5	90	5,6	76	5,3
Autres pays . . . . .	790	28,7	755	27,1	706	26,5	632	28,0	511	29,1	449	28,3	428	29,9
<b>Total général . . . . .</b>	<b>2.745</b>	<b>100</b>	<b>2.784</b>	<b>100</b>	<b>2.664</b>	<b>100</b>	<b>2.251</b>	<b>100</b>	<b>1.763</b>	<b>100</b>	<b>1.594</b>	<b>100</b>	<b>1.435</b>	<b>100</b>

#### *Exportation.*

Destination	1928		1929		1930		1931		1932		1933		1934	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	43	2,0	56	2,7	55	3,1	39	2,9	25	3,1	25	2,9	23	2,7
France . . . . .	157	7,3	182	8,6	183	10,4	156	11,6	123	15,4	142	16,6	122	14,5
Italie . . . . .	141	6,6	158	7,5	120	6,8	94	7,0	82	10,2	80	9,4	76	9,0
Pays-Bas . . . . .	54	2,5	67	3,2	62	3,5	47	3,5	28	3,5	32	3,8	26	3,1
Pologne . . . . .	49	2,3	43	2,0	29	1,6	27	2,0	12	1,5	14	1,6	13	1,5
<b>Total des cinq pays . .</b>	<b>444</b>	<b>20,7</b>	<b>506</b>	<b>24,0</b>	<b>449</b>	<b>25,4</b>	<b>363</b>	<b>27,0</b>	<b>270</b>	<b>33,7</b>	<b>293</b>	<b>34,3</b>	<b>260</b>	<b>30,8</b>
Allemagne . . . . .	387	18,2	355	16,9	283	16,0	198	14,7	111	13,9	139	16,3	182	21,6
Royaume-Uni . . . . .	306	14,3	288	13,7	263	14,9	236	17,5	86	10,7	88	10,3	84	10,0
Etats-Unis . . . . .	195	9,2	208	9,9	144	8,2	92	6,8	55	6,9	58	6,8	47	5,6
Autres pays . . . . .	802	37,6	747	35,5	629	35,5	460	14,0	279	34,8	275	32,3	271	32,0
<b>Total général . . . . .</b>	<b>2.134</b>	<b>100</b>	<b>2.104</b>	<b>100</b>	<b>1.768</b>	<b>100</b>	<b>1.349</b>	<b>100</b>	<b>801</b>	<b>100</b>	<b>853</b>	<b>100</b>	<b>844</b>	<b>100</b>

#### *Balance du commerce.*

Pays	1928	1929	1930	1931	1932	1933	1934
Union Belgo-Luxembourgeoise . . . . .	— 51	— 34	— 30	— 42	— 46	— 39	— 28
France . . . . .	— 334	— 308	— 269	— 206	— 149	— 102	— 108
Italie . . . . .	— 59	— 45	— 65	— 86	— 61	— 54	— 40
Pays-Bas . . . . .	+ 1	+ 7	+ 3	—	— 25	— 13	— 13
Pologne . . . . .	+ 26	+ 14	— 2	— 2	— 9	— 2	+ 2
<b>Total des cinq pays . . . .</b>	<b>— 417</b>	<b>— 366</b>	<b>— 363</b>	<b>— 336</b>	<b>— 290</b>	<b>— 210</b>	<b>— 191</b>
Allemagne . . . . .	— 237	— 343	— 426	— 462	— 388	— 322	— 207
Grande-Bretagne . . . . .	+ 80	+ 120	+ 31	+ 140	+ 8	— 3	— 7
Etats-Unis . . . . .	— 49	— 83	— 61	— 72	— 60	— 32	— 29
Autres pays . . . . .	+ 12	— 8	— 77	— 172	— 232	— 174	— 157
<b>Total . . . . .</b>	<b>— 611</b>	<b>— 680</b>	<b>— 896</b>	<b>— 902</b>	<b>— 962</b>	<b>— 741</b>	<b>— 591</b>

Suisse. — b) IMPORTATION PAR PRINCIPAUX ARTICLES EN 1920.

Marchandises importées	Valeur en milliers de francs	% de l'importation totale	Pays de provenance									
			Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Total des cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Céréales et farines . . . . .	259.194	9,3	8	3.774	7.549	451	5.917	17.699	19.156	535	25.209	196.595
100%			—	1,5%	2,9%	0,1%	2,3%	6,8%	7,4%	0,3%	9,7%	75,8%
Matières minérales <sup>1</sup> . . . . .	185.358	6,8	10.599	53.175	2.408	10.438	7.299	83.919	78.234	9.682	5.452	8.071
100%			5,7%	28,7%	1,4%	5,6%	3,9%	45,3%	42,2%	5,2%	2,9%	4,4%
Fer. . . . .	169.351	6,1	10.934	56.454	1.212	961	263	69.824	70.915	8.249	3.460	16.903
100%			6,5%	33,3%	0,7%	0,6%	0,1%	41,2%	41,9%	4,9%	2,0%	10,0%
Soie et articles en soie . . . . .	169.190	6,0	1.630	61.351	63.483	2.093	511	129.068	18.878	2.587	89	18.568
100%			1,0%	36,3%	37,5%	1,2%	0,3%	76,3%	11,2%	1,5%	—	11,0%
Coton et articles en coton . . . . .	162.759	5,8	1.745	9.781	2.679	558	52	14.815	14.783	40.494	30.925	61.742
100%			1,1%	6,0%	1,7%	0,3%	—	9,1%	9,1%	24,9%	19,0%	37,9%
Produits pharmaceutiques, chimiques et de droguerie . . . . .	146.165	5,3	1.854	19.255	2.909	3.387	462	27.867	50.865	2.530	12.047	52.856
100%			1,3%	13,2%	2,0%	2,3%	0,3%	19,1%	34,8%	1,7%	8,2%	36,2%
Laine et articles en laine . . . . .	138.726	5,0	5.901	22.857	1.610	389	445	31.202	44.343	12.594	20	50.567
100%			4,3%	16,5%	1,1%	0,2%	0,3%	22,5%	32,0%	9,0%	—	36,5%
Produits alimentaires de provenance animale . . . . .	124.090	4,5	3.683	32.276	21.016	4.430	3.224	64.629	5.073	108	5.240	49.042
100%			3,0%	26,0%	16,9%	3,6%	2,6%	52,1%	4,1%	0,1%	4,2%	39,5%
Denrées coloniales . . . . .	121.323	4,4	10.168	11.410	1.721	10.502	1.043	34.844	4.826	871	934	79.848
100%			8,4%	9,4%	1,4%	8,7%	0,8%	28,7%	4,0%	0,7%	0,8%	65,8%
Machines . . . . .	106.566	3,8	1.062	10.599	1.266	1.224	34	14.185	73.732	5.546	7.795	5.308
100%			1,0%	9,9%	1,2%	1,2%	—	13,3%	69,2%	5,2%	7,3%	5,0%
Fruits et légumes . . . . .	90.366	3,3	1.092	25.981	24.446	4.579	396	56.494	3.954	79	3.052	26.787
100%			1,2%	28,8%	27,1%	5,1%	0,3%	62,5%	4,4%	0,1%	3,4%	29,6%
Bois et ouvrages en bois (y compris les meubles) <sup>2</sup> . . . . .	85.121	3,1	252	11.568	1.918	197	5.514	19.449	23.399	307	3.875	38.091
100%			0,3%	13,6%	2,3%	0,1%	6,5%	22,8%	27,5%	0,4%	4,6%	44,7%
Véhicules . . . . .	83.114	3,0	1.799	13.458	7.705	411	—	23.373	9.762	5.235	43.920	824
100%			2,2%	16,2%	9,3%	0,4%	—	28,1%	11,7%	6,3%	52,9%	1,0%
Cuir et peaux et leurs articles . . . . .	82.944	3,0	2.461	13.330	4.407	546	79	20.823	37.234	3.402	6.641	14.844
100%			3,0%	16,1%	5,3%	0,6%	0,1%	25,1%	44,9%	4,1%	8,0%	17,9%
Semences, plantes . . . . .	80.725	2,9	1.228	31.511	8.761	3.742	2.191	47.433	6.675	297	183	26.137
100%			1,6%	39,0%	10,9%	4,6%	2,7%	58,8%	8,3%	0,4%	0,1%	32,4%
Confections . . . . .	70.662	2,5	3.714	16.587	2.825	180	6	23.312	36.553	3.310	690	6.797
100%			5,3%	23,5%	4,0%	0,2%	—	33,0%	51,7%	4,7%	1,0%	9,6%
Autres articles <sup>3</sup> . . . . .	708.198	25,4	31.836	96.142	46.770	16.184	1.513	192.445	199.753	71.997	141.647	102.356
100%			4,5%	13,6%	6,6%	2,3%	0,2%	27,2%	28,2%	10,1%	20,0%	14,5%
<b>Total . . . . .</b>	<b>2.783.852</b>	<b>100</b>	<b>89.966</b>	<b>489.509</b>	<b>202.685</b>	<b>60.272</b>	<b>28.949</b>	<b>871.381</b>	<b>698.135</b>	<b>167.821</b>	<b>291.179</b>	<b>755.336</b>
100%			3,2%	17,6%	7,3%	2,2%	1,0%	31,3%	25,1%	6,0%	10,5%	27,1%

<sup>1</sup> Dont : houille pour 22.114.000 francs et coke pour 28.770.000 francs.

<sup>2</sup> Dont : bois brut pour 36.212.000 francs.

<sup>3</sup> Dont : Métaux précieux non monnayés pour 129.005.000 francs.



Suisse. — e) IMPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises importées	Valeur en milliers de francs	% de l'importation totale	Pays de provenance									
			UnionBelgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Total des cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Céréales et farines . . . . .	128.424	8,0	—	3.141	3.903	680	463	8.187	6.018	281	3.078	110.860
	100%		—	2,5%	3,0%	0,5%	0,4%	6,4%	4,7%	0,2%	2,4%	86,3%
Matières minérales <sup>1</sup> . . . . .	127.755	8,0	5.973	31.287	1.397	10.624	4.069	53.350	48.845	9.849	2.329	13.382
	100%		4,7%	24,5%	1,1%	8,3%	3,2%	41,8%	38,2%	7,7%	1,8%	10,5%
Fer. . . . .	96.459	6,0	8.757	32.138	1.509	1.859	358	44.621	37.544	3.553	770	9.971
	100%		9,1%	33,3%	1,6%	1,9%	0,4%	46,3%	38,9%	3,7%	0,8%	10,3%
Coton et articles en coton . . . . .	87.676	5,5	1.479	4.147	1.243	459	188	7.516	22.257	22.374	11.884	23.645
	100%		1,7%	4,7%	1,4%	0,5%	0,2%	8,5%	25,4%	25,5%	13,6%	27,0%
Produits pharmaceutiques, chimiques et de droguerie	83.988	5,3	1.486	11.514	1.503	1.723	181	16.407	29.275	1.945	5.027	31.334
	100%		1,7%	13,7%	1,8%	2,1%	0,2%	19,5%	34,9%	2,3%	6,0%	37,3%
Laine et articles en laine . . . . .	83.011	5,2	4.608	16.095	2.922	806	69	24.500	19.510	11.301	1	27.699
	100%		5,6%	19,4%	3,5%	1,0%	—	29,5%	23,5%	13,6%	—	33,4%
Fruits et légumes . . . . .	80.115	5,0	574	12.462	31.489	3.618	320	48.463	3.976	—	2.344	25.332
	100%		0,7%	15,6%	39,3%	4,5%	0,4%	60,5%	5,0%	—	2,9%	31,6%
Soie et articles en soie . . . . .	68.131	4,3	1.652	11.903	18.818	1.509	1.148	35.030	24.563	2.612	38	5.888
	100%		2,4%	17,5%	27,6%	2,2%	1,7%	51,4%	36,1%	3,8%	0,1%	8,6%
Machines . . . . .	61.811	3,9	534	5.979	4.804	635	11	11.963	38.810	3.652	3.954	3.432
	100%		0,8%	9,7%	7,8%	1,0%	—	19,3%	62,8%	5,9%	6,4%	5,6%
Denrées coloniales . . . . .	59.412	3,7	6.439	3.758	1.276	3.278	898	15.649	2.649	6.651	260	34.203
	100%		10,8%	6,3%	2,2%	5,5%	1,5%	26,3%	4,5%	11,2%	0,4%	57,6%
Véhicules . . . . .	58.837	3,7	498	6.925	5.467	7	1	12.898	18.692	6.612	20.216	419
	100%		0,8%	11,8%	9,3%	—	—	21,9%	31,8%	11,2%	34,4%	0,7%
Produits alimentaires de provenance animale . . . . .	57.130	3,6	2.577	9.033	12.916	1.919	739	27.184	2.963	4	2.099	24.880
	100%		4,5%	15,8%	22,6%	3,4%	1,3%	47,6%	5,2%	—	3,7%	43,5%
Cuir, peaux et leurs articles . . . . .	52.181	3,3	1.476	5.432	2.091	992	59	10.050	24.297	2.812	2.804	12.218
	100%		2,8%	10,4%	4,0%	1,9%	0,1%	19,2%	46,6%	5,4%	5,4%	23,4%
Boissons . . . . .	49.582	3,1	—	10.597	20.004	591	283	31.475	1.204	243	1	16.659
	100%		—	21,4%	40,3%	1,2%	0,6%	63,5%	2,4%	0,5%	—	33,6%
Bois et ouvrages en bois (y compris les meubles) . . . . .	45.444	2,9	91	4.384	2.231	23	4.270	10.999	12.616	21	2.967	18.841
	100%		0,2%	9,6%	4,9%	0,1%	9,4%	24,2%	27,8%	—	6,5%	41,5%
Confections . . . . .	44.919	2,8	1.814	6.706	2.238	531	50	11.339	24.297	2.606	405	6.272
	100%		4,0%	14,9%	5,0%	1,2%	0,1%	25,2%	54,1%	5,8%	0,9%	14,0%
Autres articles <sup>2</sup> . . . . .	409.580	25,7	25.580	68.188	20.023	15.865	2.485	132.141	143.224	16.181	32.108	85.926
	100%		6,3%	16,6%	4,9%	3,9%	0,6%	32,3%	35,0%	3,9%	7,8%	21,0%
<b>Total</b> . . . . .	<b>1.594.455</b>	<b>100</b>	<b>63.538</b>	<b>243.689</b>	<b>133.834</b>	<b>45.119</b>	<b>15.592</b>	<b>501.772</b>	<b>460.740</b>	<b>90.697</b>	<b>90.285</b>	<b>450.961</b>
	100%		4,0%	15,4%	8,4%	2,8%	0,9%	31,5%	28,9%	5,6%	5,7%	28,3%

<sup>1</sup> Dont : Houille pour 57.010.000 francs et coke pour 25.732.000 francs.

<sup>2</sup> Dont : Métaux précieux non monnayés pour 51.932.000 francs.

Suisse. — d) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1929.

Marchandises exportées	Valeur en milliers de francs	% de l'exportation totale	Pays de destination									
			Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Total des cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Horloges et montres . . . . .	307.339	14,6	4.817	18.147	18.538	4.709	6.346	52.557	33.939	27.759	64.924	128.160
	100%		1,6%	5,9%	6,0%	1,5%	2,1%	17,1%	11,1%	9,0%	21,1%	41,7%
Soie et articles en soie . . . . .	297.746	14,1	1.985	15.037	10.338	3.243	5.510	36.113	45.027	81.615	18.994	115.997
	100%		0,6%	5,1%	3,5%	1,0%	1,9%	12,1%	15,1%	27,4%	6,4%	39,0%
Machines . . . . .	241.256	11,4	16.744	31.449	18.619	16.301	8.524	91.637	24.720	19.511	4.905	100.483
	100%		6,9%	13,0%	7,7%	6,8%	3,6%	38,0%	10,2%	8,1%	2,1%	41,6%
Coton et articles en coton . . . . .	234.745	11,1	3.614	8.587	9.088	3.979	3.020	28.268	63.025	21.785	16.995	104.672
	100%		1,5%	3,6%	3,9%	1,7%	1,3%	12,0%	26,8%	9,3%	7,3%	44,6%
Produits alimentaires de provenance animale . . . . .	149.151	7,1	3.052	10.014	19.473	507	994	34.040	24.065	11.436	31.869	47.741
	100%		2,0%	6,7%	13,2%	0,3%	0,6%	22,8%	16,1%	7,7%	21,4%	32,0%
Produits pharmaceutiques, chimiques et de droguerie . . . . .	89.634	4,3	3.434	10.639	6.162	6.172	3.181	29.588	13.131	6.173	4.553	36.189
	100%		3,8%	11,9%	6,9%	6,9%	3,5%	33,0%	14,7%	6,9%	5,0%	40,4%
Couleurs . . . . .	85.685	4,1	2.544	9.373	6.256	1.850	2.256	22.279	13.226	8.393	10.548	31.239
	100%		3,0%	10,9%	7,3%	2,2%	2,6%	26,0%	15,4%	9,8%	12,3%	36,5%
Cuir et peaux et leurs articles . . . . .	70.114	3,3	828	7.463	2.605	2.596	732	14.224	13.312	15.979	13.235	13.364
	100%		1,2%	10,6%	3,7%	3,7%	1,1%	20,3%	19,0%	22,8%	18,9%	19,0%
Instruments et appareils . . . . .	68.550	3,3	4.191	7.806	3.334	3.037	3.272	21.640	5.639	7.740	3.954	29.577
	100%		6,1%	11,4%	4,9%	4,4%	4,8%	31,6%	8,2%	11,3%	5,8%	43,1%
Confections . . . . .	59.662	2,8	943	3.026	2.384	3.944	149	10.446	6.401	21.063	4.422	17.330
	100%		1,6%	5,1%	4,0%	6,6%	0,2	17,5%	10,7%	35,3%	7,5%	29,0%
Aluminium et articles en aluminium . . . . .	55.673	2,7	4.328	1.121	3.469	1.495	299	10.712	10.632	10.753	4.602	18.974
	100%		7,8%	2,0%	6,2%	2,7%	0,5%	19,2%	19,1%	19,3%	8,3%	34,1%
Fer et articles en fer . . . . .	55.208	2,6	1.201	10.783	10.537	929	870	24.320	10.340	7.928	1.698	10.922
	100%		2,2%	19,5%	19,1%	1,7%	1,6%	44,1%	18,7%	14,4%	3,0%	19,8%
Laine et articles en laine . . . . .	51.673	2,4	296	2.909	1.703	1.340	768	7.016	19.147	4.136	412	20.362
	100%		0,6%	5,7%	3,3%	2,6%	1,5%	13,7%	37,5%	8,1%	0,8%	39,9%
Cuivre et articles en cuivre . . . . .	40.985	2,0	1.492	10.310	3.458	6.481	1.310	23.051	7.219	5.975	62	4.678
	100%		3,6%	25,2%	8,4%	15,7%	3,3%	56,2%	17,6%	14,6%	0,2%	11,4%
Articles en paille, jonc, liber, etc. . . . .	37.106	1,8	1.294	2.625	996	186	84	5.185	1.419	5.842	13.890	10.770
	100%		3,5%	7,1%	2,7%	0,5%	0,2%	14,0%	3,8%	15,8%	37,4%	29,0%
Autres articles <sup>1</sup> . . . . .	260.528	12,4	5.234	32.562	41.383	9.880	6.019	95.078	63.584	32.011	12.443	57.412
	100%		2,0%	12,5%	15,9%	3,8%	2,3%	36,5%	24,4%	12,3%	4,8%	22,0%
<b>Total . . . . .</b>	<b>2.104.455</b>	<b>100</b>	<b>55.997</b>	<b>181.831</b>	<b>158.343</b>	<b>66.649</b>	<b>43.334</b>	<b>506.154</b>	<b>354.826</b>	<b>288.099</b>	<b>207.506</b>	<b>747.870</b>
	100%		2,7%	8,6%	7,5%	3,2%	2,1%	24,1%	16,8%	13,7%	9,9%	35,5%

<sup>1</sup> Dont : Métaux précieux non monnayés pour 44.099.000 francs.

Suisse. — e) EXPORTATION PAR PRINCIPAUX ARTICLES EN 1933.

Marchandises exportées	Valeur en milliers de francs	% de l'exportation totale	Pays de destination									
			Union Belgo-Luxembourgeoise	France	Italie	Pays-Bas	Pologne	Total de ces cinq pays	Allemagne	Royaume-Uni	Etats-Unis	Autres pays
Coton et articles en coton . . . . .	101.311	11,9	2.079	5.554	2.792	3.694	1.269	15.388	28.312	6.249	11.833	39.529
	100%		2,0%	5,5%	2,8%	3,7%	1,2%	15,2%	27,9%	6,2%	11,7%	39,0%
Soie et articles en soie . . . . .	100.342	11,8	1.135	6.296	6.533	1.194	3.236	18.394	31.495	17.981	3.840	28.632
	100%		1,1%	6,3%	6,5%	1,2%	3,2%	18,3%	31,4%	17,9%	3,9%	28,5%
Horloges et montres . . . . .	96.016	11,3	3.055	10.162	9.737	2.473	1.064	26.491	7.996	17.244	7.350	36.935
	100%		3,2%	10,6%	10,1%	2,6%	1,1%	27,6%	8,3%	18,0%	7,6%	38,5%
Machines . . . . .	90.198	10,6	3.204	19.785	7.350	3.059	1.044	34.442	11.644	5.808	690	37.614
	100%		3,6%	21,9%	8,2%	3,4%	1,1%	38,2%	12,9%	6,4%	0,8%	41,7%
Couleurs . . . . .	65.040	7,6	1.673	7.778	3.193	1.938	1.100	15.682	8.575	5.985	8.253	26.545
	100%		2,6%	12,0%	4,9%	3,0%	1,6%	24,1%	13,2%	9,2%	12,7%	40,8%
Produits pharmaceutiques, chimiques et de droguerie	58.694	6,9	1.309	4.954	3.706	3.054	1.962	14.985	8.575	4.100	3.252	27.782
	100%		2,3%	8,4%	6,3%	5,2%	3,3%	25,5%	14,6%	7,0%	5,6%	47,3%
Produits alimentaires de provenance animale . . . . .	53.912	6,3	2.343	16.375	8.265	315	35	27.333	2.694	2.022	10.304	11.559
	100%		4,3%	30,4%	15,3%	0,6%	0,1%	50,7%	5,0%	3,8%	19,1%	21,4%
Instruments et appareils . . . . .	29.430	3,4	1.741	7.365	2.531	2.124	514	14.275	2.736	2.476	348	9.595
	100%		5,9%	25,0%	8,6%	7,2%	1,8%	48,5%	9,3%	8,4%	1,2%	32,6%
Cuir, peaux et leurs articles . . . . .	25.615	3,0	597	5.488	984	880	163	8.112	4.431	6.936	2.538	3.598
	100%		2,3%	21,5%	3,8%	3,5%	0,6%	31,7%	17,3%	27,1%	9,9%	14,0%
Fer et articles en fer . . . . .	24.088	2,8	331	5.877	4.976	646	1	11.831	2.537	1.764	590	7.366
	100%		1,3%	24,4%	20,7%	2,7%	—	49,1%	10,5%	7,3%	2,5%	30,6%
Aluminium et articles en aluminium . . . . .	19.069	2,2	2.652	779	308	940	353	5.032	1.056	3.314	2.086	7.581
	100%		13,9%	4,1%	1,6%	4,9%	1,9%	26,4%	5,5%	17,4%	10,9%	39,8%
Laine et articles en laine . . . . .	19.021	2,2	158	2.774	634	584	560	4.710	4.780	520	—	9.011
	100%		0,9%	14,6%	3,3%	3,1%	2,9%	24,8%	25,1%	2,7%	—	47,4%
Paille, jute, libres, etc. . . . .	17.494	2,0	627	4.411	213	72	—	5.323	1.399	3.715	2.290	4.767
	100%		3,6%	25,2%	1,2%	0,4%	—	30,4%	8,0%	21,2%	13,1%	27,3%
Véhicules . . . . .	16.150	1,9	1.151	1.765	1.301	1.393	904	6.514	3.112	721	3	5.800
	100%		7,1%	10,9%	8,1%	8,6%	5,6%	40,3%	19,3%	4,5%	—	35,9%
Confections . . . . .	14.114	1,7	393	2.060	1.021	1.580	—	5.054	1.169	4.146	585	3.160
	100%		2,8%	14,6%	7,2%	11,2%	—	35,8%	8,3%	29,4%	4,1%	22,4%
Cuivre . . . . .	11.552	1,4	480	4.792	1.774	1.046	207	8.299	948	995	32	1.278
	100%		4,2%	41,4%	15,4%	9,0%	1,8%	71,8%	8,2%	8,6%	0,3%	11,1%
Autres articles <sup>1</sup> . . . . .	110.739	13,0	2.111	36.131	24.814	6.511	1.593	71.160	17.314	3.660	3.559	15.046
	100%		1,9%	32,6%	22,4%	5,9%	1,5%	64,3%	15,6%	3,3%	3,2%	13,6%
<b>Total . . . . .</b>	<b>852.785</b>	<b>100</b>	<b>25.039</b>	<b>142.346</b>	<b>80.132</b>	<b>31.503</b>	<b>14.005</b>	<b>293.025</b>	<b>138.773</b>	<b>87.636</b>	<b>57.553</b>	<b>275.798</b>
	100%		2,9%	16,7%	9,4%	3,7%	1,7%	34,4%	16,3%	10,3%	6,7%	32,3%

<sup>1</sup> Dont : Métaux précieux non monnayés pour 38.225.000 francs.

Troisième partie.

CARACTÈRES PRINCIPAUX DES RELATIONS COMMERCIALES  
DE L'ALLEMAGNE, DU ROYAUME-UNI  
ET DES ÉTATS-UNIS D'AMÉRIQUE AVEC LES PAYS DU BLOC-OR

1. ALLEMAGNE.

A. DONNÉES ESSENTIELLES CONCERNANT LES RELATIONS COMMERCIALES  
DE L'ALLEMAGNE AVEC LES PAYS DU BLOC-OR.

1. — *Les échanges* que l'Allemagne entretient avec les pays du Bloc-or sont des plus actifs. Pour l'année 1929, la valeur des importations allemandes provenant de ces pays s'est élevée à 2.889 millions de Reichsmarks, soit au 21,5 % de l'importation globale, celle-ci ayant atteint, en cette même année, le montant total de 13.447 millions de Reichsmarks.

L'exportation allemande à destination des pays du Bloc-or a atteint, pour l'année 1929, la somme de 4.451 millions de Reichsmarks, ce qui correspond environ au tiers de l'exportation allemande totale de cette même année (13.483 millions de Reichsmarks).

2. — Bien que, depuis ce moment, la valeur des produits échangés entre l'Allemagne et le Bloc-or se soit constamment réduite, la part proportionnelle revenant à ce groupement dans le cadre du commerce extérieur allemand s'est à peu près maintenue pour les importations et accuse même une augmentation sensible en ce qui concerne les exportations. En 1932, en effet, l'importation allemande provenant du Bloc-or représentait le 20,2 % de l'importation globale de l'Allemagne, alors que la valeur des produits allemands écoulés sur le marché des pays-or correspondait à 36,9 % du total des exportations allemandes. En 1933, les chiffres correspondants ont été 20,4 % et 39,4 %. En résumé, non seulement l'Allemagne a toujours vendu aux pays du Bloc-or plus qu'elle ne leur a cheté, mais cette position favorable tend à se renforcer constamment au cours de la période considérée.

3. — Ce qui vient d'être dit relativement au groupe des pays-or, s'applique également à chacun d'eux pris séparément, à l'exception toutefois de la Pologne.

Parmi ces pays, les Pays-Bas et la France sont les fournisseurs les plus importants de l'Allemagne. Dans ces dernières années, l'importance de l'Italie a augmenté, alors qu'inversement celle de la Suisse se trouve en régression.

La valeur de l'importation en Allemagne des différents pays du Bloc-or a été, en 1929 et en 1933, la suivante :

Pays de provenance	Année 1929	Année 1933
	(millions de RM.)	
Pays-Bas . . . . .	701	232
France . . . . .	642	184
Union Belgo-Luxembourgeoise . . . . .	447	139
Italie . . . . .	442	166
Pologne . . . . .	339	56
Suisse . . . . .	318	83

Pour ce qui est des exportations allemandes à destination des pays du Bloc-or, ce sont également les Pays-Bas et la France dont les achats dépassent considérablement ceux effectués par les autres pays du groupe.

La valeur des produits allemands écoulés sur le marché des pays du Bloc se sont répartis, en 1929 et en 1933, de la façon suivante :

Pays de destination	Année 1929	Année 1933
	(millions de RM.)	
Pays-Bas . . . . .	1.335	613
France . . . . .	935	395
Suisse . . . . .	627	352
Union Belgo-Luxembourgeoise . . . . .	609	278
Italie . . . . .	602	227
Pologne . . . . .	343	56

4. — La composition des importations allemandes en provenance des pays du Bloc-or varie considérablement selon le pays considéré. Elle a, en outre, subi des changements importants au cours de ces dernières années, changements provoqués d'une part par des raisons économiques générales et d'autre part par des facteurs de politique économique.

Dans les relations avec la France, la Suisse et l'Union Belgo-Luxembourgeoise, la prédominance des importations de produits industriels est très nette. Dans le cas des deux premiers pays, ce fait se trouve quelque peu obscurci en raison de la pratique des statistiques allemandes qui, pour certaines matières premières telles que la laine, indiquent le pays de la dernière provenance. Les rapports de l'Allemagne avec les Pays-Bas et avec l'Italie se caractérisent par une forte importation de produits agricoles. L'Italie fournit à l'Allemagne aussi des quantités considérables de matières premières. C'est encore à cette catégorie de marchandises qu'appartiennent la majeure partie des achats allemands effectués en Pologne.

L'Allemagne achète principalement :

*de l'Union Belgo-Luxembourgeoise :*

des produits de la sidérurgie et des industries textiles, des produits chimiques, du cuir, du cuivre, des œufs, des fruits ;

*de la France :*

des produits des industries textiles et de confections ainsi que de la métallurgie et des industries mécaniques, des produits chimiques, des peaux et de la pelleterie, des minerais de fer, des fruits, etc. ;

*de l'Italie :*

des fruits et légumes, des fibres textiles, des peaux et de la pelleterie, des produits des industries soyers, des produits chimiques ;

*de la Pologne :*

des bois, des matières premières d'origine animale, des œufs, du beurre, etc. ;

*de la Suisse :*

des produits des industries textiles, mécaniques, horlogères, des produits chimiques, électrotechniques, des fourrures et articles en fourrure.

5. — L'exportation allemande vers les différents pays du Bloc-or se compose en majeure partie de produits fabriqués, le reste revenant, à peu de choses près, à des matières premières, notamment au charbon. Les industries les plus diverses contribuent à l'exportation de l'Allemagne, de sorte que les achats des pays-or s'étendent à une très grande variété de produits. Toutefois, l'importance des industries mécaniques, métallurgiques, chimiques et textiles est prédominante.

6. — Ainsi, malgré les interventions gouvernementales provoquées par les conséquences de la crise, et bien qu'il s'agisse, de part et d'autre, presque exclusivement des pays à prédominance industrielle, c'est-à-dire des pays qui, en partie, s'adonnent aux mêmes branches de production, les échanges entre l'Allemagne et les pays-or sont restés très intenses, tant en ce qui concerne le nombre que la valeur des produits échangés.

7. — A ces relations commerciales intenses s'ajoute un trafic touristique considérable, notamment en faveur de la Suisse et de l'Italie, ainsi qu'un trafic intermédiaire que la position géographique centrale de l'Allemagne rend à elle seule déjà très important.

8. — La balance du commerce de l'Allemagne avec le Bloc-or a toujours été active, et cette position tend relativement à se renforcer. Ainsi, tandis que la valeur du total des échanges entre l'Allemagne et le Bloc-or s'est réduite d'environ les deux tiers, entre 1929 et 1933, le solde actif de la balance n'a diminué que d'un tiers.

Toutefois cette tendance très marquée en ce qui concerne certains des pays du Bloc-or, considérés isolément, n'existe pas vis-à-vis d'autres pays de ce groupe.

C'est ainsi que l'importance relative de l'actif de la balance commerciale allemande s'est accrue, d'une façon plus ou moins considérable, vis-à-vis des Pays-Bas, de la Suisse, de la France et de l'Union Belgo-Luxembourgeoise, alors que, par rapport à l'Italie et à la Pologne, l'écart entre les importations allemandes provenant de ces pays et les exportations allemandes qui s'y dirigent est devenu moins important.

9. — On est sans doute justifié d'attribuer ce changement intervenu dans le rôle relatif que les pays du Bloc-or jouent dans le cadre des échanges allemands, à la situation particulière dans laquelle l'Allemagne se trouve vis-à-vis de la plupart de ces pays. Etant donné l'importance de leurs fonds gelés en Allemagne, les pays créanciers du Bloc-or ont cherché à obtenir un remboursement tout au moins partiel de leurs créances par le moyen de la livraison de marchandises. L'exportation allemande vers ces pays s'est trouvée, en outre, en quelque sorte favorisée par le double fait de l'emploi des scrips, Registermarks, etc., et du niveau des prix existant dans les pays du Bloc-or, qui rendait la concurrence de produits allemands relativement aisée, alors que ces produits se vendaient toujours

plus difficilement sur les marchés dépréciés, aussi bien en Europe que dans les pays d'outre-mer.

En ce qui concerne les importations des pays du Bloc-or en Allemagne, la politique économique adoptée par celle-ci ainsi que le sévère contrôle des devises qui y est exercé depuis un certain temps, ont sans doute contribué à enlever à ces importations une partie de l'importance qui leur revenait autrefois. En outre, les prix relativement élevés de certains produits provenant du Bloc-or ont empêché ces produits de trouver leur écoulement traditionnel sur le marché allemand.

\* \* \*

*Note aux paragraphes 8 et 9.*

Les constatations, résumées dans les deux paragraphes précités, se rapportent à la situation telle qu'elle existait encore à la fin de l'année 1933.

Il est notoire que, depuis lors, cette situation a subi de très sensibles modifications. La politique économique inaugurée et poursuivie par le Gouvernement du Reich dans le courant de 1934, et notamment les accords de clearing qu'il a conclus avec la Belgique, la France, l'Italie, les Pays-Bas et la Suisse, ont entraîné, sans aucun doute, une augmentation de l'importation en provenance de ces pays et une diminution des exportations allemandes vers ces mêmes pays. Les balances commerciales de l'Allemagne avec les pays du Bloc-or en ont été profondément affectées. Ces accords de clearing ont en réalité favorisé, sur le plan bilatéral, un équilibre progressif des échanges ; dans certains cas on a même pu craindre un renversement de la balance du commerce. Ils ont par conséquent provoqué la diminution, voire la disparition, des soldes actifs en faveur de l'Allemagne, dont l'existence était cependant indispensable à leur bon fonctionnement. C'est pourquoi ces accords ont dû être remaniés à plusieurs reprises, cependant sans qu'on soit parvenu jusqu'ici à une solution entièrement satisfaisante.

Les assises des relations commerciales existant entre l'Allemagne et les pays du Bloc-or ne sont pas stables. De nouvelles négociations sont envisagées, ou même déjà amorcées, dans le but d'aboutir à un ajustement meilleur de ces rapports aux nécessités économiques des pays intéressés.

B. RENSEIGNEMENTS STATISTIQUES.

Allemagne. — a) COMMERCE AVEC LES PAYS DU BLOC-OR.

(En millions de Reichsmarks.)

*Importation.*

Provenance	1928		1929		1930		1931		1932		1933	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxem- bourgeoise . . . . .	474	3,4	447	3,3	325	3,1	221	3,3	146	3,1	139	3,3
France . . . . .	741	5,3	642	4,8	519	5,0	342	5,1	190	4,1	184	4,4
Italie . . . . .	467	3,3	442	3,3	365	3,5	268	4,0	181	3,9	166	3,9
Pays-Bas . . . . .	710	5,1	701	5,2	561	5,4	384	5,7	273	5,8	232	5,5
Pologne . . . . .	357	2,5	339	2,5	237	2,3	111	1,7	59	1,3	56	1,3
Suisse . . . . .	330	2,3	318	2,4	255	2,5	165	2,5	92	2,0	83	2,0
<b>Total . . . . .</b>	<b>3.079</b>	<b>21,9</b>	<b>2.889</b>	<b>21,5</b>	<b>2.262</b>	<b>21,8</b>	<b>1.491</b>	<b>22,3</b>	<b>941</b>	<b>20,2</b>	<b>860</b>	<b>20,4</b>

*Exportation.*

Destination	1928		1929		1930		1931		1932		1933	
Union Belgo-Luxem- bourgeoise . . . . .	489	4,1	609	4,5	601	5,0	464	4,8	301	5,2	278	5,7
France . . . . .	694	5,7	935	6,9	1.149	9,5	834	8,7	483	8,4	395	8,1
Italie . . . . .	547	4,5	602	4,5	484	4,0	341	3,6	223	3,9	227	4,7
Pays-Bas . . . . .	1.178	9,8	1.335	9,9	1.206	10,0	955	9,9	633	11,0	613	12,6
Pologne . . . . .	403	3,3	343	2,5	250	2,1	141	1,5	71	1,2	56	1,1
Suisse . . . . .	574	4,8	627	4,7	628	5,2	542	5,6	412	7,2	352	7,2
<b>Total . . . . .</b>	<b>3.885</b>	<b>32,2</b>	<b>4.451</b>	<b>33,0</b>	<b>4.318</b>	<b>35,8</b>	<b>3.277</b>	<b>34,1</b>	<b>2.123</b>	<b>36,9</b>	<b>1.921</b>	<b>39,4</b>

Les pourcentages ci-dessus se rapportent à la valeur totale, soit de l'importation, soit de l'exportation de l'Allemagne.

**Allemagne. — b) IMPORTATION EN PROVENANCE DES PAYS DU BLOC-OR EN 1929.**

(En milliers de Reichsmarks.)

Marchandises importées	Union Belgo-Luxem- bourgeoise		France		Italie		Pays-Bas		Pologne		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
I. Animaux vivants . . .	3.975	0,9	799	0,1	546	0,1	10.686	1,5	12.239	3,6	473	0,1
II. Objets d'alimentation et boissons . . . . .	66.218	14,8	87.292	13,6	172.210	38,9	459.717	65,6	76.429	22,6	29.217	9,2
dont :												
Froment . . . . .	55		97		—		2.964		307		77	
Orges . . . . .	26		96		26		847		1.066		8	
Légumes et plantes pota- gères . . . . .	3.189		18.162		27.499		69.693		941		50	
Fruits . . . . .	5.510		30.391		103.298		13.797		818		4.469	
Viandes, lards et saucissons	1.888		550		305		34.654		2.473		68	
Poissons . . . . .	2.308		2.167		803		24.352		267		44	
Beurre . . . . .	2.956		86		6		113.839		32.154		1.089	
Fromages . . . . .	173		4.459		2.700		61.824		363		17.333	
Œufs . . . . .	33.366		2.209		13.074		82.293		14.143		150	
Saindoux, oléo-margarine .	5		104		—		600		1		9	
Huiles et graisses végétales	3.894		1.274		2.672		17.789		4		12	
Vin et moût . . . . .	466		22.066		4.567		14		—		71	
III. Matières, brutes ou simplement préparées	216.514	48,4	263.116	41,0	191.802	43,3	132.658	18,9	240.980	71,1	61.660	19,4
dont :												
Soie brute et fleuret . . .	213		12.035		91.609		338		106		20.127	
Laine . . . . .	56.163		49.740		2.316		3.654		3.247		4.997	
Coton . . . . .	1.490		6.561		3.843		4.139		352		2.104	
Chanvre, lin, etc. . . . .	4.996		136		19.658		2.586		4.826		362	
Peaux et pelletterie . . .	5.771		47.724		16.537		9.244		8.476		6.697	
Boyaux et estomacs d'ani- maux . . . . .	1.179		4.719		322		4.263		470		732	
Grains et fruits oléagineux	290		194		955		2.847		3.998		7	
Tourteaux . . . . .	991		5.692		10.240		8.611		3.036		1.521	
Son et autres fourrages . .	352		2.481		1.588		3.344		19.100		398	
Bois . . . . .	617		3.107		352		2.107		125.923		545	
Charbon . . . . .	71		6.731		—		12.286		2.584		1.442	
Ciment et autres pierres et terres . . . . .	4.748		9.804		9.240		511		393		1.942	
Minerais de fer . . . . .	1.674		33.550		2.054		130		25		250	
Cuivre . . . . .	40.226		2.628		1.931		7.213		392		2.006	
Zinc . . . . .	12.683		152		18		1.063		36.440		192	
Matières chimiques brutes ou simplement préparées	2.547		9.333		2.664		4.636		3.147		1.192	
IV. Produits fabriqués . .	160.493	35,9	290.782	45,3	78.283	17,7	97.980	14,0	9.147	2,7	226.408	71,3
dont :												
Fils de soie, de laine, de co- ton, de lin, de chanvre, de jute, etc. . . . .	53.248		74.731		32.907		17.425		207		59.332	
Tissus de soie, de laine, de coton, de lin, de chanvre, de jute, etc. . . . .	6.216		70.467		3.692		3.942		860		48.180	
Cuir . . . . .	18.710		19.655		647		7.411		119		3.286	
Chaussures, articles de sel- lerie et autres ouvrages en cuir . . . . .	3.593		3.215		953		1.316		232		2.335	
Fourrures et articles en four- rures . . . . .	8.507		17.884		1.351		1.939		1.102		1.893	
Meubles et autres ouvrages en bois . . . . .	860		7.066		2.036		1.254		323		1.297	
Produits chimiques et phar- macéutiques . . . . .	6.572		15.908		6.885		2.736		350		8.500	
Ouvrages en fer . . . . .	27.904		30.808		1.509		5.343		2.656		12.331	
Machines pour l'industrie textile, machines-outils, machines électriques (et parties), machines pour l'agriculture et autres ma- chines . . . . .	3.169		7.954		1.826		7.253		815		19.268	
Articles électrotechniques .	1.110		714		581		13.184		190		3.329	
Voitures automobiles, moto- cycles, vélocipèdes et ac- cessoires . . . . .	2.769		2.503		8.673		502		157		615	
Horlogerie et instruments et appareils de précision .	517		616		98		469		63		23.476	
Total . . . . .	447.200	100	641.989	100	442.841	100	701.041	100	338.795	100	317.758	100



**Allemagne. — e) IMPORTATION EN PROVENANCE DES PAYS DU BLOC-OR EN 1933.**

(En milliers de Reichsmarks.)

Marchandises importées	Union Belgo-Luxembourgeoise		France		Italie		Pays-Bas		Pologne		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
I. Animaux vivants . . .	1.848	1,3	92	0,1	236	0,1	4.622	2,0	3.452	6,2	109	0,1
II. Objets d'alimentation et boissons . . . . .	11.825	8,5	12.355	6,7	90.978	54,7	124.618	53,7	13.506	24,2	4.214	5,1
dont :												
Fruits . . . . .	3.021		5.142		62.996		7.429		2.186		621	
Beurre . . . . .	22		—		—		16.913		1.971		—	
Œufs . . . . .	4.424		2		429		28.229		2.363		6	
Froment . . . . .	1		1		—		3		857		—	
Poissons . . . . .	602		120		130		6.504		20		12	
Légumes et plantes potagères . . . . .	678		638		13.438		24.030		395		11	
Saindoux, oléo-margarine . . . . .	5		4		—		1.006		—		—	
Viandes, lards et saucissons . . . . .	115		63		19		10.816		449		16	
Fromages . . . . .	6		269		429		19.710		3		—	
Huiles et graisses végétales . . . . .	1.575		632		1.051		3.687		1		2.290	
III. Matières brutes ou simplement préparées . . . . .	77.554	55,9	101.094	54,9	42.161	25,3	65.333	28,2	36.280	64,9	12.675	15,4
dont :												
Coton . . . . .	235		1.544		112		1.024		16		198	
Laine . . . . .	23.325		32.032		859		650		282		1.934	
Grains et fruits oléagineux . . . . .	12		39		434		1.608		2.211		2	
Huiles minérales . . . . .	326		31		1		343		3		20	
Cuivre . . . . .	6.131		618		708		1.310		17		216	
Peaux et pelletterie . . . . .	1.328		13.650		4.869		2.817		2.113		2.659	
Bois . . . . .	50		239		267		311		9.348		38	
Chanvre, lin, etc. . . . .	2.441		37		9.262		1.148		578		84	
Charbon et coke . . . . .	—		5.521		—		8.446		476		—	
Minerais de fer . . . . .	239		9.265		226		28		15		—	
Tourteaux . . . . .	309		4.258		1.152		1.608		1.020		439	
Boyaux et estomacs d'animaux . . . . .	686		2.065		201		1.747		255		355	
Graisses d'origine animale, pour l'usage industriel . . . . .	112		17		—		457		—		2	
Etain . . . . .	1.146		214		394		3.891		—		28	
Scories Thomas . . . . .	18.625		7.404		—		39		—		—	
Goudron de houille . . . . .	4.079		134		11		3.558		2.799		171	
Plumes et soies de porc . . . . .	33		989		136		103		3.514		32	
IV. Produits fabriqués . . . . .	47.566	34,3	70.424	38,3	33.065	19,9	37.439	16,1	2.668	4,7	65.524	79,4
dont :												
Fils de soie, de laine, de coton, de lin, de chanvre, de jute, etc. . . . .	9.487		20.470		18.137		6.636		17		12.172	
Tissus de soie, de laine, de coton, de lin, de chanvre, de jute, etc. . . . .	1.198		9.063		1.157		2.740		14		10.860	
Produits chimiques et pharmaceutiques . . . . .	6.494		4.620		2.358		3.353		144		5.010	
Ouvrages en fer . . . . .	16.242		13.139		889		1.521		676		3.412	
Machines pour l'industrie textile, machines-outils, machines électriques (et parties), machines pour l'agriculture et autres machines . . . . .	1.035		2.641		1.048		2.532		255		6.718	
Cuir . . . . .	4.423		4.154		104		2.140		4		473	
Fourrures et articles en fourrure . . . . .	921		2.606		382		1.373		620		1.228	
Articles électrotechniques . . . . .	720		614		304		7.077		265		1.693	
Couleurs, teintures et vernis . . . . .	789		1.433		514		2.697		154		6.313	
Articles en bois . . . . .	138		2.016		2.104		253		16		523	
Horloges et autres instruments et appareils de précision . . . . .	98		283		104		180		36		5.569	
<b>Total . . . . .</b>	<b>138.793</b>	<b>100</b>	<b>183.965</b>	<b>100</b>	<b>166.440</b>	<b>100</b>	<b>232.012</b>	<b>100</b>	<b>55.906</b>	<b>100</b>	<b>82.522</b>	<b>100</b>

**Allemagne. — d) EXPORTATION VERS LES PAYS DU BLOC-OR EN 1929.**

(En milliers de Reichsmarks.)

Marchandises exportées	Union Belgo-Luxembourgeoise		France		Italie		Pays-Bas		Pologne		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
<b>I. Animaux vivants . . . .</b>	236	—	1.227	0,1	663	0,1	2.618	0,2	1.404	0,4	754	0,1
<b>II. Objets d'alimentation et boissons . . . . .</b>	23.157	3,8	38.169	4,1	17.132	2,9	84.819	6,3	19.323	5,6	28.323	4,5
dont :												
Froment . . . . .	2.200		4.433		6.279		8.093		1.942		1.198	
Seigle . . . . .	2.957		297		71		10.001		211		94	
Avoine . . . . .	6.401		481		276		17.650		858		5.410	
Riz . . . . .	2		—		—		7		—		95	
Sucre . . . . .	341		20.241		67		1.820		68		1.910	
Huiles et graisses végétales	1.922		824		1.127		29.183		10.909		2.519	
Bière . . . . .	1.885		445		500		550		15		808	
<b>III. Matières, brutes ou simplement préparées</b>	289.539	47,6	373.721	40,0	192.391	31,9	329.856	24,3	148.557	43,3	115.354	18,4
dont :												
Laine et coton . . . . .	19.289		16.109		15.435		20.456		59.282		14.392	
Peaux et pelleteries . . . . .	11.290		12.588		2.020		6.470		13.052		1.442	
Tourteaux . . . . .	2.135		255		—		24.690		2.514		80	
Pâte de bois de cellulose, etc.	5.447		14.751		5.669		6.057		376		1.845	
Charbon et coke . . . . .	165.833		197.517		129.798		117.722		1.235		37.282	
Cuivre . . . . .	2.729		8.644		1.592		602		2.640		3.644	
Sels de potasse . . . . .	3.239		—		1.167		10.943		8.369		471	
Matières chimiques brutes ou simplement préparées	12.699		34.598		5.447		54.872		2.096		1.701	
<b>IV. Produits fabriqués . . . . .</b>	295.887	48,6	521.420	55,8	392.245	65,1	937.890	69,2	174.102	50,7	482.709	77,0
dont :												
Fils de soie, de laine, de coton, de lin, de chanvre, de jute, etc.	3.203		2.255		5.875		31.565		10.108		22.751	
Tissus de soie, de laine, de coton, de lin, de chanvre, de jute, etc.	21.795		22.288		35.231		94.641		1.814		60.427	
Vêtements et lingerie . . . . .	900		1.173		1.161		49.913		159		15.433	
Cuir . . . . .	7.699		14.481		4.162		15.730		119		15.913	
Chaussures, articles de sellerie et autres ouvrages en cuirs	1.248		3.241		3.830		6.548		505		11.861	
Fourrures et articles en fourrures . . . . .	11.036		48.252		21.568		9.242		2.281		16.556	
Meubles et autres ouvrages en bois . . . . .	2.995		3.294		2.651		15.098		1.208		9.591	
Ouvrages en caoutchouc . . . . .	2.766		5.928		2.768		9.335		660		5.975	
Papier et ouvrages en papier	18.537		29.922		7.378		51.301		6.685		14.631	
Couleurs, teintures et vernis	12.287		13.085		15.482		23.429		4.903		13.372	
Produits chimiques et pharmaceutiques . . . . .	25.614		16.349		27.996		35.967		13.922		37.994	
Faïences et porcelaines . . . . .	4.253		4.594		6.684		12.691		1.134		8.462	
Verres et articles en verre	4.704		10.843		10.416		16.483		4.314		12.219	
Ouvrages en fer . . . . .	59.585		95.664		66.830		259.138		33.023		75.617	
Ouvrages en cuivre . . . . .	9.114		12.739		9.260		43.928		7.621		18.159	
Machines pour l'industrie textile, machines-outils, machines électriques (et parties), machines pour l'agriculture et autres machines . . . . .	50.725		129.112		64.485		72.242		47.896		42.020	
Articles électrotechniques . . . . .	14.494		33.176		29.742		54.231		14.981		15.405	
Voitures automobiles, motocycles, vélocipèdes et accessoires . . . . .	3.524		1.964		1.975		13.732		6.044		6.617	
Instruments de musique, phonographes, etc. . . . .	3.259		2.731		6.361		5.349		184		6.086	
Horlogerie et instruments et appareils de précision	5.859		10.300		7.960		11.284		4.771		8.799	
Jouets . . . . .	2.702		3.362		2.914		6.377		49		3.595	
<b>Total . . . . .</b>	<b>608.819</b>	<b>100</b>	<b>934.537</b>	<b>100</b>	<b>602.431</b>	<b>100</b>	<b>1.355.183</b>	<b>100</b>	<b>343.386</b>	<b>100</b>	<b>627.140</b>	<b>100</b>

**Allemagne. — e) EXPORTATION VERS LES PAYS DU BLOC-OR EN 1933.**

(En milliers de Reichsmarks.)

Marchandises exportées	Union Belgo-Luxem- bourgeoise		France		Italie		Pays-Bas		Pologne		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
I. Animaux vivants . . . . .	109	0,1	356	0,1	206	0,1	475	0,1	34	0,1	429	0,1
II. Objets d'alimentation et boissons . . . . .	11.398	4,0	4.867	1,2	3.858	1,7	20.600	3,4	3.340	6,0	12.527	3,6
dont :												
Froment . . . . .	28		23		193		5.334		1.855		989	
Farine, grains mondés et autres produits de la mi- noterie . . . . .	1.473		159		205		4.276		59		814	
Huiles et graisses végétales	942		465		1.215		1.278		232		2.221	
Seigle . . . . .	2.979		16		—		2.213		583		4	
Bière . . . . .	733		211		222		746		—		450	
III. Matières brutes ou simplement préparées	94.497	34,0	130.440	33,0	53.822	23,7	112.836	18,4	21.361	38,5	64.080	18,2
dont :												
Charbon et coke . . . . .	58.837		78.283		31.163		47.507		65		40.075	
Laine et coton . . . . .	5.342		3.686		2.749		4.816		6.695		4.126	
Pâtes de bois, de cellulose, etc. . . . .	1.689		7.895		920		2.062		—		875	
Peaux et pelletteries . . . . .	3.478		5.566		2.537		3.422		2.569		1.077	
Matières chimiques brutes ou simplement préparées	1.175		3.498		939		12.263		90		602	
Huiles minérales . . . . .	293		324		3.408		1.705		50		1.810	
Cuivre . . . . .	850		1.741		153		1.539		687		1.115	
Sels de potasse . . . . .	2.559		—		728		4.702		4		649	
IV. Produits fabriqués . . . . .	172.066	61,9	259.316	65,7	169.397	74,5	478.887	78,1	30.742	55,4	275.387	78,1
dont :												
Ouvrages en fer . . . . .	28.897		48.741		30.581		94.372		4.303		40.219	
Produits chimiques et phar- macéutiques . . . . .	14.791		10.842		15.175		24.215		7.287		19.209	
Machines pour l'industrie textile, machines-outils, machines électriques (et parties), machines pour l'agriculture et autres ma- chines . . . . .	18.550		51.815		28.800		35.293		8.981		19.034	
Couleurs, teintures et vernis	8.331		9.125		9.605		11.678		1.738		10.899	
Articles électriques . . . . .	12.054		16.365		10.621		26.698		1.798		11.257	
Papier et ouvrages en papier	9.613		9.913		4.877		24.860		1.262		9.885	
Ouvrages en cuivre . . . . .	5.524		8.891		6.477		22.609		966		9.643	
Verre et ouvrages en verre	4.176		10.085		6.507		11.232		1.514		10.249	
Tissus de soie, de laine, de coton . . . . .	16.768		10.698		9.501		59.271		108		24.159	
Fils de laine, de soie, de coton	1.802		1.140		707		9.978		982		10.459	
Vêtements et lingerie . . . . .	3.930		2.562		785		38.842		8		12.555	
Cuir . . . . .	4.369		6.748		6.355		7.876		13		11.727	
Fourrures et articles en fourrure . . . . .	2.248		21.716		6.633		4.605		552		4.810	
Ouvrages en bois . . . . .	3.780		2.458		1.396		12.225		185		4.966	
Poteries, sauf briques . . . . .	2.882		4.137		2.348		6.632		120		5.797	
Ouvrages en caoutchouc . . . . .	2.112		2.982		1.704		6.189		75		4.707	
Ouvrages en celluloïd, gala- lithe, etc., sauf films . . . . .	2.364		2.091		2.802		3.832		382		3.489	
Chaussures, articles de sel- lerie et autres ouvrages en cuir . . . . .	1.231		1.740		1.338		6.023		60		5.210	
Jouets . . . . .	2.420		3.157		1.497		4.041		3		2.522	
Voitures automobiles, moto- cycles, vélocipèdes et ac- cessoires . . . . .	5.581		2.380		966		9.448		235		7.628	
Horlogerie et autres instru- ments et appareils de pré- cision . . . . .	4.386		6.832		4.269		8.984		752		230	
<b>Total . . . . .</b>	<b>278.070</b>	<b>100</b>	<b>394.979</b>	<b>100</b>	<b>227.283</b>	<b>100</b>	<b>612.798</b>	<b>100</b>	<b>55.477</b>	<b>100</b>	<b>352.423</b>	<b>100</b>

## 2. ROYAUME-UNI.

### A. DONNÉES ESSENTIELLES CONCERNANT LES RELATIONS COMMERCIALES DU ROYAUME-UNI AVEC LES PAYS DU BLOC-OR.

1. — Le Royaume-Uni entretient, avec les pays du Bloc-or, un très actif échange de marchandises. Ainsi, pour l'année 1929, la valeur des produits provenant de ces pays, importés dans le Royaume-Uni, a été de 172,6 millions de livres, ce qui représente le 15,5 % de l'importation globale britannique, celle-ci ayant atteint, en cette même année, le montant total de 1.111,1 millions de livres.

L'exportation britannique à destination des pays du Bloc-or a atteint, pour l'année 1929, la somme de 99,8 millions de livres, ce qui représente le 13,7 % de l'exportation globale du Royaume-Uni. Cette exportation a atteint, en effet, en cette même année, le montant total de 729,3 millions de livres.

2. — Ce courant commercial est, depuis ce moment, en constante régression, tant à l'importation qu'à l'exportation. Mais si le recul enregistré par l'importation dépasse le mouvement de recul général, le pourcentage étant tombé de 15,5 à 11,7 % en 1932, il n'en est pas de même de l'exportation qui s'est, au contraire, affirmée plus résistante que la régression générale des exportations britanniques. En 1932, en effet, l'exportation à destination des pays du Bloc-or représentait le 14,6 % de l'exportation globale du Royaume-Uni, et, en 1933, le 15,1 % de cette exportation.

On peut se demander si la divergence de ces deux mouvements ne s'explique pas, tout au moins en partie, par la double influence qu'ont exercé tant dans le sens d'une réduction de l'importation que d'une stimulation de l'exportation, d'une part l'introduction, en 1931, de mesures de protection douanières et, d'autre part, à peu près à la même époque, la dévalorisation de la livre sterling, celle-ci agissant malgré les restrictions de l'importation adoptées par les pays du Bloc-or, toutefois à l'exception de l'Italie.

3. — La place que chacun de ces six pays du Bloc-or occupe en tant que fournisseur du marché britannique est influencée notamment par sa position géographique, sa structure économique ainsi que son importance politique, sociale et économique. C'est ainsi que, pour l'année 1929, par exemple, c'est la France qui occupe la première place dans ce mouvement commercial d'importation. Elle est suivie par l'Union Belgo-Luxembourgeoise, les Pays-Bas, l'Italie, la Suisse et la Pologne.

Les valeurs de l'importation en provenance de chacun de ces pays, en 1929 et en 1933, ont été les suivantes :

Pays de provenance	Année 1929	Année 1933
	(millions de livres)	
France . . . . .	52,8	18,0
Union Belgo-Luxembourgeoise . . . . .	43,6	12,9
Pays-Bas . . . . .	41,5	18,4
Italie . . . . .	15,7	8,8
Suisse . . . . .	12,6	4,9
Pologne . . . . .	6,8	6,5

L'exportation britannique à destination des pays du Bloc-or subit, elle aussi, l'influence de ces mêmes facteurs. C'est naturellement le marché français qui, en 1929, a absorbé, des six pays considérés, la plus grande part de cette exportation. Il est suivi dans l'ordre par les marchés néerlandais, belgo-luxembourgeois, italien, suisse et polonais.

Voici du reste les chiffres de l'exportation britannique vers ces pays pour 1929 et 1933, qui montrent nettement que si le recul des valeurs absolues est considérable, les positions respectives des destinataires n'ont que peu varié.

Pays de destination	Année 1929	Année 1933
	(millions de livres)	
France . . . . .	31,7	18,2
Pays-Bas . . . . .	21,8	12,5
Union Belgo-Luxembourgeoise . . . . .	19,4	8,8
Italie . . . . .	16,0	9,1
Suisse . . . . .	6,4	3,9
Pologne . . . . .	4,5	2,7

4. — Les marchandises que le Royaume-Uni importe en provenance des pays du Bloc-or sont, dans leur majorité, des produits appartenant à la catégorie des mi-fabriqués et fabriqués. Cependant, l'importation des produits de la catégorie des comestibles et boissons est également assez importante.

Selon le pays d'origine, on trouve de très grandes différences dans la nature des groupes de produits livrés au Royaume-Uni. C'est ainsi que les contingents suisses et belgo-luxembourgeois sont composés, dans leur grande majorité, de produits mi-fabriqués et fabriqués, que les contingents français et italiens englobent une proportion beaucoup plus large de comestibles et boissons, et que les contingents néerlandais et polonais sont constitués en grande partie par des produits de cette dernière catégorie.

Le Royaume-Uni achète principalement :

*de l'Union Belgo-Luxembourgeoise :*

des produits de la sidérurgie et des industries textiles, des verres, des œufs, des fruits, du lin brut ;

*de la France :*

des produits des industries textiles et des confections, ainsi que de la métallurgie et des industries mécaniques, des fruits et légumes, des vins et alcools, des bois et de la laine bruts ;

*de l'Italie :*

des produits des industries soyères, de la chapellerie, des fruits et des légumes, des fibres textiles ;

*des Pays-Bas :*

des produits laitiers, des œufs, du lard, des légumes, des plantes vivantes et des fleurs, et aussi des produits de la papeterie, des industries électrique et textiles :

*de la Pologne :*

des bois, des œufs, du beurre ;

*de la Suisse :*

des produits des industries textiles, mécaniques, horlogères.

5. — Inversement, l'exportation du Royaume-Uni vers les différents pays du Bloc-or si elle est *toujours composée en majorité de produits mi-fabriqués et fabriqués*, subit, elle aussi, l'influence de la structure économique et de la position géographique des Etats destinataires. Les grands éléments constitutants en sont cependant toujours les produits des industries textiles, métallurgiques et mécaniques. En outre, le Royaume-Uni fournit d'importantes quantités de charbon à la France, à l'Italie, à l'Union Belgo-Luxembourgeoise et aux Pays-Bas.

6. — Ces quelques renseignements, que complète aisément la lecture des tableaux statistiques suivants, indiquent nettement qu'entre le Royaume-Uni et les pays du Bloc-or, les grandes branches de la production industrielle, bien qu'étant parvenues des deux côtés à un haut degré d'organisation technique, si elles se concurrencent à certains égards, entretiennent néanmoins un très actif commerce de produits mi-fabriqués et fabriqués, la technique moderne étant orientée, d'une part vers la spécialisation et ayant, d'autre part, augmenté considérablement la variété des produits finis.

7. — Il faut aussi rappeler qu'en dehors des relations commerciales proprement dites, le Royaume-Uni intervient encore dans la vie économique des pays du Bloc-or, notamment en qualité de transporteur et d'intermédiaire dans le commerce triangulaire. Il leur envoie aussi un très grand nombre de touristes.

8. — La *balance du commerce* du Royaume-Uni avec le Bloc-or, très largement déficitaire jusqu'en 1931, tend progressivement, depuis lors, vers l'équilibre, par suite du recul plus accentué de l'importation en provenance de ces pays que de l'exportation britannique à destination du Bloc-or.

Toutefois, cette tendance ne se retrouve pas avec une même netteté que les relations réciproques du Royaume-Uni avec chacun des pays du Bloc.

Avec la France l'équilibre est réalisé depuis 1932. La statistique enregistre même un renversement de la balance du commerce qui, en 1932 et en 1933, présente un léger solde actif en faveur du Royaume-Uni.

Avec l'Union Belgo-Luxembourgeoise, les Pays-Bas, et la Suisse, le rapprochement des deux postes de la balance est très nettement visible, mais le solde demeure passif.

Avec l'Italie, la balance d'abord équilibrée, puis déséquilibrée en faveur du Royaume-Uni en 1931 et 1932, a retrouvé son équilibre en 1933 ; l'importation et l'exportation ont suivi une voie parallèle.

Avec la Pologne enfin, la valeur de l'exportation britannique vers ce pays ayant reculé de moitié entre 1928 et 1933, alors que la valeur de l'importation polonaise au Royaume-Uni augmentait légèrement (en chiffres absolus), la balance commerciale, équilibrée au début, a laissé au Royaume-Uni un solde passif de plus en plus important.

9. — Sans vouloir généraliser les quelques observations précédentes, on peut admettre que, dans les relations commerciales avec le Bloc-or, la dépréciation de la monnaie britannique, en agissant dans le sens d'une baisse sur le *niveau réel des prix* des produits d'exportation, a probablement eu l'effet d'un stimulant. Cependant son action est beaucoup plus apparente et durable sur les marchés français, belgo-luxembourgeois, néerlandais et suisse, que sur le marché italien. La statistique ne révèle aucune action de cet ordre sur le marché polonais.

**B. RENSEIGNEMENTS STATISTIQUES.**

**Royaume-Uni. — a) COMMERCE AVEC LES PAYS DU BLOC-OR.**

(En millions de livres sterling.)

*Importation.*

Provenance	1928		1929		1930		1931		1932		1933	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxem- bourgeoise . . . . .	43,1	4,0	43,6	3,9	37,8	3,9	33,2	4,2	16,1	2,4	12,9	2,1
France . . . . .	56,8	5,3	52,8	4,8	46,1	4,8	38,9	4,9	17,9	2,8	18,0	2,9
Italie . . . . .	14,8	1,4	15,7	1,4	13,9	1,5	14,5	1,8	10,3	1,6	8,8	1,4
Pays-Bas . . . . .	42,0	3,9	41,5	3,7	38,7	4,0	34,7	4,4	21,7	3,3	18,4	2,9
Pologne* . . . . .	5,7	0,5	6,8	0,6	7,8	0,8	8,3	1,0	6,1	0,9	6,5	1,0
Suisse . . . . .	13,1	1,2	12,6	1,1	11,7	1,2	10,7	1,3	4,8	0,7	4,9	0,8
<b>Total . . . . .</b>	<b>175,5</b>	<b>16,3</b>	<b>173,0</b>	<b>15,5</b>	<b>156,0</b>	<b>16,2</b>	<b>140,3</b>	<b>17,6</b>	<b>76,9</b>	<b>11,7</b>	<b>69,5</b>	<b>11,1</b>

*Exportation.*

Destination	1928		1929		1930		1931		1932		1933	
Union Belgo-Luxem- bourgeoise . . . . .	17,0	2,4	19,4	2,7	15,0	2,6	10,0	2,6	8,7	2,4	8,8	2,4
France . . . . .	25,2	3,5	31,7	4,3	29,7	5,2	22,6	5,8	18,4	5,0	18,2	5,0
Italie . . . . .	14,4	2,0	16,0	2,2	13,8	2,4	9,9	2,5	8,6	2,4	9,1	2,5
Pays-Bas . . . . .	21,8	3,0	21,8	3,0	18,9	3,3	13,7	3,5	12,1	3,3	12,5	3,4
Pologne* . . . . .	5,3	0,7	4,5	0,6	3,6	0,6	2,0	0,5	2,0	0,5	2,7	0,7
Suisse . . . . .	7,9	1,1	6,4	0,9	5,2	0,9	4,1	1,0	3,7	1,0	3,9	1,1
<b>Total . . . . .</b>	<b>91,6</b>	<b>12,7</b>	<b>99,8</b>	<b>13,7</b>	<b>86,2</b>	<b>15,0</b>	<b>62,3</b>	<b>15,9</b>	<b>53,5</b>	<b>14,6</b>	<b>55,2</b>	<b>15,1</b>

\* Y compris Dantzig.

Les pourcentages ci-dessus se rapportent à la valeur totale soit de l'importation soit de l'exportation du Royaume-Uni.

**Royaume-Uni. — b) IMPORTATION EN PROVENANCE DES PAYS DU BLOC-OR EN 1929.**

(En milliers de £.)

Marchandises importées	Union Belgo-Luxembourgeoise		France		Italie		Pays-Bas		Pologne*		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
<b>I. Comestibles, boissons, tabacs. . .</b>	<b>5.748</b>	<b>13,3</b>	<b>11.161</b>	<b>21,1</b>	<b>5.081</b>	<b>32,3</b>	<b>23.165</b>	<b>55,8</b>	<b>4.231</b>	<b>62,3</b>	<b>1.326</b>	<b>10,5</b>
Beurre . . . . .			348				1.066		525			
Fromage . . . . .			144		634		763				274	
Margarine . . . . .							2.620					
Lait condensé . . . . .							3.143				125	
Œufs . . . . .	2.235		647		21		2.468		1.239			
Lard fumé . . . . .							4.602					
Volaille et gibier . . . . .	96		424		112		165					
Fruits frais . . . . .	1.239		2.079		1.837		970					
Légumes frais . . . . .	20		974		41		1.932					
Pommes de terre . . . . .			1.082				109					
Légumes conservés . . . . .	129		100		727				616			
Sucre . . . . .												
Chocolat et préparations au cacao . . . . .											812	
Vins . . . . .			2.146		201							
Eaux-de-vie . . . . .			942				99					
Levure . . . . .	135		38									
<b>II. Produits bruts . . . . .</b>	<b>4.786</b>	<b>11,1</b>	<b>6.358</b>	<b>12,0</b>	<b>2.732</b>	<b>17,3</b>	<b>5.379</b>	<b>13,0</b>	<b>1.759</b>	<b>25,9</b>	<b>174</b>	<b>1,4</b>
Bois . . . . .			1.488		77				1.326			
Plantes vivantes et ornements à fleurs . . . . .	76		44				1.389					
Fleurs fraîches . . . . .			214				328					
Lin. . . . .	1.748						268					
Chanvre . . . . .					441							
Soie . . . . .			123		352						71	
Laine . . . . .	182		1.689									
Crins et poils . . . . .	362		313									
Cuirs et peaux . . . . .	31		152		437		135				48	
Eponges . . . . .					114							
Sable et granit . . . . .	352											
Soufre . . . . .					158							
Minerai de fer . . . . .	14		219									
Huiles et graisses industrielles . . . . .	429						1.834					
<b>III. Produits mi-fabriqués et fabriqués</b>	<b>32.475</b>	<b>75,3</b>	<b>34.624</b>	<b>65,6</b>	<b>7.876</b>	<b>50,0</b>	<b>12.690</b>	<b>30,6</b>	<b>778</b>	<b>11,5</b>	<b>10.994</b>	<b>87,1</b>
Tissus de coton . . . . .	1.781		690		277		1.085				204	
Filés de laine . . . . .	789		2.824		62						118	
Tissus et tissus ouvrés en laine . . . . .	1.287		3.199		379		474				127	
Tissus et tissus ouvrés en soie . . . . .	25		5.578		1.042						2.647	
Tissus et tissus ouvrés en soie artificielle . . . . .	349		2.038		702		267				1.286	
Broderies . . . . .							96				529	
Vêtements . . . . .	628		1.499								465	
Gants de peau et fourrure . . . . .			123		616							
Chapeaux, bonnets, etc. . . . .			653		1.114						196	
Fourrures . . . . .	715		1.698									
Fers et aciers bruts et travaillés . . . . .	11.295		1.972				958				73	
Cuivre brut et travaillé . . . . .			668									
Zinc brut et travaillé . . . . .	1.621											
Machines . . . . .	377		808		116		519				850	
Véhicules routiers à moteur . . . . .	251		734		209						116	
Matériel et appareils électriques . . . . .							1.386				329	
Horlogerie . . . . .			142								1.004	
Bois ouvré . . . . .	438		494		95				384			
Cuirs et ouvrages en cuir . . . . .	385		1.662				954					
Verre et verrerie . . . . .	2.012		158				275					
Marbre et ouvrages en marbre . . . . .					630							
Papiers et cartons . . . . .	610		448				2.224					
Amidon, dextrine, etc. . . . .	163						828					
Produits chimiques . . . . .	651		810		558		479				442	
Parfumerie . . . . .			438									
Cires . . . . .									99			
<b>IV. Animaux non destinés à la consommation . . . . .</b>	<b>15</b>	<b>—</b>	<b>93</b>	<b>0,2</b>	<b>7</b>	<b>—</b>	<b>28</b>	<b>0,1</b>	<b>6</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>V. Colis postaux . . . . .</b>	<b>145</b>	<b>0,3</b>	<b>586</b>	<b>1,1</b>	<b>53</b>	<b>0,4</b>	<b>226</b>	<b>0,5</b>	<b>17</b>	<b>0,3</b>	<b>122</b>	<b>1,0</b>
<b>Total . . . . .</b>	<b>43.169</b>	<b>100</b>	<b>52.822</b>	<b>100</b>	<b>15.749</b>	<b>100</b>	<b>41.488</b>	<b>100</b>	<b>6.791</b>	<b>100</b>	<b>12.616</b>	<b>100</b>

\* Y compris Dantzig.

**Royaume-Uni. — e) IMPORTATION EN PROVENANCE DES PAYS DU BLOC-OR EN 1932.**  
(En milliers de £.)

Marchandises importées	Union Belgo-Luxembourgeoise		France		Italie		Pays-Bas		Pologne*		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
<b>I. Comestibles, boissons, tabacs. . .</b>	<b>3.017</b>	<b>19,2</b>	<b>4.307</b>	<b>24,1</b>	<b>3.873</b>	<b>37,6</b>	<b>13.560</b>	<b>62,4</b>	<b>4.272</b>	<b>69,7</b>	<b>174</b>	<b>3,6</b>
Beurre . . . . .							249		11		104	
Fromage . . . . .			57		441		449				6	
Margarine . . . . .							150					
Lait condensé . . . . .	124						2.529					
Oeufs . . . . .	737						648		625			
Lard fumé . . . . .							2.404		2.635			
Volaille et gibier . . . . .			127		74		142		57			
Fruits frais . . . . .	486		927		1.920		687					
Légumes frais . . . . .			392		59		1.872					
Légumes conservés . . . . .	45		38		501		113					
Pommes de terre . . . . .	657		27				1.158					
Sucre . . . . .									482			
Chocolat et préparations											14	
Vins . . . . .			730		209							
Eaux-de-vie . . . . .			685									
Levure . . . . .	58		23									
<b>II. Produits bruts . . . . .</b>	<b>2.170</b>	<b>13,8</b>	<b>2.579</b>	<b>14,4</b>	<b>1.630</b>	<b>15,8</b>	<b>3.100</b>	<b>14,3</b>	<b>1.291</b>	<b>21,1</b>	<b>68</b>	<b>1,4</b>
Bois . . . . .			398						1.175			
Plantes vivantes et oi- gnons à fleurs . . . . .			20				1.268					
Fleurs fraîches . . . . .			148				235					
Lin . . . . .	860						46					
Chanvre . . . . .					236		24				18	
Soie . . . . .			11		119							
Laine . . . . .	218		649				32					
Crins et poils . . . . .	205		148									
Cuir et peaux . . . . .			49		346		108					
Eponges . . . . .					53							
Sable et granit . . . . .	98											
Soufre . . . . .					172							
Minerai de fer . . . . .			20				36					
Huiles et graisses indus- trielles . . . . .	141						813					
<b>III. Produits mi-fa- briqués et fabriqués</b>	<b>10.513</b>	<b>66,7</b>	<b>10.803</b>	<b>60,3</b>	<b>4.742</b>	<b>46,0</b>	<b>4.990</b>	<b>23,0</b>	<b>558</b>	<b>9,1</b>	<b>4.516</b>	<b>94,0</b>
Tissus de coton . . . . .	320		34		101		83				16	
Filés de laine . . . . .	25		151								12	
Tissus et tissus ouvrés de laine . . . . .	152		138		278						8	
Tissus et tissus ouvrés de soie . . . . .			1.507		448						558	
Tissus et tissus ouvrés de soie artificielle . . . . .	86		1.593		566						690	
Broderies . . . . .											194	
Vêtements . . . . .	38		162						44		91	
Gants de peau et de four- rure . . . . .			57		546							
Chapeaux, bonnets, etc. . . . .			181		935						62	
Fourrures . . . . .	114		371									
Fers et aciers . . . . .	4.165		814				260				36	
Cuivre . . . . .	157		40				51					
Zinc . . . . .	348											
Machines . . . . .	199		339		108						474	
Véhicules routiers à mo- teur . . . . .	78		212		37							
Matériel et appareils élec- triques . . . . .	105		163				356				164	
Horlogerie . . . . .			28								719	
Bois ouvré . . . . .	73		93				82		134			
Cuir et ouvrages en cuir	156		713				468					
Verre et verrerie . . . . .	1.063		74				60					
Marbres et ouvrages en marbre . . . . .												
Papiers et cartons . . . . .	67		278		22		1.527				68	
Amidon et dextrine . . . . .	113		184									
Produits chimiques . . . . .	378		500		140		283				368	
Parfumerie . . . . .			160									
Cires . . . . .									138			
<b>IV. Animaux non destinés à la consommation . . . . .</b>	<b>12</b>	<b>0,1</b>	<b>58</b>	<b>0,3</b>	<b>10</b>	<b>0,1</b>	<b>17</b>	<b>—</b>	<b>4</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>V. Colis postaux . . . . .</b>	<b>40</b>	<b>0,2</b>	<b>159</b>	<b>0,9</b>	<b>46</b>	<b>0,5</b>	<b>77</b>	<b>0,3</b>	<b>5</b>	<b>0,1</b>	<b>45</b>	<b>1,0</b>
<b>Total . . . . .</b>	<b>15.752</b>	<b>100</b>	<b>17.906</b>	<b>100</b>	<b>10.301</b>	<b>100</b>	<b>21.744</b>	<b>100</b>	<b>6.130</b>	<b>100</b>	<b>4.803</b>	<b>100</b>

\* Y compris Dantzig.



**Royaume-Uni. — d) EXPORTATION VERS LES PAYS DU BLOC-OR EN 1929.**

(En milliers de £.)

Marchandises exportées	Union Belgo-Luxembourgeoise		France		Italie		Pays-Bas		Pologne*		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
<b>I. Comestibles, boissons, tabacs . . .</b>	<b>1.376</b>	<b>7,1</b>	<b>1.232</b>	<b>3,9</b>	<b>476</b>	<b>3,0</b>	<b>1.285</b>	<b>5,9</b>	<b>1.350</b>	<b>30,0</b>	<b>76</b>	<b>1,2</b>
Poissons . . . . .	242		388		365		146		1.301			
Bière . . . . .	256											
Pommes de terre . . . . .			178									
Nourriture pour animaux	221						423					
Tabacs . . . . .			145									
<b>II. Produits bruts . . .</b>	<b>7.235</b>	<b>37,3</b>	<b>12.613</b>	<b>39,8</b>	<b>6.775</b>	<b>42,3</b>	<b>4.130</b>	<b>18,9</b>	<b>586</b>	<b>13,0</b>	<b>177</b>	<b>2,8</b>
Plantes et bulbes . . . . .							416					
Huile d'arachides . . . . .							154					
Peaux et fourrures . . . . .	1.597											
Laines et déchets de laine	1.072		363		333		287				32	
Charbon . . . . .	2.817		10.390		5.989		2.218				103	
Ferraille . . . . .									356			
<b>III. Produits mi-fabriqués et fabriqués . . .</b>	<b>10.539</b>	<b>54,3</b>	<b>17.090</b>	<b>54,0</b>	<b>8.307</b>	<b>51,9</b>	<b>15.878</b>	<b>72,8</b>	<b>2.479</b>	<b>55,0</b>	<b>5.755</b>	<b>89,6</b>
Filés de coton . . . . .	826		760		238		2.174		420		1.383	
Tissus de coton . . . . .	852		516		448		1.657		204		1.985	
Filés de laine . . . . .	372		546		149		736		236		102	
Tissus de laine . . . . .	892		1.099		961		774				384	
Filés et tissus de soie . . .			214								101	
Filés et tissus de soie artificielle . . . . .	94						244		86			
Fils de jute . . . . .	125						256					
Tissus huilés . . . . .	104						140					
Fers et aciers bruts et travaillés . . . . .	1.612		1.484		1.035		1.653				135	
Etain en blocs, barres, etc. . . . .			722		166						135	
Machines . . . . .	1.677		2.799		1.403		1.976		529		205	
Bateaux . . . . .			1.012									
Wagons et trucs de chemins de fer . . . . .			862									
Armes et munitions . . . . .							171					
Matériel et appareils électriques . . . . .					500							
Automobiles, motos et pièces détachées . . . . .	255		519		402		371				297	
Vêtements . . . . .					461		281				96	
Papiers et cartons . . . . .	178		176				209				47	
Cuir et ouvrages en cuir			542								83	
Sulfate de cuivre . . . . .			228		233							
Coke . . . . .			180		352							
Instruments de musique, y compris les gramophones . . . . .	169		203		127						110	
<b>IV. Animaux non destinés à la consommation . . .</b>	<b>48</b>	<b>0,2</b>	<b>130</b>	<b>0,4</b>	<b>19</b>	<b>0,2</b>	<b>158</b>	<b>0,7</b>	<b>2</b>	<b>—</b>	<b>36</b>	<b>0,5</b>
<b>V. Colis postaux . . .</b>	<b>215</b>	<b>1,1</b>	<b>598</b>	<b>1,9</b>	<b>423</b>	<b>2,6</b>	<b>367</b>	<b>1,7</b>	<b>88</b>	<b>2,0</b>	<b>380</b>	<b>5,9</b>
<b>Total . . . . .</b>	<b>19.413</b>	<b>100</b>	<b>31.663</b>	<b>100</b>	<b>16.000</b>	<b>100</b>	<b>21.818</b>	<b>100</b>	<b>4.505</b>	<b>100</b>	<b>6.424</b>	<b>100</b>

\* Y compris Dantzig.

**Royaume-Uni. — e) EXPORTATION VERS LES PAYS DU BLOC-OR EN 1932.**  
(En milliers de £.)

Marchandises exportées	Union Belgo-Luxembourgeoise		France		Italie		Pays-Bas		Pologne*		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
<b>I. Comestibles, boissons, tabacs . . .</b>	<b>755</b>	<b>8,7</b>	<b>758</b>	<b>4,1</b>	<b>311</b>	<b>3,6</b>	<b>838</b>	<b>6,9</b>	<b>451</b>	<b>22,5</b>	<b>77</b>	<b>2,1</b>
Poissons . . . . .	160		384		214		106		399			
Bière . . . . .	168											
Nourriture pour animaux	80		42				187					
Tabacs . . . . .			75									
Sucres et sucreries . . .			41				237					
<b>II. Produits bruts . . .</b>	<b>2.560</b>	<b>29,5</b>	<b>9.341</b>	<b>50,6</b>	<b>4.863</b>	<b>56,3</b>	<b>1.833</b>	<b>15,1</b>	<b>241</b>	<b>12,0</b>	<b>129</b>	<b>3,5</b>
Peaux et fourrures . . .	254		50									
Laines et déchets de laine	219		287		495		111		96			
Charbon . . . . .	1.036		7.721		4.119		1.248		48		78	
Poix . . . . .	327		532									
<b>III. Produits mi-fabriqués et fabriqués . . .</b>	<b>5.136</b>	<b>59,2</b>	<b>7.863</b>	<b>42,6</b>	<b>3.199</b>	<b>37,0</b>	<b>9.078</b>	<b>75,0</b>	<b>1.240</b>	<b>62,0</b>	<b>3.194</b>	<b>86,2</b>
Filés de coton . . . . .	289		134		38		767		141		359	
Tissus de coton . . . . .	349		180		83		806		90		600	
Filés de laine . . . . .	190		200		85		258		253		93	
Tissus de laine . . . . .	495		558		301		182		23		542	
Fils et tissus de soie . .			96								36	
Fils et tissus de soie artificielle . . . . .	46		25		26		108				54	
Fils de jute . . . . .	8											
Tissus huilés . . . . .	99						98				13	
Fers et aciers bruts et travaillés . . . . .	430		349		233		856				121	
Etain en blocs, barres, etc. . . . .			213		27							
Machines . . . . .	584		1.232		508		718		138		168	
Bateaux . . . . .	61		458									
Wagons et trucs de chemins de fer . . . . .			104									
Armes et munitions . . .					28		121					
Matériel et appareils électriques . . . . .			294		167		175		66		59	
Automobiles, motos et pièces détachées . . . . .	416		480		271		692		113		208	
Vêtements . . . . .	18		19		88		305				112	
Papiers et cartons . . . .	101		182		28		191				44	
Cuirs et ouvrages en cuir	91		148		69		199				71	
Sulfate de cuivre . . . . .			284		144							
Coke . . . . .			97		273							
Instruments de musique, y compris les gramophones . . . . .	32		81		23		48				31	
<b>IV. Animaux non destinés à la consommation . . .</b>	<b>32</b>	<b>0,3</b>	<b>18</b>	<b>0,2</b>	<b>3</b>	<b>0,1</b>	<b>33</b>	<b>0,3</b>	<b>—</b>	<b>—</b>	<b>5</b>	<b>0,1</b>
<b>V. Colis postaux . . .</b>	<b>195</b>	<b>2,3</b>	<b>466</b>	<b>2,5</b>	<b>263</b>	<b>3,0</b>	<b>324</b>	<b>2,7</b>	<b>69</b>	<b>3,5</b>	<b>301</b>	<b>8,1</b>
<b>Total . . . . .</b>	<b>8.678</b>	<b>100</b>	<b>18.446</b>	<b>100</b>	<b>8.639</b>	<b>100</b>	<b>12.106</b>	<b>100</b>	<b>2.001</b>	<b>100</b>	<b>3.706</b>	<b>100</b>

\* Y compris Dantzig.

### 3. ETATS-UNIS D'AMÉRIQUE.

#### A. DONNÉES ESSENTIELLES CONCERNANT LES RELATIONS COMMERCIALES DES ETATS-UNIS AVEC LES PAYS DU BLOC-OR.

1. — Les Etats-Unis entretiennent un commerce important avec les pays du Bloc-or considérés comme formant un ensemble. Ces derniers, en tant que *fournisseurs*, ont participé à l'importation américaine dans une proportion restée à peu près constante de 1928 à 1933 et qui atteignit au cours de cette dernière année les 11,0% du total avec un montant de 161 millions de dollars.

La statistique américaine montre que, malgré une baisse des valeurs absolues, les pays du Bloc-or ont pris comme *acheteurs* une part légèrement accrue (17,9% en 1933 contre 13,2% en 1929) de l'exportation totale des Etats-Unis. Leurs achats se sont élevés à 298 millions en 1933.

En réalité, l'importation des pays du Bloc-or comme acheteurs des Etats-Unis est *sensiblement plus forte* que ce que montre la statistique commerciale américaine. Cette dernière, en effet, par le fait que le commerce extérieur des Etats-Unis est en grande partie un commerce maritime qui utilise largement les services des entrepôts, ne note comme destination que celle qui est effectivement mentionnée sur le connaissement. Elle n'indique pas notamment ce que la Suisse et la Pologne ont acheté dans les ports du continent européen ou du Royaume-Uni qui servent d'entrepôt aux marchandises américaines. Ainsi la statistique américaine indique pour 1929 une exportation vers la Pologne et la Suisse de 16 et 12 millions de dollars respectivement alors que, selon les statistiques de ces deux pays, la valeur des importations américaines atteint 43 et 56 millions de dollars.

2. — Pour illustrer ce qui précède, voici, à titre d'exemple, une comparaison des chiffres donnés par la statistique des Etats-Unis comme étant ceux de l'exportation vers les pays du Bloc-or avec une estimation calculée en dollars sur la base des données contenues dans les tableaux du présent document et intitulés « Commerce extérieur — Chiffres globaux annuels » de chacun des pays du Bloc-or.

	1929	1930	1931	1932	1933
		(En millions de dollars.)			
Exportation vers les pays du Bloc-or (statistique américaine) . . . . .	691	536	298	260	298
Importation des pays du Bloc-or en provenance des Etats-Unis (estimation basée sur les statistiques des pays du Bloc-or) . . . . .	770	616	385	279	333

Le *commerce global* (importations et exportations additionnées) des Etats-Unis avec les pays du Bloc-or a considérablement diminué de 1929 à 1932. Toutefois, pendant l'année 1932, la chute des exportations américaines s'est fortement ralentie. Ce mouvement de recul peut s'expliquer, tout au moins partiellement, par la baisse des prix de gros, qui s'est poursuivie pendant cette période et qui en a ramené l'indice (137 en 1929) au-dessous du chiffre de 1913-14 (93 en 1932)<sup>1</sup>. Enfin, on peut signaler que, pour 1933, la statistique indique une *reprise commerciale*. L'importation est remontée en effet à 161 millions de dollars (144 millions en 1932) et l'exportation a passé à 298 millions de dollars (260 millions en 1932). Toutefois, au cours de cette même année, le dollar s'est déprécié.

3. — Les Etats-Unis jouissent d'une *balance commerciale active* avec les pays du Bloc-or. Si l'on tient compte tout d'abord de ce qui a été dit plus haut, c'est-à-dire que ces pays achètent aux Etats-Unis pour un montant supérieur à celui qu'indique la statistique commerciale américaine et, ensuite, que les statistiques des pays du Bloc-or montrent, pour les exportations au delà de l'Atlantique, un montant inférieur à ce que les Etats-Unis notent comme leur provenant de ces pays<sup>2</sup>, on en peut conclure que le solde actif de la balance commerciale est en réalité plus favorable encore aux Etats-Unis que ce que les statistiques de ce pays ne le laissent supposer.

A titre purement indicatif, on a donné ci-après une comparaison entre la balance commerciale telle qu'elle résulte de la statistique commerciale des Etats-Unis et telle que la montre une estimation en dollars faite sur la base des statistiques des divers pays du Bloc-or (voir pour chacun d'eux les tableaux intitulés « Balance du commerce »).

<sup>1</sup> *Annuaire statistique de la Société des Nations 1933 34*, tableau 118, page 247.

<sup>2</sup> Ceci s'explique probablement par le fait qu'à l'importation, les statistiques américaines indiquent comme provenance le pays expéditeur, que les marchandises aient ou non été facturées dans ce pays, et que plusieurs des pays du Bloc-or possèdent des ports importants qui servent à l'expédition de marchandises originaires d'autres pays.

BALANCE DU COMMERCE DES ETATS-UNIS AVEC LES PAYS DU BLOC-OR

	1929	1930	1931	1932	1933
	(En millions de dollars)				
A. D'après les statistiques des Etats-Unis . . . . .	+192	+206	+62	+116	+137
B. D'après les statistiques des pays du Bloc-or. . . . .	+418	+364	+205	+165	+197

4. — Parmi les six pays du Bloc-or, la France est le fournisseur le plus important des Etats-Unis. D'après la statistique de ce pays, elle a fourni en 1929 le 3,9 % de l'importation américaine, avec une valeur de 171 millions de dollars. En 1933, sa part était de 50 millions de dollars (3,5 %).

Des pays du Bloc-or, la France est aussi le plus important client des Etats-Unis. La part qu'elle a prise des marchandises exportées d'Amérique a passé de 266 millions de dollars en 1929 à 122 millions en 1933 mais, en même temps, sa part proportionnelle s'élevait de 5,1 % à 7,3 %.

Immédiatement après la France se trouve l'Italie qui a fourni en 1929 et 1933 le 2,7 % de la valeur des marchandises importées par les Etats-Unis et qui leur a acheté, pour ces mêmes périodes, respectivement pour 3,0 % et 3,6 %. Viennent ensuite à peu de distance l'un de l'autre les Pays-Bas et l'Union Belgo-Luxembourgeoise. Quant à la Pologne et à la Suisse, il a été vu plus haut que leur rôle comme client des Etats-Unis n'apparaissait pas suffisamment dans la statistique américaine.

5. — La composition des importations américaines en provenance des pays du Bloc-or varie beaucoup selon qu'il s'agit de l'un ou de l'autre de ces pays.

De l'Union Belgo-Luxembourgeoise, les Etats-Unis achètent surtout des diamants qui représentaient en 1929 plus du quart de l'importation provenant de l'Union, des produits des industries textiles et chimiques, des fourrures non travaillées, des produits de la métallurgie.

La France fournit aux Etats-Unis des produits des industries textiles et des confections de soie, de laine et de coton. En 1929 et en 1932, ces articles représentaient le 27 % de l'importation de provenance française. Celle-ci comprend aussi des pierres précieuses et des diamants, des fourrures, des gants, de la verrerie, des produits chimiques.

L'Italie fournit aux Etats-Unis surtout des fromages, des conserves de tomates, de la soie et des tissus de soie, des tissus de laine, des chapeaux, des fruits, oranges, citrons, raisins, etc.

Des Pays-Bas proviennent surtout des diamants, des peaux, des fourrures brutes, du tabac en feuilles, des plantes vivantes, des produits alimentaires et des textiles.

La Pologne livre des bois, des fourrures non travaillées, des fourrages et des produits textiles.

De la Suisse proviennent des fromages, des articles en coton, des produits chimiques et pharmaceutiques, de l'horlogerie (autrefois en tête de l'exportation suisse vers les Etats-Unis) et des soieries, etc.

6. — Les principaux articles qui composent l'exportation des Etats-Unis vers les pays du Bloc-or sont le coton brut, les huiles minérales, les métaux (fer, acier, cuivre) et leurs ouvrages, les automobiles et les pièces détachées d'automobiles, le blé et les viandes conservées. Les positions respectives et les proportions de ces articles varient selon qu'il s'agit de l'un ou de l'autre des pays du Bloc-or dont l'importation en provenance d'Amérique se compose en grandes lignes comme suit :

Union Belgo-Luxembourgeoise : automobiles et pièces détachées, coton brut, blé, huiles minérales ;

France : coton brut, huiles minérales, métaux et articles en métaux, automobiles et pièces détachées ;

Italie : coton brut, métaux, huiles minérales ;

Pays-Bas : coton brut, huiles minérales, blé, maïs, etc ;

Pologne : automobiles et pièces détachées, lard, articles et caoutchouc ;

Suisse : machines et véhicules dont automobiles, articles en caoutchouc, coton brut.

7. — La gravité de la dépression économique subie par les Etats-Unis depuis 1930 et les tentatives de réorganisation de toute la vie matérielle, actuellement en cours, ont exercé et exercent encore des influences profondes et diverses sur les conditions de vie et par conséquent aussi sur le niveau des prix des produits d'exportation américains.

La lecture des renseignements statistiques, du reste arrêtés à fin 1933, ne permet pas de déceler avec quelque probabilité les répercussions de cette importante évolution dans le domaine des relations commerciales des Etats-Unis avec le Bloc-or. On peut toutefois admettre que la dévaluation de la monnaie, les mesures internes d'encouragement et de réorganisation de la production, l'emploi de nouvelles méthodes dans l'exportation de certains produits (création d'usines de montage à l'étranger) ont agi, sur l'exportation américaine, comme un stimulant — tout relatif dans les conditions actuelles du commerce international — alors que des mesures telles que l'abolition « de la prohibition » ont pu être italiennes vers les Etats-Unis.

**B. RENSEIGNEMENTS STATISTIQUES.**

**Etats-Unis. — a) COMMERCE AVEC LES PAYS DU BLOC-OR.**  
(En millions de dollars.)

*Importation.*

Provenance	1928		1929		1930		1931		1932		1933	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
Union Belgo-Luxembourgeoise . . . . .	75	1,8	74	1,7	52	1,7	34	1,6	22	1,7	23	1,6
France . . . . .	159	3,9	171	3,9	114	3,7	79	3,8	45	3,4	50	3,5
Italie . . . . .	102	2,5	117	2,7	79	2,6	63	3,0	42	3,2	39	2,7
Pays-Bas . . . . .	84	2,0	84	1,9	51	1,7	35	1,7	22	1,7	31	2,1
Pologne . . . . .	4	0,1	5	0,1	3	0,1	2	0,1	1	0,1	3	0,2
Suisse . . . . .	43	1,1	48	1,1	31	1,0	23	1,1	12	0,9	15	1,0
<b>Total . . . . .</b>	<b>467</b>	<b>11,4</b>	<b>499</b>	<b>11,4</b>	<b>330</b>	<b>10,8</b>	<b>236</b>	<b>11,3</b>	<b>144</b>	<b>11,0</b>	<b>161</b>	<b>11,0</b>

*Exportation.*

Destination												
Union Belgo-Luxembourgeoise . . . . .	112	2,2	115	2,2	86	2,2	59	2,4	40	2,5	43	2,6
France . . . . .	241	4,7	266	5,1	224	5,8	122	5,0	112	6,9	122	7,3
Italie . . . . .	162	3,2	154	3,0	101	2,6	55	2,3	49	3,0	61	3,6
Pays-Bas . . . . .	142	2,8	128	2,4	105	2,7	35	1,7	45	2,8	49	2,9
Pologne . . . . .	16	0,3	16	0,3	9	0,2	4	0,2	7	0,4	15	1,0
Suisse . . . . .	12	0,2	12	0,2	11	0,3	23	1,1	7	0,4	8	0,5
<b>Total . . . . .</b>	<b>685</b>	<b>13,4</b>	<b>691</b>	<b>13,2</b>	<b>536</b>	<b>13,8</b>	<b>298</b>	<b>12,7</b>	<b>260</b>	<b>16,0</b>	<b>298</b>	<b>17,9</b>

Les pourcentages ci-dessus se rapportent à la valeur totale, soit de l'importation, soit de l'exportation des Etats-Unis.

**Etats-Unis. — b) IMPORTATION EN PROVENANCE DES PAYS DU BLOC-OR EN 1929**

(En milliers de dollars.)

Marchandises importées	Union Belgo-Luxembourgeoise		France		Italie		Pays-Bas		Pologne		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
<b>I. Animaux et produits animaux comestibles . . .</b>	<b>118</b>	<b>0,2</b>	<b>2.916</b>	<b>1,7</b>	<b>11.317</b>	<b>9,7</b>	<b>2.328</b>	<b>2,8</b>	<b>32</b>	<b>0,7</b>	<b>6.066</b>	<b>12,5</b>
Fromage . . . . .	—	—	—	—	10.130	—	—	—	—	—	6.051	—
<b>II. Animaux et produits animaux non comestibles, excepté la laine et les crins . . . . .</b>	<b>10.656</b>	<b>14,4</b>	<b>26.200</b>	<b>15,3</b>	<b>6.940</b>	<b>5,9</b>	<b>5.018</b>	<b>6,0</b>	<b>2.288</b>	<b>47,1</b>	<b>3.157</b>	<b>6,5</b>
Fourrures non travaillées . . . . .	6.807	—	5.857	—	—	—	—	—	1.293	—	—	—
Gants en cuir . . . . .	—	—	5.824	—	—	—	—	—	—	—	—	—
Cuir travaillé en chaussures . . . . .	—	—	—	—	—	—	—	—	—	—	2.310	—
<b>III. Produits alimentaires végétaux et boissons . . . . .</b>	<b>1.025</b>	<b>1,4</b>	<b>10.155</b>	<b>5,9</b>	<b>35.912</b>	<b>30,7</b>	<b>5.249</b>	<b>6,2</b>	<b>327</b>	<b>6,7</b>	<b>291</b>	<b>0,6</b>
Noisettes . . . . .	—	—	3.188	—	—	—	—	—	—	—	—	—
Tomates . . . . .	—	—	—	—	8.316	—	—	—	—	—	—	—
Huile d'olive . . . . .	—	—	—	—	12.397	—	—	—	—	—	—	—
<b>IV. Autres produits végétaux, excepté les fibres et le bois . . . . .</b>	<b>769</b>	<b>1,0</b>	<b>4.059</b>	<b>2,4</b>	<b>9.849</b>	<b>8,4</b>	<b>25.483</b>	<b>30,4</b>	<b>486</b>	<b>10,0</b>	<b>38</b>	<b>—</b>
Tabac en feuilles pour cigares . . . . .	—	—	—	—	—	—	15.387	—	—	—	—	—
<b>V. Textiles . . . . .</b>	<b>12.012</b>	<b>16,2</b>	<b>46.764</b>	<b>27,3</b>	<b>34.592</b>	<b>29,5</b>	<b>4.410</b>	<b>5,3</b>	<b>443</b>	<b>9,1</b>	<b>13.229</b>	<b>27,4</b>
Tissus . . . . .	4.578	—	—	—	—	—	—	—	—	—	—	—
Articles en soie naturelle . . . . .	—	—	17.800	—	10.261	—	—	—	—	—	2.844	—
Articles en coton . . . . .	—	—	11.060	—	3.217	—	—	—	—	—	4.231	—
Articles en laine . . . . .	—	—	8.498	—	8.140	—	—	—	—	—	—	—
<b>VI. Bois et papier . . . . .</b>	<b>2.274</b>	<b>3,1</b>	<b>12.363</b>	<b>7,2</b>	<b>2.701</b>	<b>2,3</b>	<b>1.235</b>	<b>1,5</b>	<b>717</b>	<b>14,8</b>	<b>209</b>	<b>0,4</b>
<b>VII. Minerais . . . . .</b>	<b>26.171</b>	<b>35,3</b>	<b>20.164</b>	<b>11,8</b>	<b>4.057</b>	<b>3,5</b>	<b>21.257</b>	<b>25,3</b>	<b>152</b>	<b>3,1</b>	<b>275</b>	<b>0,6</b>
Verrerie . . . . .	2.733	—	3.097	—	—	—	—	—	—	—	—	—
Diamants . . . . .	20.566	—	4.027	—	—	—	19.982	—	—	—	—	—
Autres pierres précieuses . . . . .	—	—	9.884	—	—	—	—	—	—	—	—	—
<b>VIII. Métaux et articles en métaux . . . . .</b>	<b>6.798</b>	<b>9,2</b>	<b>9.117</b>	<b>5,3</b>	<b>1.080</b>	<b>0,9</b>	<b>9.180</b>	<b>10,9</b>	<b>8</b>	<b>0,2</b>	<b>1.717</b>	<b>3,6</b>
Etain en barres ou blocs . . . . .	—	—	—	—	—	—	8.217	—	—	—	—	—
<b>IX. Machines et véhicules . . . . .</b>	<b>1.518</b>	<b>2,1</b>	<b>1.482</b>	<b>0,8</b>	<b>1.154</b>	<b>1,0</b>	<b>140</b>	<b>0,2</b>	<b>—</b>	<b>—</b>	<b>1.268</b>	<b>2,6</b>
<b>X. Produits chimiques . . . . .</b>	<b>10.173</b>	<b>13,7</b>	<b>8.797</b>	<b>5,1</b>	<b>1.671</b>	<b>1,4</b>	<b>7.098</b>	<b>8,5</b>	<b>17</b>	<b>0,4</b>	<b>4.424</b>	<b>9,2</b>
<b>XI. Autres produits . . . . .</b>	<b>2.534</b>	<b>3,4</b>	<b>29.468</b>	<b>17,2</b>	<b>7.794</b>	<b>6,7</b>	<b>2.455</b>	<b>2,9</b>	<b>383</b>	<b>7,9</b>	<b>17.677</b>	<b>36,6</b>
Montres et mouvements . . . . .	—	—	—	—	—	—	—	—	—	—	11.435	—
Antiquités . . . . .	—	—	12.725	—	—	—	—	—	—	—	—	—
<b>Totaux . . . . .</b>	<b>74.048</b>	<b>100</b>	<b>171.485</b>	<b>100</b>	<b>117.067</b>	<b>100</b>	<b>83.853</b>	<b>100</b>	<b>4.853</b>	<b>100</b>	<b>48.351</b>	<b>100</b>

Etats-Unis. — e) IMPORTATION EN PROVENANCE DES PAYS DU BLOC-OR EN 1932.

(En milliers de dollars.)

Marchandises importées	Union Belgo-Luxem- bourgeoise		France		Italie		Pays-Bas		Pologne		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
I. Animaux et produits animaux comestibles	87	0,3	1.401	3,1	7.997	18,8	821	3,7	7	0,5	2.778	22,2
II. Animaux et produits animaux non comes- tibles, exceptés la laine et les crins . . .	1.616	7,4	5.018	11,2	1.619	3,8	833	3,7	372	29,6	406	3,2
III. Produits alimentaires végétaux et bois- sons . . . . .	273	1,2	2.873	6,4	11.113	26,2	1.657	7,4	236	18,8	102	0,8
IV. Autres produits végé- taux, exceptés les fibres et le bois . . .	626	2,9	1.402	3,2	4.735	11,2	6.061	27,0	182	14,5	66	0,5
V. Textiles . . . . .	4.543	20,7	12.130	27,1	11.209	26,4	872	3,9	21	1,7	3.958	31,7
VI. Bois et papier . . .	414	1,9	5.458	12,2	533	1,3	129	0,6	208	16,6	79	0,7
VII. Minerais . . . . .	7.600	34,7	1.846	4,1	1.019	2,4	2.330	10,4	55	4,4	21	0,2
VIII. Métaux et articles en métaux . . . . .	1.855	8,5	1.430	3,2	326	0,8	2.341	10,4	24	1,9	435	3,5
IX. Machines et véhicules	159	0,7	253	0,6	99	0,2	86	0,4	4	0,3	228	1,8
X. Produits chimiques .	3.609	16,5	2.945	6,6	675	1,6	6.354	28,3	23	1,8	2.330	18,7
XI. Autres produits . .	1.144	5,2	9.982	22,3	3.078	7,3	946	4,2	124	9,9	2.090	16,7
	21.926	100	44.738	100	42.403	100	22.430	100	1.256	100	12.493	100

**Etats-Unis. — d) EXPORTATION VERS LES PAYS DU BLOC-OR EN 1929.**

(En milliers de dollars.)

Marchandises exportées	Union Belgo-Luxem- bourgeoise		France		Italie		Pays-Bas		Pologne		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
<b>I. Animaux et produits ani- maux comestibles . . .</b>	<b>5.041</b>	<b>4,4</b>	<b>3.059</b>	<b>1,2</b>	<b>6.122</b>	<b>4,0</b>	<b>10.528</b>	<b>8,2</b>	<b>4.405</b>	<b>27,0</b>	<b>246</b>	<b>2,0</b>
Lard . . . . .	2.539		1.378		3.410		5.497		3.225		—	
<b>II. Animaux et produits animaux non comesti- bles, excepté la laine et les crins . . . . .</b>	<b>1.615</b>	<b>1,4</b>	<b>5.241</b>	<b>1,9</b>	<b>1.363</b>	<b>0,8</b>	<b>3.905</b>	<b>3,0</b>	<b>1.721</b>	<b>10,6</b>	<b>1.220</b>	<b>9,9</b>
<b>III. Produits alimentaires végétaux et boissons .</b>	<b>17.136</b>	<b>15,0</b>	<b>8.963</b>	<b>3,4</b>	<b>4.890</b>	<b>3,2</b>	<b>38.483</b>	<b>30,3</b>	<b>645</b>	<b>4,0</b>	<b>306</b>	<b>2,5</b>
Blé . . . . .	6.645		2.318		—		10.185		—		—	
Tourteaux . . . . .	4.457		—		—		9.923		—		—	
Mais . . . . .	—		1.077		2.661		6.057		—		—	
Prunés . . . . .	—		1.539		—		—		—		—	
<b>IV. Autres produits végé- taux excepté les fibres et le bois . . . . .</b>	<b>5.578</b>	<b>4,9</b>	<b>8.027</b>	<b>3,1</b>	<b>3.631</b>	<b>2,4</b>	<b>9.123</b>	<b>7,2</b>	<b>1.046</b>	<b>6,4</b>	<b>2.372</b>	<b>19,4</b>
Tabac en feuilles . . . . .	1.671		4.266		937		4.911		—		—	
Produits en caoutchouc . . . . .	2.413		2.305		1.715		1.309		806		1.168	
<b>V. Textiles . . . . .</b>	<b>21.757</b>	<b>19,1</b>	<b>88.628</b>	<b>33,8</b>	<b>81.254</b>	<b>53,3</b>	<b>17.530</b>	<b>13,8</b>	<b>226</b>	<b>1,4</b>	<b>693</b>	<b>5,7</b>
Coton brut . . . . .	20.547		87.128		80.062		15.743		—		464	
<b>VI. Bois et papier . . . . .</b>	<b>3.300</b>	<b>2,9</b>	<b>3.382</b>	<b>1,3</b>	<b>3.665</b>	<b>2,4</b>	<b>5.755</b>	<b>4,5</b>	<b>156</b>	<b>1,0</b>	<b>77</b>	<b>0,6</b>
<b>VII. Minerais . . . . .</b>	<b>13.314</b>	<b>11,7</b>	<b>59.951</b>	<b>22,8</b>	<b>16.125</b>	<b>10,6</b>	<b>18.399</b>	<b>14,5</b>	<b>149</b>	<b>0,9</b>	<b>192</b>	<b>1,6</b>
Huiles minérales . . . . .	11.927		53.903		10.709		15.662		—		—	
<b>VIII. Métaux et articles en métaux . . . . .</b>	<b>10.533</b>	<b>9,3</b>	<b>38.377</b>	<b>14,6</b>	<b>19.909</b>	<b>13,1</b>	<b>9.719</b>	<b>7,6</b>	<b>1.414</b>	<b>8,6</b>	<b>412</b>	<b>3,4</b>
Cuivre raffiné . . . . .	8.373		32.053		15.145		5.787		—		—	
<b>IX. Machines et véhicules. Automobiles et pièces déta- chées . . . . .</b>	<b>32.705</b>	<b>28,7</b>	<b>38.251</b>	<b>14,6</b>	<b>12.031</b>	<b>7,9</b>	<b>10.130</b>	<b>8,0</b>	<b>5.655</b>	<b>34,6</b>	<b>5.517</b>	<b>45,0</b>
Automobiles et pièces déta- chées . . . . .	26.408		14.114		2.562		5.319		3.516		2.460	
<b>X. Produits chimiques . . . . .</b>	<b>2.084</b>	<b>1,8</b>	<b>3.696</b>	<b>1,4</b>	<b>1.994</b>	<b>1,3</b>	<b>2.661</b>	<b>2,1</b>	<b>475</b>	<b>2,9</b>	<b>270</b>	<b>2,2</b>
<b>XI. Autres produits . . . . .</b>	<b>922</b>	<b>0,8</b>	<b>4.944</b>	<b>1,9</b>	<b>1.550</b>	<b>1,0</b>	<b>962</b>	<b>0,8</b>	<b>417</b>	<b>2,6</b>	<b>944</b>	<b>7,7</b>
<b>Totaux * . . . . .</b>	<b>113.985</b>	<b>100</b>	<b>262.519</b>	<b>100</b>	<b>152.534</b>	<b>100</b>	<b>127.195</b>	<b>100</b>	<b>16.309</b>	<b>100</b>	<b>12.249</b>	<b>100</b>

\* Les chiffres globaux annuels pour chaque pays sont ceux du « Domestic exports » ne comprenant pas les réexportations.



**Etats-Unis. — e) EXPORTATION VERS LES PAYS DU BLOC-OR EN 1932.**  
(En milliers de dollars.)

Marchandises exportées	Union Belgo-Luxembourgeoise		France		Italie		Pays-Bas		Pologne		Suisse	
	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%	Valeur	%
I. Animaux et produits animaux comestibles	1.123	2,8	620	0,6	733	1,5	3.523	8,0	36	0,5	115	1,7
II. Animaux et produits animaux non comestibles, exceptés la laine et les fibres . .	451	1,2	2.005	1,9	1.171	2,4	1.110	2,5	716	10,1	540	8,2
III. Produits alimentaires végétaux et boissons . . . . .	7.087	17,9	10.185	9,4	1.462	3,0	11.318	25,9	585	8,3	179	2,7
IV. Autres produits végétaux, exceptés les fibres et le bois . .	2.652	6,7	5.427	5,0	1.134	2,4	4.123	9,4	438	6,2	1.267	19,2
V. Textiles . . . . .	6.564	16,5	33.594	31,1	27.412	56,8	6.232	14,2	4.500	63,6	176	2,6
VI. Bois et papier . . .	1.705	4,3	1.802	1,7	1.423	3,0	1.689	3,9	28	0,4	75	1,1
VII. Minerais . . . . .	6.523	16,4	23.914	22,1	6.127	12,7	7.791	17,8	53	0,7	194	2,9
VIII. Métaux et articles en métaux . . . . .	1.600	4,0	6.506	6,0	3.269	6,8	1.445	3,3	74	1,1	262	4,0
IX. Machines et véhicules	10.417	26,2	14.408	13,3	3.678	7,6	4.410	10,1	410	5,8	3.202	49,0
X. Produits chimiques .	1.092	2,8	6.514	6,0	1.125	2,3	1.709	3,9	78	1,1	196	3,0
XI. Autres produits . .	496	1,2	3.175	2,9	726	1,5	420	1,0	158	2,2	371	5,6
	39.710	100	108.150	100	48.260	100	43.770	100	7.076	100	6.577	100

Geneva, April 2nd, 1935.

LEAGUE OF NATIONS

**DRAFT INTERNATIONAL AGREEMENT  
FOR THE PURPOSE OF FACILITATING,  
COMMERCIAL PROPAGANDA**

**DOCUMENT PREPARED FOR THE MEETING CONVENED  
AT GENEVA FOR JULY 1<sup>ST</sup>, 1935.**

CONTENTS.

	Page
<i>Chapter I.</i> — Historical Survey of the Question . . . . .	3
<i>Chapter II.</i> — Draft Convention establishing Uniform Rules for the Purpose of facilitating Commercial Propaganda . . . . .	4
<i>Chapter III.</i> — Text of Each of the Articles of the Preliminary Draft submitted for Consideration to the Governments, followed by : (a) a Summary of their Observations ; (b) the Text of the Corresponding Articles as adopted at the Brussels Conference of the States that have remained on the Gold Standard ; and (c) a Statement of the Reasons underlying the Changes made in the New Draft . . . . .	9
<i>Annex:</i> Observations from the United States of America concerning the Preliminary Draft on Commercial Propaganda. . . . .	22

## CHAPTER I. — HISTORICAL SURVEY OF THE QUESTION.

---

1. In connection with the examination of the various aspects of indirect protectionism, the Economic Committee decided in January 1930 to study certain questions of Customs technique from an essentially practical point of view, recourse being had, wherever thought desirable, to the consultation of experts and interested parties.

These studies referred primarily to :

The Customs treatment of samples without value ;

The Customs treatment of printed matter which is in the nature of advertisement.

2. The experts for whose views on the subject the Economic Committee applied recognised, in the course of their discussions, the importance of these studies, and framed proposals designed to improve the conditions under which samples without value and printed matter at present circulate. They laid down the framework of international agreements prescribing uniform rules for their clearance through the Customs.

3. In August 1931, these proposals were submitted unofficially for consideration to the relevant administrations of a certain number of countries. While on the whole favourable to the general principles laid down by the experts, the replies received nevertheless suggested various changes of detail, additions or omissions which have meant a rather substantial recasting of the original text.

4. The preparatory work had reached this stage when the Monetary and Economic Conference met in London from June 12th to July 27th, 1933. On the proposal of the Sub-Committee on Indirect Protectionism, the Conference authorised the President of the Economic Commission to take all the necessary measures to give effect to any draft provisions on the subject of Customs formalities that were sufficiently advanced.

5. In November 1933, the Economic Committee of the League of Nations proceeded to revise this work. Believing that the experts' proposals did not cover the whole question of commercial propaganda, it amplified them by provisions on the treatment to be given to commercial travellers and their collections of samples and combined them in the form of principal provisions of a draft international agreement. Next, convinced of the utility of following up the initiative taken by the Monetary and Economic Conference, the Committee suggested to the President of the Economic Commission of that Conference that the draft should be forwarded for consideration to a certain number of Governments, who would, at the same time, be invited to send a representative to a meeting the date of which would be fixed later, and which would be asked to make a final study of the draft, with a view to recommending its adoption, if necessary, to the Governments represented.

In a Circular Letter of November 23rd, 1933, the draft was submitted to the Governments of the following countries : Austria, Belgium, United Kingdom, Czechoslovakia, Denmark, France, Germany, Italy, Japan, Netherlands, Poland, Sweden, Switzerland, United States of America. They all stated their acceptance, in principle, of the draft submitted as a basis for further discussion, but Germany expressed the opinion that conditions were not favourable for pursuing such studies. A summary of the observations received by the Secretariat is given in the next chapter.

6. The countries consulted include the six countries belonging to the gold bloc, signatories of the Brussels Protocol of October 20th, 1934. These six countries set up a special Sub-Committee, which, in November 1934, discussed the draft agreement prepared by the Economic Committee of the League of Nations and, after making a number of amendments, recommended its adoption to the Governments represented.

On the basis of the text drawn up at Brussels, and in the light of the observations received from the Governments consulted but not represented at that Conference, the Secretariat has drawn up the text of the preliminary draft which is proposed as a basis of discussion for the Conference convened for July 1st, 1935, at Geneva.

---

CHAPTER II. — DRAFT CONVENTION ESTABLISHING UNIFORM  
RULES FOR THE PURPOSE OF FACILITATING  
COMMERCIAL PROPAGANDA.

PREAMBLE.

.....  
.....

(List of countries)

.....  
.....

Believing that the adoption of uniform regulations designed to facilitate commercial propaganda would be calculated to have a favourable effect on the growth of commercial transactions,  
Have decided to conclude a Convention for this purpose.

The High Contracting Parties have consequently appointed as their plenipotentiaries :

.....  
.....

Who, having communicated to each other their full powers, found in good and due form, have agreed as follows :

SECTION A. — CUSTOMS TREATMENT OF SAMPLES WITHOUT VALUE.

*Article 1.*

The High Contracting Parties agree to exempt from Customs duty on importation samples of goods of all kinds, provided they have no commercial value and can only be used for soliciting orders, for demonstrations, experiments or analyses, with the exception, however, of samples of goods which form the subject of a State monopoly, an excise duty or a special regime, or the import or transit of which is prohibited on moral, humanitarian, hygienic, veterinary or phytopathological grounds or on grounds of public safety.

*Article 2.*

Samples of the following goods, in particular, shall be exempt from Customs duty, save in so far as they are excluded from exemption under the general principles laid down in the above paragraph and, as ascertained by the Customs administration concerned, remain within the limits of these principles :

1. Foodstuffs and beverages, including wine, cider, beer, mineral waters, juice of grapes or other fruits, edible oils, margarine and other edible fats, etc., provided that not more than one sample of each kind or quality is included in every consignment and that the weight or volume of these products does not exceed the limits laid down by the importing country as compatible with the character of samples.

2. Base metals, skins, leather, rubber, wood, cork and similar substances, also materials plaited or spun, in sheets, bundles, collections or individual pieces, of a shape precluding the possibility of any other use than as samples, or in threads, bars, tubes, cables or cords of a maximum length of 10 cm., affixed or not on cards and not capable of any use other than as samples.

3. Collections of papers, envelopes, notepaper and picture postcards, rendered useless by being pasted on sheets, cancelled by a stamp, etc., wallpapers, mounted on stands or not, sent by a foreign supplier to customers and bearing his name or mark, and also single pieces of paper or wallpaper suitable for showing an entire design but not usable for any other purpose.

4. Samples of threads of all kinds arranged on cards in order of size, quality or colour, sent by a supplier to a customer, and not containing more than one sample of each size, quality or colour per card.

5. Woven textiles of all kinds and felt cloths made into collections or bundles, bearing the name or mark of the supplier, or imported in separate pieces, provided they can be used only as samples or are rendered useless for other purposes ; for example, by cuts or perforations.

6. Coloured samples containing patterns of woven textiles, leather or other materials to show the nature and colour effect.

7. Samples of manufactured goods such as shawls, handkerchiefs, ties, stockings, footwear, gloves, gaiters, serviettes, hats, etc., with deep cuts, or forming only half or a quarter of the article and not capable of being used. These cuts may also be required to be made in cases where the articles usually sold in pairs are imported singly.

8. Samples of wood, stone or pottery bearing several kinds of design, sculpture, etc., on one article, which cannot be put to any other use.

9. Screws, rivets, nails, etc., buttons, buckles, hooks and, generally speaking, small articles serving as ornaments or accessories in the ready-made clothing trade, affixed to cards containing a single sample of each size and of each kind and constituting genuine collections of samples. In case of doubt, the Customs authorities may insist that certain articles shall be rendered useless.

10. Small samples of essence of turpentine, colophony, tartar, wax or other products in the raw state.

11. Samples of fruit essences, artificial dyes, etheric oils and chemical products, provided there is only one sample of each kind and quality in every consignment and that the weight or volume of these products does not exceed the limits fixed by the importing country as compatible with the character of samples.

12. Samples of colours and inks for painting and drawing, in small tubes or bottles of such small content that there is no possibility of their being sold.

*Annex to Article 2.*

In all cases where a Customs administration considers it necessary to make certain articles useless by tearing, perforation or other treatment, this operation must be carried out in such a way that the articles retain their full value as samples.

*Annex to Articles 1 and 2.*

1. The rules laid down in Articles 1 and 2 shall not apply to samples made up on behalf of merchants or manufacturers in the country of import.

2. The provisions of Articles 1 and 2 shall in no way affect the "allowances" granted by the letter and postal-packet services of certain countries.

**SECTION B. — CUSTOMS TREATMENT OF PRINTED MATTER INTENDED FOR USE AS ADVERTISEMENTS.**

*Article 3.*

1. The High Contracting Parties agree to admit free of import duty catalogues, price-lists and trade notices imported in single copies, of whatever weight, whether accompanying the goods or sent separately.

2. Catalogues, price-lists and trade notices sent separately but simultaneously through the post to different addressees shall be treated as consignments of single copies. They must, however, be sent in this form from the place of origin.

3. The following may be excluded from free admission :

(a) Catalogues, price-lists and trade notices printed abroad on behalf of traders and manufacturers established in the country of destination ;

(b) Catalogues, price-lists and trade notices which do not clearly indicate the foreign firm manufacturing or selling the goods.

*Annex to Article 3.*

1. Catalogues, price-lists and trade notices, the number of which corresponds to the number of the articles sent separately packed, shall be treated as imported in single copies.

2. Each of the High Contracting Parties shall be entitled to decide whether, and under what conditions, exemption from Customs duty may be granted to consignments of a number of copies of the same catalogue, price-list or trade notice sent to different addressees which are to be posted only in the country of destination and which arrive grouped together at the frontier.

*Article 4.*

The High Contracting Parties agree to admit free of import duty, without limitation of quantity, printed matter and posters for propaganda (time-tables in book or poster form, guides, pamphlets, folders, etc., illustrated or not, illustrated posters), the essential purpose of which is to induce the public to visit foreign countries or localities, or fairs or exhibitions abroad, or to attend meetings or events abroad of genuine public interest, provided that such documents are intended for distribution free of charge and that they are obviously intended for purposes of general publicity.

SECTION C. — GUARANTEES FOR COMMERCIAL TRAVELLERS AND THEIR COLLECTIONS OF SAMPLES.

*Article 5.*

1. Persons engaged in industrial or business activities in the territory of any of the High Contracting Parties may—subject, if necessary, to the production of an identity card—in the territory of the other High Contracting Parties, either in person or by representatives or travellers in their employ, purchase the goods in which they deal either from merchants or in places where goods are on sale or from producers. They may take orders from merchants and producers who trade in, or use in their establishments, goods of the same kind as those offered to them.

2. Persons engaged in industrial or business activities and their representatives or commercial travellers shall not need for any of these activities special authorisation which would not in the same circumstances be required of national undertakings or their representatives.

3. In the cases referred to in paragraph 1, the exercise of the activities in question shall be exempt, on production, if required, of an identity card, from all taxes, duties or charges payable to any public authority whatsoever.

4. The provisions of this article shall not apply to itinerant trading or to hawking or to the soliciting of orders or purchases from persons other than the merchants or producers referred to in paragraph 1, each of the High Contracting Parties reserving full freedom of legislation in this respect.

*Annex to Article 5.*

1. It is understood that Article 5 refers both to juridical and to natural persons.

2. The identity card referred to in Article 5 shall be that provided for in Article 10 of the International Convention of November 3rd, 1923, relating to the Simplification of Customs Formalities.

3. The provisions of Article 5, paragraph 3, shall not prevent the levying of such stamp duties as may be payable alike by nationals and foreigners, on the issue of the authorisations referred to in Article 5, paragraph 2.

4. Inasmuch as the provisions in Article 5, paragraph 3, do not concord with those contained in their national legislation concerning the taxes or charges payable by foreign traders or manufacturers temporarily carrying on their business in their territory, whether personally or through representatives or commercial travellers in their service, the Governments of . . . have declared that they reserve the right on ratification not to accept Article 5 and do not undertake to apply the said article until after a period of . . . years as from such date.

The other Contracting Parties, while declaring their acceptance of the reservation thus entered, stipulate that they themselves shall not be bound in respect of the States benefiting by such reservation or in respect of the matters forming the subject thereof until the application of the provisions thus suspended is made effective by the States in question.

*Article 6.*

As regards the temporary exemption from duty of dutiable samples and patterns which manufacturers, traders or commercial travellers import for the purpose of engaging in their occupation, the High Contracting Parties shall observe the stipulations of Article 10 of the International Convention of November 3rd, 1923, relating to the Simplification of Customs Formalities.

## FINAL PROVISIONS.

### *Article 7 (Settlement of Disputes).*

1. If there should arise between the High Contracting Parties a dispute of any kind relating to the interpretation or application of the present Convention, and if such dispute cannot be satisfactorily settled by diplomacy, it shall be settled in accordance with the agreements in force between the Parties concerning the settlement of international disputes.

2. If there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the Permanent Court of International Justice if all the parties to the dispute are parties to the Protocol of December 16th, 1920, relating to the Statute of that Court and, if any of the parties to the dispute is not a party to that Protocol, to an arbitral tribunal constituted in accordance with the Hague Convention of October 18th, 1907, for the Pacific Settlement of International Disputes.

### *Article 8 (Languages and Date).*

The present Convention, the English and French texts of which are both authentic, shall bear this day's date.

### *Article 9 (Signature and Ratification).*

1. The present Convention may be signed up to . . . (one year from the date of being opened for signature), on behalf of any Member of the League of Nations or any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention for the purpose.

2. The present Convention shall be ratified. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations, who shall notify such deposit to all Members of the League of Nations and to the non-member States referred to in the preceding paragraph.

### *Article 10 (Accession).*

1. On and after . . . any Member of the League of Nations and any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention may accede to it.

2. The instruments of accession shall be deposited with the Secretary-General of the League of Nations, who shall notify such deposit to all Members of the League of Nations and to the non-member States referred to in the preceding paragraph.

### *Article 11 (Entry into Force).*

1. The Secretary-General of the League of Nations will draw up a *procès-verbal* when five ratifications or accessions have been received.

2. A certified true copy of such *procès-verbal* shall be transmitted by the Secretary-General of the League of Nations to all the Members of the League of Nations and to all non-member States mentioned in Article 9.

### *Article 12.*

The present Convention shall be registered by the Secretary-General of the League of Nations ninety days after the date of the *procès-verbal* mentioned in Article 11. It shall come into force on that date.

In respect of each Member or non-member State on whose behalf any instrument of ratification or accession is subsequently deposited, the Convention shall come into force ninety days after the date of deposit of such instrument.

*Article 13 (Duration and Denunciation).*

1. The present Convention shall remain in force for a period of ..... years after its entry into force.
2. It shall remain in force for further successive periods of ..... years in respect of such Contracting Parties as have not denounced it at least six months before the expiry of the period.
3. The denunciation shall be effected by a written notification to the Secretary-General of the League of Nations, who shall inform all Members of the League of Nations and the non-member States referred to in Article 9.

*Article 14 (Application to Colonies, Protectorates, etc.).*

1. In the absence of a declaration to the contrary by a High Contracting Party at the time of signature, ratification or accession, the provisions of the present Convention shall not apply to colonies, protectorates, oversea territories, territories under such Party's suzerainty or territories in respect of which a mandate has been entrusted to it.
2. Nevertheless, the High Contracting Parties reserve the right to sign the Convention or to accede thereto, in accordance with the provisions of Articles 9 and 10, for their colonies, protectorates, oversea territories, territories under their suzerainty or territories in respect of which a mandate has been confided to them.
3. They further reserve the right to denounce the Convention separately, in accordance with the provisions of Article 13.

*Article 15 (Revision).*

1. Conferences for the revision of the present Convention may be called with a view to making such changes therein as experience may have shown to be useful.
2. A conference for the revision of the present Convention shall be called by the Secretary-General of the League of Nations whenever so requested by not less than five of the High Contracting Parties. The latter shall indicate summarily the changes they propose and the reasons for such changes.
3. In default of the unanimous consent of the High Contracting Parties, no demand for the calling of a conference for the revision of the present Convention within less than two years from the entry into force of the Convention or four years from the end of a previous conference for its revision shall be admissible.
4. The Secretary-General of the League of Nations shall prepare the work of conferences for the revision of the present Convention with the co-operation of the Economic Committee.

IN FAITH WHEREOF the above-mentioned plenipotentiaries have signed the present Convention.

DONE at Geneva this . . . in a single copy, which shall be kept in the archives of the Secretariat of the League of Nations and a certified true copy of which shall be delivered to all the Members of the League and to the non-member States referred to in Article 9.

ANNEXED DECLARATION.

On proceeding to sign the Convention for the Purpose of facilitating Commercial Propaganda, the High Contracting Parties, being anxious to reduce as far as possible the charges leviable upon manufacturers, traders or commercial travellers temporarily entering the territory of one of the High Contracting Parties with their collections of samples or specimens by the obligation to effect provisional payment of the duties and charges leviable or to make a deposit as security for the payment thereof, undertake to agree to the introduction of a simplified form of Customs procedure.

To this end, the High Contracting Parties declare themselves prepared in principle to agree, *inter alia*, that the use of triptychs and pass-bill books shall be extended to cover the collections of samples and patterns referred to in Article 6 of the present Convention, always provided that the organisations guaranteeing the payment of duty where required offer adequate financial security and have made previous arrangements with the Customs authorities effectively simplifying the formalities hitherto in force.

---



CHAPTER III. — TEXT OF EACH OF THE ARTICLES OF THE  
PRELIMINARY DRAFT SUBMITTED FOR CONSIDERATION TO THE  
GOVERNMENTS, FOLLOWED BY :

- (a) A summary of their observations ;<sup>1</sup>
- (b) The text of the corresponding articles as adopted at the Brussels Conference of the States that have remained on the gold standard ; and
- (c) A statement of the reasons underlying the changes made in the new draft.

SECTION A. — CUSTOMS TREATMENT OF SAMPLES WITHOUT VALUE.

Article I.

*The preliminary draft read as follows :*

The High Contracting Parties agree to exempt from Customs duty on importation samples of goods of all kinds, provided they have no commercial value or a quite trifling commercial value, and can only be used for soliciting orders, for demonstrations, experiments or analyses, with the exception, however, of those which form the subject of a State monopoly.

*This article has given rise to the following observations :*

*United Kingdom.* — It is not possible to give unqualified acceptance to the general proposal as thus stated, but it could be rendered generally acceptable if the following modifications were made :

1. The proposals should be definitely limited to *bona-fide* trade samples, and the words "*bona-fide* trade samples" should therefore be substituted for the word "samples" in line 2 of Article I.

2. At the end of the same article, after the words "of a State monopoly", it is essential to reinstate the words "or excise duty", which occurred in one earlier Economic Committee draft. It would also appear necessary to include an exception in respect of goods which are subject to import prohibitions.

3. The words "or a quite trifling commercial value" should be omitted, as the allowances in respect of samples granted in the United Kingdom are limited to *bona-fide* trade samples of no commercial value. The words which it is asked should be deleted would be likely to give rise in practice to considerable difficulties of interpretation and to disputes with importers.

4. The words "and can only be used for soliciting orders, for demonstrations, experiments or analyses" should also be omitted. They appear to constitute an attempt to define the expression "of no commercial value", but no useful purpose is served by such an attempt, as the expression in question has been long in use in many countries and is sufficiently well understood. Moreover, disputes might arise between importers and Customs authorities as to the meaning to be attached in particular cases to the proposed explanatory words.

*Japan.* — It may be considered that the purpose of this article is already achieved in Japan.

*In a word, these observations aim at :*

(1) *Deleting*, after "of no commercial value", the words : (a) "or a quite trifling commercial value" (observation of the United Kingdom Government) ; (b) "and can only be used for soliciting orders, for demonstrations, experiments or analyses" (observation of the United Kingdom Government) ;

(2) *Substituting* for "samples" the words "*bona-fide* trade samples" (observation of the United Kingdom Government) ;

(3) *Adding*, after "of a State monopoly", the words "or excise duty" (observation of the United Kingdom Government).

<sup>1</sup> In the case of the countries represented at the Brussels Conference (gold bloc), their observations made prior to that Conference have not been reproduced, as the Secretariat considers them obsolete in view of the unanimous adoption of the new texts by the representatives of those countries in November 1934.

The observations of the United States Government reached the Secretariat after the present document was sent to the printer. They are therefore given as an annex (page 22).

The Brussels Conference adopted the following text :

*Article 1.*

The High Contracting Parties agree to exempt from Customs duty on importation samples of goods of all kinds, provided they have no commercial value and can only be used for soliciting orders, for demonstrations, experiments or analyses, with the exception, however, of samples of goods forming the subject of a State monopoly or the import or transit of which is prohibited or subject to special regulations on moral, humanitarian, hygienic, veterinary or phytopathological grounds or on grounds of public safety.<sup>1</sup>

COMMENTS.

1. By omitting the words " or a quite trifling commercial value ", and by adding at the end of the text proposed " or the import or transit of which is prohibited or subject to a special regime on moral . . . public safety ", the Brussels text partly complies with the observations of Governments as summarised above.

2. The text differs however on three points from the observations submitted by the United Kingdom Government :

- (a) It does not include the idea of *bona fide* ;
- (b) It does not omit the list of uses to which non-dutiable samples should be confined ;
- (c) It does not include excise among the exceptions.

3. As regards the idea of *bona fide*, it may be pointed out that Article 2, paragraph 1, as amended at Brussels gives Customs administrations the right to refuse duty-free entry in cases where their investigations lead them to consider that the samples submitted do not comply with the general principles laid down in Article 1.

It would therefore seem that the principle thus laid down meets the views of the United Kingdom as expressed in its observation on this point.

4. The detailed provisions regarding the use of samples admitted duty free—to be employed only for soliciting orders, for demonstrations, experiments or analyses—inserted in the text by the authors of the draft are taken from several national laws. In view of the new text of the first paragraph of Article 2, there would seem to be no likelihood of their giving rise to disputes between importers and Customs authorities.

5. The insertion among the exceptions of samples liable to *excise duty* should not create any difficulty, as it is the same kind of exception as those already specified.

*Article 2.*

*The preliminary draft read as follows :*

The following, in particular, shall be exempt from Customs duty, save in so far as they are excluded from exemption under the general principles in the above paragraph and remain within the limits of these principles :

1. Foodstuffs and drinks, including wines, cider, beer, mineral waters, juice of grapes of other fruits, edible oils, margarine and other edible fats, etc., provided that not more than one sample of each kind or quality is included in the consignment, and that the weight or volume of these products does not exceed the limits laid down by the importing country as compatible with the character of samples.

2. Base metals, skins, leather, rubber, wood, cork and similar substances, also materials plaited or spun, in sheets, bundles, collections or individual pieces, of a shape excluding the possibility of any other use than that of samples, or in threads, bars, tubes, cables, cords of a maximum length of 10 cm., affixed or not on cards and not capable of any use other than as samples.

3. Collections of papers, envelopes, notepaper and illustrated postcards, rendered useless by pasting or affixing a moist stamp, wallpapers including easels, sent by a foreign supplier to customers and bearing his name or mark, and also single pieces of paper or wallpaper suitable for showing an entire design but excluding any other use.

4. Samples of threads of all kinds arranged on cards in order of size, quality or colour, sent by a supplier to a customer, and not containing more than one sample of each size, quality or colour per card, together with coloured samples containing patterns of woven textiles, leather or other materials to show the nature and effect of the colour.

5. Woven textiles of all kinds and felt cloths made into collections or bundles, bearing the name or mark of the supplier, or imported in separate pieces, with (as a rule) a maximum length of 30 cm. across the entire width of the piece (from one selvedge to the other) or rendered useless by deep cuts at distances of 30 cm. along the length.

<sup>1</sup> The words underlined in the text adopted at Brussels (shown in italics throughout the present document) are those added to the wording of the preliminary draft.

Nevertheless, having regard to the fact that samples of greater length are in current trade use in the case of certain qualities of woven textiles, such samples may be exceptionally admitted as samples without value :

(a) If they are accompanied by a declaration by a Chamber of Commerce, to the effect that they are solely for use as samples, or

(b) If they are rendered useless for any other purpose by a special perforation making holes in them on each side at distances of 30 cm.

6. Samples of manufactured goods such as shawls, handkerchiefs, ties, stockings, shoes, gloves, gaiters, serviettes, hats, etc., with deep cuts, or forming only half or a quarter of the object, and not capable of being used. These cuts shall also be made in cases where the objects usually sold in pairs are imported singly.

7. Samples of wood, stone or pottery bearing several kinds of design, sculpture, etc., on one object, which cannot be put to any other use.

8. Screws, rivets, nails, buttons, buckles, hooks and, generally speaking, small objects serving as ornaments or accessories in the ready-made clothing trade, affixed on cards, with a single sample of each size and of each kind and being genuine collections of samples.

In case of doubt, the Customs authorities may insist that certain articles shall be rendered useless. This, however, shall be done in such a way that they retain their value as samples.

9. Small samples of essence of turpentine, colophony, tartar, wax and other products in the raw stage.

10. Samples of fruit essences, artificial dyes, etheric oils and chemical products in containers not exceeding 20 c.c., not being suitable for direct consumption and having the character of genuine samples.

11. Samples of colours and inks for painting and drawing, in small tubes or bottles of such small content that there is no possibility of their sale.

#### *Observations.*

(a) This rule does not apply to samples made up on behalf of merchants or manufacturers in the country of import.

(b) This rule does not affect the "allowances" granted by the letter and postal packet service of certain countries.

#### *Protocol ad Article 2.*

In the list enumerating samples admissible as having no commercial value under 5 (b), the reference is to samples of cotton or linen tissues of a length of about 70 cm. out of the entire width of the piece, with marks distinctive of the quality printed thereon.

*This article has given rise to the following observations :*

*United Kingdom.* — It is no doubt intended that the various goods enumerated in this article should be admitted duty free, provided they come within the category of "bona-fide trade samples of no commercial value", but this is not clear from the present wording. It would therefore be advisable to add after the words "Customs duty" the words "if they are bona-fide trade samples of no commercial value and . . ."

As regards sub-section 1 (foodstuffs and drinks, including wines, etc.), the admission of wine samples into the United Kingdom duty-free is restricted to those conveyed by post. To avoid any conflict between this restriction on the method of transporting samples eligible for duty-free admission and the present proposal, it would be necessary to adopt an overriding provision covering the entire article to the effect that "the Administration may, in the case of particular duties, indicate the channels through which duty-free samples must be imported where this is considered necessary in the Revenue or other interests".

Sub-section 4. — The words "per card" (line 4) should be omitted. Further, the coloured samples of textiles referred to in this sub-section should be subject to the same rules as other samples of textiles.

Sub-section 5. — Here, as in sub-section 4, duty-free importation should be limited to one sample only of each type, description, range and colour ; further, a maximum length, such as 1 metre, should be fixed in cases where cuts are allowed for pieces of more than 30 cm. in length.

The two provisos, (a) and (b), in the second paragraph of this sub-section are open to serious objection, since (a) would require the Customs Administration to accept the decision of a foreign Chamber of Commerce as to what samples may be imported free of duty, while, as regards (b), it should be pointed out that the mere perforation of occasional holes in the edge of samples would not necessarily make them useless.

Sub-section 6. — The United Kingdom Government must reserve its attitude in regard to this proposal. The practice of the United Kingdom regarding duties on textiles is to admit duty-free samples of yarns and tissues subject to the qualifications above mentioned, but to require payment of duty on all samples of made-up articles.

Sub-section 8. — The words "in the ready-made clothing trade" should be replaced by "in the clothing trade"; otherwise considerable difficulties in administration might arise.

Sub-section 10. — Generally speaking, samples of fine chemicals would possess a commercial value, and it is presumed that, in consequence, they would not enjoy the exemptions from duty enumerated in this sub-section.

*Denmark.* — As regards the samples of woven textiles referred to in Article 2, sub-section 5, the length of which exceeds the usual size of samples, it should be mentioned that Danish Customs legislation does not, as provided for in this sub-section, allow such articles to be admitted as samples on the basis of a declaration by a Chamber of Commerce to the effect that they are intended for use solely as samples, since, according to Danish law, the character of the goods as a sample is the sole factor determining exemption from duty.

As regards the Customs exemption for samples of fruit essences referred to in sub-section 10 of the same article, such exemption will, under Danish law, be granted only on the condition laid down in sub-section 1 of the same article—*viz.*, that the consignment does not include more than one sample of each kind or quality.

*Japan.* — The system proposed in Article 2 corresponds to Japanese practice.

*Sweden.* — The enumeration in this article should, it is thought, also include machinery models in *papier-mâché*, plaster or other similar material.

The procedure described in sub-section 5, paragraph 2 (a), regarding a declaration concerning samples of tissues, etc., is open to serious objection, as the arrangement proposed might easily give rise to abuse. Whether it is retained or not, it would seem essential to re-insert in the wording of the draft, which does not contain it, the additional provision of the former draft which gave Customs authorities the right to insist on special measures designed to render the samples of tissues unusable. The provisions of the experts' draft on the subject should probably be retained unchanged, if necessary, with an additional proviso authorising the procedure as described in the present wording of sub-section 5, paragraph 2 (b).

In the case of sub-section 10, it should be borne in mind that some of the articles there referred to, such as fruit essences, to which are assimilated certain essences for liqueurs, are sometimes sold, more particularly for private consumption, in quantities less than the maximum fixed in the draft, so that it is questionable whether they should be quoted as examples. Furthermore, the condition mentioned in the text of the draft "not being suitable for direct consumption" is also open to objection, as each of the articles in question can in its usual form be so consumed, even in small quantities.

*Briefly, the trend of these observations is:*

(a) To insert in the opening paragraph, after "Customs duty", the following conditional phrase: "if they are *bona-fide* trade samples of no commercial value" (observation of the United Kingdom Government);

(b) To add in sub-section 1 a clause formally recognising the right of a Customs administration to confine duty-free admission to samples imported through specific channels (observation of the United Kingdom Government);

(c) To omit in sub-section 4 (line 4) the words "per card" (observation of the United Kingdom Government);

(d) To limit, in sub-section 5, the exemption granted to one sample only of each type, description, range and colour, and to fix a maximum length of 1 metre in cases where cuts are allowed for pieces more than 30 cm. long;

To omit also all the rest of this sub-section, starting from and including the second paragraph and, in addition, the Protocol *ad* Article 2 (observations of the United Kingdom, Danish and Swedish Governments);

(e) To reconsider sub-section 6 (observation of the United Kingdom Government);

(f) To substitute the words "in the clothing trade" for the words "in the ready-made clothing trade" in sub-section 8, line 3 (observation of the United Kingdom Government);

(g) To reconsider sub-section 10 (observations of the United Kingdom, Danish and Swedish Governments);

(h) To add to the enumeration a new paragraph reading as follows:

"Machinery models in *papier-mâché*, plaster or other similar material" (observation of the Swedish Government).

The *Brussels Conference* adopted the following text :

*Article 2.*

*The following samples of goods, in particular, shall be exempt from Customs duty, save in so far as they are excluded from exemption under the general principles laid down in the above article and, as ascertained by the Customs administration concerned, remain within the limits of these principles :*

1. Foodstuffs and drinks, including wine, cider, beer, mineral waters, juice of grapes or other fruits, edible oils, margarine and other edible fats, etc., provided that not more than one sample of each kind or quality is included in the consignment, and that the weight or volume of these products does not exceed the limits laid down by the importing country as compatible with the character of samples.

2. Base metals, skins, leather, rubber, wood, cork and similar substances, also materials, plaited or spun, in sheets, bundles, collections or individual pieces, of a shape excluding the possibility of any other use than that of samples, or in threads, bars, tubes, cables, cords of a maximum length of 10 cm., affixed or not on cards and not capable of any use other than as samples.

3. Collections of papers, envelopes, notepaper and illustrated postcards, rendered useless by pasting or affixing a moist stamp, wallpapers including easels, sent by a foreign supplier to customers and bearing his name or mark ; single pieces of paper or wallpaper suitable for showing an entire design but excluding any other use.

4. Samples of threads of all kinds arranged on cards in order of size, quality or colour, sent by a supplier to a customer, and not containing more than one sample of each size, quality or colour per card.

5. Woven textiles of all kinds and felt cloths made into collections or bundles, bearing the name or mark of the supplier, or imported in separate pieces, *provided they can only be used as samples or are rendered useless for other purposes by, for instance, cuts or perforations.*

6. Coloured samples containing patterns of woven textiles, leather or other materials to show the nature and effect of the colour.

7. Samples of manufactured goods such as shawls, handkerchiefs, ties, stockings, shoes, gloves, gaiters, serviettes, hats, etc., with deep cuts, or forming only half or a quarter of the object, and not capable of being used. *These cuts may also be required* in cases where the objects usually sold in pairs are imported singly.

8. Samples of wood, stone or pottery bearing several kinds of design, sculpture, etc., on one object, which cannot be put to any other use.

9. Screws, rivets, nails, buttons, buckles, hooks and, generally speaking, small objects serving as ornaments or accessories in the ready-made clothing trade, affixed on cards with a single sample of each size and of each kind and being genuine collections of samples. In case of doubt, the Customs authorities may insist that certain articles shall be rendered useless.

10. Small samples of essence of turpentine, colophony, tartar, wax and other products in the raw state.

11. Samples of fruit essences, artificial dyes, etheric oils and chemical products, *provided there is only one sample of each kind and quality in every consignment and that the weight or volume of the products does not exceed the limits fixed by the importing country as compatible with the character of samples.*

12. Samples of colours and inks for painting and drawing, in small tubes or bottles of such small content that there is no possibility of their sale.

*Protocol ad Articles 1 and 2.*

1. The rules laid down in Articles 1 and 2 shall not apply to samples made up on behalf of merchants or manufacturers in the country of import.

2. The provisions of Articles 1 and 2 shall not affect the "allowances" granted by the letter and postal-packet service of certain countries.

*Ad Article 2.*

In all cases where the Customs administration considers it necessary to render certain articles useless by tearing, perforation or other treatment, this operation must be carried out in such a way that the articles retain their full value as samples.<sup>1</sup>

COMMENTS.

1. The text adopted at Brussels agrees in most points with the observations of Governments as summarised above.

---

<sup>1</sup> The words underlined in the text adopted at Brussels represent changes in the text of the preliminary draft.

2. The only differences relate to the United Kingdom observations regarding :

- (a) The insertion in the opening paragraph of the idea of *bona-fide* samples ;
- (b) Minor changes of wording ;

and the Swedish Government's observation regarding the insertion in the enumeration of a paragraph concerning machinery models in *papiermâché*, etc.

3. Remarks :

- (a) On possible points of dispute the introductory paragraph of Article 2, as now worded, expressly reserves the right of a Customs administration to decide to grant or refuse exemption from duty and, therefore, to judge whether samples are *bona fide* ;
- (b) The detailed list of samples without value is not exhaustive.

## SECTION B. — CUSTOMS TREATMENT OF PRINTED MATTER INTENDED FOR USE AS ADVERTISEMENTS.

### Article 3.

*The preliminary draft read as follows :*

The High Contracting Parties agree to admit free of import duty catalogues, price-lists and trade notices imported in single copies, of whatever weight, whether accompanying the goods or sent separately.

Catalogues, price-lists and trade notices sent separately but simultaneously through the post to different addressees shall be treated as consignments of single copies. They must, however, be sent in this form from the place of origin. Consignments of several copies of the same catalogue, price-list or trade notice, sent to different addresses but to be posted only in the country of destination and arriving in mass at the frontier, shall be excluded from free admission.

N.B. — The exemption from import duty shall not, however, apply to catalogues, price-lists and trade notices printed abroad on behalf of traders and manufacturers established in the country.

Catalogues, price-lists and trade notices referring to merchants or manufacturers established in the country as suppliers shall also be excluded from free admission.

*The following observations have been made on this article :*

*United Kingdom.* — In the United Kingdom, under an Order made on March 7th, 1934, in pursuance of recommendations of the Import Duties Advisory Committee (Additional Import Duties Order No. 6, of 1934), catalogues, trade lists and advertising materials are admitted free of duty if imported by post in a packet not exceeding 8 oz. gross weight. It would be impossible, from the point of view of administration, to accord duty-free admission to the above articles without specifying a limit of weight.

*Japan.* — Article 3 is already carried into effect in Japan.

*Sweden.* — It would be very desirable if the Customs exemption advocated in this article could be extended to despatches of a number of copies of printed propaganda matter for distribution to interested parties in the country of import.

*The trend of these observations is, briefly :*

- (a) To fix limits to the weight and the mode of transport in the case of commercial propaganda material admitted free of duty (observation of the United Kingdom Government).

- (b) To extend Customs exemption, on the other hand, to printed propaganda matter intended for distribution, even when imported in large quantities (observation of the Swedish Government).

*The Brussels Conference adopted the following text :*

1. The High Contracting Parties agree to admit free of import duty catalogues, price-lists and trade notices imported in single copies, of whatever weight, whether accompanying the goods or sent separately.

2. Catalogues, price-lists and trade notices sent separately but simultaneously through the post to different addressees shall be treated as consignments of single copies. They must, however, be sent in this form from the place of origin.

3. *The following may be excluded from free admission :*

- (a) Catalogues, price-lists and trade notices printed abroad on behalf of traders and manufacturers established in the country of destination ;

- (b) Catalogues, price-lists and trade notices which do not clearly indicate the foreign firm manufacturing or selling the goods.

*Protocol ad Article 3.*

1. *Catalogues, price-lists and trade notices, the number of which corresponds to the number of articles sent separately packed, shall be treated as imported in single copies.*

2. *Each of the High Contracting Parties shall be entitled to decide whether and under what conditions exemption from Customs duty may be granted to consignments of several copies of the same catalogue, price-list or trade notice sent to different addresses which are to be posted only in the country of destination and which arrive in bulk at the frontier.*<sup>1</sup>

COMMENTS.

The Brussels Conference itself tried to reconcile the divergent points of view. The text adopted, which in some way is an improvement on the original draft, may also be regarded as an attempt at a compromise between the observations of Governments summarised above.

*Article 4.*

*The preliminary draft read as follows:*

The High Contracting Parties agree to admit free of import duty, without limitation of quantity, printed matter and posters for propaganda, the essential purpose of which is to induce the public to visit foreign countries or localities and fairs and exhibitions abroad, and to attend meetings and events of really public interest, provided that these documents are intended for distribution free of charge and that they are obviously intended for purposes of general publicity.

*The following observations have been made on this article:*

*United Kingdom.* — Printed matter, whether illustrated or not, the primary purpose of which is to advertise travel or exhibitions outside the United Kingdom has been exempted from duty in the United Kingdom by the Import Duties (Exemptions) Order No. 9, of June 28th, 1934, and this provision appears to fulfil the intentions of the authors of Article 4.

*Japan.* — The illustrations referred to in Article 4 are subject to an import duty of 50 per cent *ad valorem* under No. 392 of the import tariff annexed to the Japanese Customs Law. To exempt these articles from import duty would create certain difficulties as regards the protection of the Japanese printing industry.

The Brussels Conference adopted the following text :

*Article 4.*

The High Contracting Parties agree to admit free of import duty, without limitation of quantity, printed matter and posters for propaganda (*time-tables in book or poster form; guides, pamphlets, folders, etc., whether illustrated or not, illustrated posters*) the essential purpose of which is to induce the public to visit foreign countries or localities, and fairs and exhibitions abroad, and to attend meetings and events of really public interest, provided that these documents are intended for distribution free of charge and that they are obviously intended for purposes of general publicity.<sup>2</sup>

COMMENTS.

The Brussels text, which makes the original text clearer, has been reproduced in full in the new draft. According to the Japanese Government's observation, it conflicts with the Customs treatment applied by that country to illustrated printed propaganda matter as described in Article 4.

The purpose of this article being to promote international tourist traffic, in the development of which the Japanese Government is at present interested, it would be desirable if that Government would reconsider the text of the draft.

SECTION C. — GUARANTEES FOR COMMERCIAL TRAVELLERS AND THEIR COLLECTIONS OF SAMPLES.

*Article 5.*

*The preliminary draft read as follows:*

Persons engaged in industrial or business activities in the territory of any of the High Contracting Parties may—subject, if necessary, to the presentation of an identity card—in the territory of the other High Contracting Parties, either in person or by travellers in their employ, purchase from merchants

<sup>1</sup> The words underlined in the text adopted at Brussels represent changes in or additions to the text of the preliminary draft.

<sup>2</sup> The words underlined in the text adopted at Brussels are those inserted in the text of the preliminary draft.

or in places where goods are on sale, as well as from producers, the goods in which they deal. They may take orders from merchants and producers, who trade in, or use in their establishments, goods of the same kind as those offered. Persons engaged in industrial or business activities and their commercial travellers shall not require special authorisation for any of these activities, nor shall they be obliged to pay on account of these activities any special taxes or duties not payable by national undertakings or their representatives.

Nevertheless, if the commercial traveller stays only a short time in the country, he shall be liable as regards any special tax or licence fee payable by national commercial travellers for one year, only in respect of an amount corresponding generally to the number of months which he actually spends in the country.

The provisions of this article shall not apply to itinerant trading or to hawking or to the soliciting of orders or purchases from persons not engaged in trade or industry, on which subject each of the High Contracting Parties reserves full freedom of legislation.

#### *Protocol ad Article 5.*

It is understood that no fee of the nature of those provided in the two first paragraphs shall be levied in the case of manufacturers, traders or their travellers who have no intention of soliciting orders or making purchases.

*The following observations have been made on this article:*

*United Kingdom.* — It is assumed that the concluding words of the first paragraph ("nor shall they be obliged to pay . . . any special taxes or duties not payable by national undertakings or their representatives") and the whole of the second paragraph apply to the special fees levied on commercial travellers as such and not to other charges—such as, e.g., excise licence duties which may be imposed in respect of their activities. In order, however, to avoid any possible ambiguity on this point, an explanation to this effect should be included in the Protocol *ad* Article 5.

*Denmark.* — These provisions are incompatible with the provisions of the Danish Law of April 28th, 1931, on the Exercise of Trade and Industry, §§ 31 *et seq.*, since the right of the commercial travellers of foreign firms to engage in their occupation in Denmark is, under the provisions of that Law, subject to the following conditions: the commercial traveller must obtain a licence and pay for the purpose the fee fixed in the Law of May 20th, 1933, amending the Law of April 28th, 1931, on the Exercise of Trade and Industry;<sup>1</sup> he must also submit a certificate from the authorities, or prove in some other way to the satisfaction of the Ministry of Trade and Industry, that the foreign firm represented by him is authorised in its own country to deal in the goods in question; lastly, he must possess credentials from the firm he represents and may book orders only by applying personally to individuals engaged in trade or industry in Copenhagen, in provincial towns, in localities situated on the railways or in commercial localities regarded by the Ministry of Trade and Industry as towns, and having a population of at least 2,000.

Denmark will be unable to accede to the provisions of Article 5; at the same time, the Danish regulations in force in this connection apply whether the commercial traveller in question is a Danish or a foreign subject. Denmark will therefore have no difficulty in acceding to provisions placing the commercial travellers of foreign firms, whether they be of Danish or of foreign nationality, on an equal footing.

As regards the provisions of Article 5 concerning the purchase of goods, it is assumed that they will not be incompatible with the provisions of paragraph 45 of the Danish Law on the Exercise of Trade and Industry, under which, even in the case of Danish subjects, goods—other than Danish agricultural, stockbreeding or fishery produce—may be bought by itinerant purchasers only if they hold a special licence (*Vandrebrev*); this licence can be obtained only in the province in which the person concerned is domiciled and authorises him to carry on his occupation in that province only.

*Japan.* — The system at present in force in Japan is, on the whole, in accordance with the general sense of this article.

---

<sup>1</sup> Law of May 20th, 1933, amending the Law of April 28th, 1931, on the Exercise of Trade and Industry.

#### § 1.

Paragraph 33, sub-paragraph 1, of the Law of April 28th, 1931, on the Exercise of Trade and Industry shall read as follows:

"Licences shall be issued for periods of fifteen days, forty-five days or one year. Their issue shall be subject to payment of a fee to the Treasury, amounting to 40, 100 and 300 Kroner respectively if the licence refers to one foreign firm only; if the person concerned represents several foreign firms, an additional fee of 20, 50 or 150 Kroner respectively shall be levied for each of the other firms."



*Sweden.* — This article provides *inter alia* that foreign traders and manufacturers and commercial travellers in their employ shall not be amenable to any special taxes or charges not payable by national undertakings or their representatives. This provision is taken from a previous draft International Convention on Treatment of Foreigners, in which, at the suggestion of Sweden, an additional provision was inserted to the effect that the right to levy a special fee in proportion to the length of their stay on foreign commercial travellers would be reserved for the signatory countries then applying such a system. In respect of those countries, the other signatory States would not be subject to the restrictions laid down in the Convention on the taxation of commercial travellers.

It would seem highly desirable that an additional provision corresponding to the above be inserted in the text of Article 5 of the present draft.

*Briefly, the effect of these observations is:*

(a) To have the nature of the charges leviable on foreign commercial travellers defined in an additional protocol (observation of the United Kingdom Government);

(b) To have an additional provision inserted specifying that the right to levy a special fee, proportionate to the length of stay, on commercial travellers, etc., coming from other countries in order to engage in their occupation, should be reserved to the signatory countries in which the said system was already in force when the Convention was signed, and that, in respect of such countries, the other signatory States shall not be bound to apply in this respect the rules laid down in the Convention (observation of the Swedish Government).

Denmark has, further, declared that she cannot accept this article.

The *Brussels Conference* adopted the following text :

1. Persons engaged in industrial or business activities in the territory of any of the High Contracting Parties may—subject, if necessary, to the presentation of an identity card—in the territory of the other High Contracting Parties, either in person or by *representatives or* travellers in their employ, purchase from merchants, or in places where goods are on sale, as well as from producers, the goods in which they deal. They may take orders from merchants and producers who trade in, or use in their establishments, goods of the same kind as those offered.

2. Persons engaged in industrial or business activities and their *representatives or* commercial travellers shall not require special authorisation for any of these activities, *which would not be required in the same circumstances* from national undertakings or their representatives.

3. *In the cases referred to in paragraph 1, the exercise of the activities in question shall be exempt, on presentation, if necessary, of an identity card, from all taxes, duties or charges payable to any public authority whatsoever.*

4. The provisions of this article shall not apply to itinerant trading or to hawking or to the soliciting of orders or purchases from persons *other than the merchants or producers referred to in paragraph 1*, on which subject each of the High Contracting Parties reserves full freedom of legislation.

*Protocol ad Article 5.*

1. *It is understood that Article 5 refers both to moral and to physical persons.*

2. *The identity card referred to in Article 5 shall be that provided for in Article 10 of the International Convention relating to the Simplification of Customs Formalities of November 3rd, 1923.*

3. *The provisions of paragraph 3 of Article 5 shall not prevent the levying of the stamp duties which might be payable alike by nationals and foreigners in connection with the issue of the authorisations referred to in paragraph 2 of Article 5.*<sup>1</sup>

#### COMMENTS.

The Brussels text anticipates the United Kingdom Government's observation.

On the other hand, the exemption granted to commercial travellers from all charges or taxes makes it deviate further from the recommendations of the Danish and Swedish Governments than the original draft.

It would seem possible, however, to satisfy those Governments by inserting in the Protocol of the Convention a provision to the effect that the States levying such charges would declare that, in view of the provisions in their legislation dealing with the exercise of trade and industry, they reserve the right, when ratifying, not to accept Article 5.

There are precedents for this in the 1923 Convention relating to the Simplification of Customs Formalities, but the duration of the reservations there specified was fixed at five years. In the present case, limited duration would also be desirable.

<sup>1</sup> The words underlined in the text adopted at Brussels amend or complete the text of the preliminary draft.

On the other hand, the other contracting States, while declaring that they accept the reservation thus made, would be authorised to stipulate that they themselves will not be bound by the provisions of this article in respect of the States benefiting by such reservation until those States have relinquished that reservation. Such a provision has been inserted in the Protocol *ad* Article 5 of the above-mentioned Convention, which therefore diverges on this point from the Brussels text.

*Article 6.*

*The preliminary draft read as follows:*

In applying the provisions of the previous article, as also in connection with the temporary exemption from duty of dutiable samples and patterns which manufacturers, traders or commercial travellers import in the exercise of their profession, the High Contracting Parties shall observe the stipulations of Article 10 of the International Convention relating to the Simplification of Customs Formalities, of November 3rd, 1923.

*This article has given rise to the following observation:*

*Japan.* — The general purpose of this article is fulfilled in the provisions contained in Article 8, items 5, 6 and 6a, of the Japanese Customs Law.

The *Brussels Conference* adopted the following text :

*Article 6.*

As regards the temporary exemption from duty of dutiable samples and patterns which manufacturers, traders or commercial travellers import in the exercise of their profession, the High Contracting Parties shall observe the stipulations of Article 10 of the International Convention relating to the Simplification of Customs Formalities, of November 3rd, 1923.

COMMENTS.

The slight difference of drafting between the preliminary draft and the Brussels text does not call for remark.

In the new draft, the text adopted at Brussels has accordingly been inserted.

*Article 7.*

*The preliminary draft read as follows:*

The High Contracting Parties undertake to reduce as far as possible the charges arising in connection with the obligation to effect provisional payment of import duties, or to make a deposit as security for the payment thereof, on the import of collections of samples or patterns of commercial travellers, under the system of temporary exemption. In particular, they are prepared to agree to the introduction of some form of simplified Customs clearing such as pass-bill books, provided always that the professional organisations concerned offer adequate guarantees, and come to previous arrangements with the Customs authorities for the execution of the new form of Customs clearing.

*This article has given rise to the following observations:*

*Austria.* — As regards the pass-bill book referred to in Article 7 of the preliminary draft mentioned in (1), it is clear that this procedure would be helpful to commercial travellers, as it would enable them to import collections of samples without having to deposit security with the Customs Office, and therefore to avoid the formalities necessary for recovery of such security. Nevertheless, the same facilities can be obtained by other means than the pass-bill book proposed—*e.g.*, by triptychs, a general deposit, etc.

In order to safeguard its revenue interests, the Federal Government could not consider extending the pass-bill-book system to collections of samples unless the proposed agreement fulfilled the following conditions :

(1) It would be necessary to set up an international organisation grouped by countries to issue the pass-bill books, a national body in each country undertaking, at the same time, to furnish a guarantee to the revenue authorities of the particular country as regards any samples that may have remained in the country.

(2) It would be necessary to have a detailed assessment of each article contained in the collection of samples imported, together with a calculation of the amount of the relevant turnover tax.

(3) The samples imported would have to be identified with sufficient certainty.

(4) The samples would have to be re-exported within the time-limit fixed for the purpose.

(5) Dues and taxes should be paid on samples not re-exported.

As regards (1), it would be essential for the international organisation referred to to include an Austrian organisation. It would seem necessary to follow the analogy of passes for motor-vehicles, in which case the guarantee is given by the automobile club, this latter in turn being protected by its reinsurance policies, and by an Austrian guarantor.

*Ad* (2), in view of the number and variety of the articles in a collection of samples, the facilities for their Customs clearance by means of a pass-bill book should be obtainable only when the guarantor or the organisation in question undertakes to pay duty on the basis of the item most heavily taxed if the samples are not re-exported. The amount of the Customs duty applicable would be fixed on the basis of the weight, the number of articles and their value; and, in addition to the pass-bill book, which is merely a document proving that a guarantee has been given, a document would be necessary specifying the amount of duty leviable.

*Ad* (3), the Convention relating to the Simplification of Customs Formalities provides that the identity marks of the country of origin must be recognised by the Customs authorities of the other contracting countries provided the samples are accompanied by a descriptive list certified by the Customs authorities of that country.

To satisfy the conditions specified in (4) and (5), separate portions of the collections of samples should not be allowed to remain in the country—*e.g.*, as a result of their sale; the agreement to be concluded should therefore contain a clause stipulating that the collections of samples imported must be re-exported complete (a similar obligation already exists in the present Austrian laws—*viz.*, for collections of samples for commercial travellers crossing the frontier repeatedly in virtue of the same Customs bond (*Vormerkschein*) and within a period specified in advance). The great advantage of such a conventional undertaking would be that it would usually save Customs offices the formalities necessary for assessing and collecting the duties concerned.

*United Kingdom.* — It is to be feared that the proposals in this article would give rise in practice to serious difficulties. The scheme which it embodies is apparently based upon the system applied to the international circulation of touring motor-cars. In the case of these vehicles, claims for duty payable are guaranteed by various authorised motor associations. Claims in such cases are, however, rare, since touring motor-cars are in most cases duly re-exported. On the other hand, the commercial samples which it is here proposed to cover by a similar scheme comprise a very wide range and variety of articles. In these circumstances, the application of such a scheme would raise very great difficulties. Many of the commercial samples brought in by commercial travellers are left in the country and duty would have to be collected upon them. This would involve correspondence with the guarantor over large numbers of small claims, thereby occasioning much extra administrative work. Further difficulties would arise, *e.g.*, in cases where travellers proceed abroad without producing their samples to the Customs, in which case the account of the duty due as made up by the commercial traveller himself would be liable to disagree with that of the Customs Administration.

Moreover, it would seem from the scheme that the various Governments would have to judge whether the professional organisations in their country "offer adequate guarantees", which might involve the Government concerned in some sort of responsibility should a professional organisation fail properly to carry out its obligations under the scheme. Finally, difficulties would appear likely to arise in making the necessary adjustments between countries where the traffic in samples is of unequal volume in the two directions.

*Japan.* — The application of the rule laid down in Article 7 regarding the adoption of pass-bill books would meet with certain difficulties arising out of the system of a guaranteed deposit referred to in Article 8 and other articles of the Japanese Customs Law.

*Sweden.* — The Swedish authorities are at the moment unable to express an opinion on the provisions of this article, and would like to await the result of the discussions which will be held at the proposed meeting of experts.

*Briefly*, the Governments' observations show that, though not opposed to the adoption of simplified Customs formalities giving collections of samples the benefit of temporary exemption from Customs duties, the Governments consulted fear that the adoption of pass-bill books might give rise to difficulties in application.

The *Brussels Conference* adopted the following text :

#### Article 7.

The High Contracting Parties undertake to reduce as far as possible the charges arising in connection with the obligation to effect provisional payment of the duties *and charges leviable or to make a deposit as security for the payment thereof, on the import under the system of temporary exemption of collections of samples and patterns referred to in Article 6.* In particular, they are prepared to agree to the introduction of *simplified Customs formalities.*<sup>1</sup>

<sup>1</sup> The words underlined in the Brussels text differ from the text of the preliminary draft.

COMMENTS.

The text adopted at Brussels differs from the text of the preliminary draft in that no further general reference is made to the possible adoption of a simplified procedure for Customs clearance of collections of samples and patterns, and that no more detailed reference is made to such a procedure, thus leaving the contracting parties full freedom of action. The general sense of the text corresponds to the spirit of the observations made by the Governments and summarised above.

This new form of words, like that in the original text, gives Article 7 the character of a general declaration rather than an exact conventional undertaking. In such circumstances, it seemed advisable to reintroduce it in the new draft in the form of an Annexed Declaration, and in this form it seemed possible and advisable to complete it by a paragraph specifying that the contracting parties are prepared in principle to agree to the introduction of triptychs and pass-bill books as a simplified procedure for collections of samples and patterns, provided that the necessary guarantees are given and that the provisions for the application of this new system of Customs clearance effect a simplification of the formalities hitherto in force.

The following are the reasons for reintroducing this paragraph :

1. The 1923 Convention relating to the Simplification of Customs Formalities introduced all the simplifications compatible with maintenance of the existing system of temporary exemption from Customs duty, subject to a deposit of such duty and the issue of a Customs voucher usually called a "passavant". Under Article 16, contracting parties were recommended, *inter alia*, to recognise the identity marks placed on samples and patterns by the Customs administrations of other countries, and to agree that the deposit of the duty temporarily payable could be replaced by a secured bond. Further simplification may therefore be expected only if a new system is adopted for the temporary admission of collections of samples and patterns.

2. The circles concerned believe that the most important reform would be one which would relieve them from the obligation of depositing the amount of the duty, which sometimes ties up large amounts of capital, or from giving the secured bond, which is often costly. (Under the present system, a commercial traveller who has to visit several countries in succession with a valuable collection of samples (*e.g.*, jewellery), and who therefore has to deposit very large security to cover the duty, may, when leaving one of the countries, receive the amount deposited only after some delay, and may be compelled either to interrupt his journey to wait for repayment ; or, if he proceeds on his journey, he may have to make a fresh deposit at the Customs office of entry of the country in which he proposes to travel before having his deposit refunded by the first country. In both these cases, he himself, or the firm employing him, has to make a considerable additional payment). The only solution would seem to be to adopt a system of triptychs and pass-bill books guaranteed by an organisation of the same kind as that in operation for motor-cars.

Some parties interested, more particularly the International Chamber of Commerce and the International League of Associations of Commercial and Industrial Travellers and Representatives, have considered the question of introducing the triptych and pass-bill book for commercial travellers' collections of samples and patterns. Through its national committees the above-mentioned League has tried to lay the foundation of a guaranteeing organisation. According to certain information, it has succeeded in interesting the Austrian and Czechoslovak Governments in the matter, and they have decided to make a joint study of the practical conditions for introducing triptychs in their mutual relations. In Belgium, France and Switzerland, the central organisations of industry and commerce are also said to have shown themselves in favour of the introduction of triptychs and pass-bill books for commercial travellers and to be ready to take up the matter with the administrations concerned. <sup>1</sup>

The reinsertion in the text of the Convention of a provision whereby the contracting parties declare their willingness in principle to consider the practical conditions for adopting such a Customs clearance procedure is designed to encourage these organisations to pursue their action by giving them an assurance that their application, when made, will be favourably received by the Customs administrations.

3. The chief obstacle to the practical adoption of this new form of Customs clearance is the necessity of finding in each country an organisation qualified to give full guarantees for the recovery of any duties and charges that may be levied in cases where samples imported under the triptych or pass-bill-book system are not re-exported.

As the central organisations of industry and commerce in several countries seem to be interested in the introduction of this system, they will undoubtedly succeed in setting up national guaranteeing organisations that will satisfy all the requirements of the administrations concerned.

---

<sup>1</sup> See, for instance, *Bulletin de la Ligue internationale des Associations de voyageurs et représentants du commerce et de l'industrie*, No. 5, February 1935, page 3.

4. Any technical difficulties due to the fact that, in some cases, commercial travellers hand over some of their samples could presumably be obviated by making acceptance of the triptych or pass-bill book conditional on full re-exportation of the samples imported. The guarantor bodies themselves will also, in order to reduce their responsibility, be prepared to make the issue of such documents conditional on such an undertaking. Sanctions such as the levying of the highest tariff rates on articles not resubmitted, together with an administrative fine or the withdrawal of the commercial traveller's licence, might, if necessary, be taken into consideration, subject to the right of the party concerned to prove *force majeure*.

5. The effect of introducing the triptych and pass-bill book for collections of samples and patterns would not only be to abolish the deposit of duty or a secured bond, but it would also mean a simplification of Customs formalities.

At the present time, the commercial traveller has to submit his collection of samples to the Customs offices of the foreign countries he enters, not only to have the identity marks placed on them or checked, but also for the exact assessment of each of his samples. In some cases, this assessment may be very complicated, and it invariably means drawing up a declaration and making out a receipt in accordance with the items of the tariff, together with the weighing of the articles and calculation of the duty. At the Customs office of exit, exportation also involves a check and the making out of Customs documents certifying export and also the repayment of the duty deposited or the cancellation of the sum deposited as security.

With the triptych or pass-bill book, the commercial traveller holding it could, before leaving, fill up the number of forms necessary to corroborate his various passages through the Customs. He could, if necessary, attach to each of them a detailed list of his samples, drafted in commercial terminology sufficiently clear to enable the samples to be identified. In these circumstances, the establishment of the Customs forms referred to above would be abolished, and as the guarantee of total re-exportation would be given on conditions eliminating all risk of infringement, there would be no need to make an assessment or to calculate the duty.

Customs formalities would therefore be reduced both on import and on export to a mere check of the identity of the samples, removal of the leaf of the triptych or pass-bill book proving import or export, and endorsement of the counterfoils of those leaves.

---

**Annex.**

**OBSERVATIONS FROM THE UNITED STATES OF AMERICA CONCERNING  
THE PRELIMINARY DRAFT ON COMMERCIAL PROPAGANDA.**

---

Section A (articles 1 and 2) of the proposed agreement covers the exemption from Customs duty of samples of goods of all kinds, provided they have no commercial value, or a quite trifling commercial value, and can be used only for soliciting orders, for demonstrations, experiments or analyses, with the exception, however, of those which form the subject of a State monopoly.

Many imported samples are of a size or character which would be readily recognised as of no commercial value and so treated by appraising officers.

Section 308 of the Tariff Act of 1930, paragraph (3), provides for the free importation of samples solely for use in taking orders for merchandise or for examination with a view to reproduction, provided bond for their exportation within six months from the date of importation is taken, which period may, in the discretion of the Secretary of the Treasury, be extended, upon application, for a further period not to exceed six months.

Section A of the proposed agreement refers to samples to be used "for demonstrations, experiments or analyses". There is no provision in the Tariff Act according free or temporary free entry to samples imported for demonstration, unless such demonstration were connected with the use of samples entered under Section 308 (3) for taking orders for merchandise; nor does the Tariff Act contain any provision for the free or temporarily free entry of samples for analysis, except for such analysis as would constitute an experiment within the meaning of Section 308 (4), which authorises the temporary free entry under bond of articles, a term which would embrace samples, intended solely for experimental purposes.

While the proposed agreement provides for free entry of samples, provided they have no commercial value, or a quite trifling commercial value, the Office of the Appraiser of Merchandise at New York calls attention to the fact that there are many samples used for taking orders that have a market value, and it is the opinion of his office that an agreement should not be entered into that samples of any given dimensions or quantity are without value and free of duty, but that the question of value should be determined by Customs authorities.

Section B (articles 3 and 4) refers to Customs treatment of printed matter intended for use as advertisements. The proposed agreement relative to the free admission of catalogues, price-lists and trade notices imported in single copies, with the exceptions therein noted, seems adequately to cover the matter.

There is no provision in the Tariff Act for free importation of printed matter such as is contemplated in Section B, other than the authority for entering into reciprocal agreements relating to advertising matter contained in Section 320 of the Tariff Act. The Department perceives no objection to the proposed agreement for admission free of duty of single copies of the printed matter, with the exceptions noted, among which is one that the exemption from duty shall not apply to such matter printed abroad for traders and manufacturers established in the country into which they are imported. A change in the law would be necessary to carry the provisions proposed in Section B into effect.

Section C (articles 5 to 7) of the proposed agreement deals largely with the question of facilitating the operations of commercial travellers in foreign countries by eliminating liability for fees and dues, with which this Department is not concerned.

With regard to samples accompanying travelling salesmen, the Department entertains the views expressed above on the subject of all samples.

The suggestion that groups of interested parties, such as chambers of commerce, might arrange to give protection to the several Governments for the purpose of facilitating the passage through Customs of commercial travellers having samples of their wares, does not appear to require any change in our law. If the security offered by such organisations was found to be acceptable by the Secretary of the Treasury, regulations as to the bond required could be made under existing laws.

---

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

*Official No.:* **C. 153. M. 83. 1935. II. B.**

Geneva, April 3rd, 1935.

LEAGUE OF NATIONS

ENQUIRY

INTO

CLEARING AGREEMENTS

---

Series of League of Nations Publications

II. ECONOMIC AND FINANCIAL  
1935. II.B. 6.

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

*Official No. : C. 153. M. 83. 1935. II. B.*

Geneva, April 3rd, 1935.

LEAGUE OF NATIONS

ENQUIRY

INTO

CLEARING AGREEMENTS

---

Series of League of Nations Publications

II. ECONOMIC AND FINANCIAL

1935. II.B. 6.



## CONTENTS.

	Page
<b>REPORT OF THE JOINT COMMITTEE FOR THE STUDY OF CLEARING AGREEMENTS . . . . .</b>	<b>7</b>
* * *	
<b>ANNEX I. — STRUCTURE, OPERATION AND EFFECTS OF CLEARING AGREEMENTS.</b>	
1. Causes which led to the Conclusion of Clearing Agreements . . . . .	24
2. Theory of the Operation of Bilateral Clearing Systems	26
3. Practical Operation :	
(a) Order of payments to exporters. . . . .	27
(b) Payments made to clearing offices constitute a final settlement in certain cases . . . . .	27
(c) Origin and provenance of goods : goods in transit . . . . .	29
(d) Miscellaneous payments (subsidiary expenditure — trade claims in arrears — financial claims — tourist traffic — postal and telegraph charges, etc.) . . . . .	29
(e) Allocation and priority of payments . . . . .	30
(f) Assignment to the other party of a proportion of the sums available in the clearing fund . . . . .	31
(g) Rate of conversion of the currencies of the contracting parties (or other currencies used for clearing) . . . . .	31
(h) Clearing account surpluses and balances . . . . .	33
4. Essential Difference between <i>Normal</i> (or <i>Banking</i> ) Clearing and <i>Conventional</i> (Bilateral) Clearing	34

	Page
5. An Adverse Trade Balance necessary for the Satisfactory Operation of the Clearing System . . . . .	35
6. Forces released by the Clearing System itself which tend to alter the Necessary Ratio of Trade between the Countries, and therefore to jeopardise the Operation of the Clearing System :	
(a) A clearing system stimulates purchases by a country with a controlled currency . . . . .	36
(b) Effects of an excessively high rate of exchange . . . . .	37
(c) Various ways of evading the clearing system . . . . .	37
7. Tendencies of trade statistically illustrated . . . . .	38
8. Measures to readjust the Trade Balance so as to permit of the Satisfactory Operation of the Clearing System . . . . .	42
9. Purchase of Raw Materials rendered difficult . . . . .	44
10. Influence of Clearing Agreements on Commercial Relations . . . . .	46
11. Private Compensation . . . . .	47
12. View of States with Clearing Systems . . . . .	48
13. Clearing Agreements and Third Countries . . . . .	49
14. Reduction of Triangular Trade . . . . .	50
15. Is the Expansion of Clearing Agreements on a Multi-lateral Basis possible and useful ? . . . . .	52

**ANNEX II. — REPLIES OF GOVERNMENTS TO THE QUESTIONNAIRE ON CLEARING AGREEMENTS.**

**I. Causes that have led to Clearing Agreements :**

1. What are the causes that have led you to conclude clearing agreements with other countries ? . . . . .	55
---	----

**II. Objects :**

2. What have been your objects in concluding your clearing agreements ? . . . . .	58
---	----

**III. Structure of Clearing Agreements :**

3. Do your clearing agreements relate exclusively to payment for goods exchanged, or do they also extend to the settlement of commercial or other debts (including tourist traffic, financial debts, etc.) ? . . . . .	61
4. Through what bodies (National Bank, special offices, monopolies, etc.) are clearing operations effected ? . . . . .	66
5. Do your clearing agreements permit of "private compensation" ? If so, to what extent and on what conditions ? . . . . .	68

	Page
6. Are your clearing agreements related or not to other special arrangements of a commercial, financial or other character ? . . . . .	74
7. In clearing transactions, what is the basis adopted for the reciprocal conversion of the currencies of the contracting parties (real, legal or conventional parity) ? In this connection, are there any practices which aim at correcting the effect of the rate of exchange adopted, such as price rebates, export bounties, import taxes, etc. ? . . . . .	77
8. Do your agreements stipulate that invoices may be made out in currencies other than the national currencies ? If so, what basis of conversion is provided for ? . . . . .	83
9. What are the various formalities to be gone through by the importer or exporter in virtue of the existing agreement, as regards both the consignment and receipt of goods and payment for the latter ? . . . . .	86
10. How is the question of credit balances dealt with ? —	
(a) Credit balances originally anticipated . . .	91
(b) Unforeseen or temporary credit balances .	97
11. Duration of the agreements. Is their revision provided for, and, if so, in what form ? . . . . .	97
12. Do your clearing agreements apply exclusively to transactions in connection with goods originating in and/or coming from the contracting parties ? . . . . .	101
13. Do the agreements contain any provisions concerning transit and the finishing trade ? . . . . .	103
14. Do the agreements contain any provisions concerning the colonies ? . . . . .	106
15. Is the present structure of your agreements the same as at the outset, or has it undergone modifications ? In the latter case, what were the reasons for these modifications ? . .	107
 <b>IV. Results of Clearing Agreements:</b>	
16. What has been the effect of each of your clearing agreements on the volume of your trade in each direction with the other contracting party ? (Please give figures indicating increase, stabilisation or decrease.) To what extent have modifications in the volume of trade in each direction influenced the effective execution of payments ? . . . . .	111
17. To what extent do your exporters obtain payment ?	118
18. Can you mention any other characteristic modifications of your trade with the contracting parties as a consequence of the execution of clearing agreements ? . . . . .	122
19. To what extent have your clearing agreements affected your trade with other countries ? . . . . .	123

	Page
20. Have the clearing agreements had any effect on the restrictions imposed on imports or exports ; or, on the other hand, has the operation of these agreements been affected by autonomous measures of commercial policy taken while they were in force (prohibitions, Customs quotas, tariff increases, etc.) ? . . . . .	126
21. Should your clearing agreements contain stipulations regarding other items in the balance of payments (service of loans, tourist traffic, etc.), to what extent have these stipulations been carried out, and how have the respective positions of the beneficiaries of these stipulations and of exporters been affected ? What effect have they had on the volume of trade ?	129
22. What consequences have the clearing agreements had on the internal economic situation ? What difficulties of all kinds (complaints, delays in payment, etc.) have been met with in your country ? . . . . .	132
23. Have the clearing agreements had any influence on the position of the currencies of the contracting countries ? What has been the effect of these agreements on the position of the foreign currency reserves ? . . . . .	136
24. Have the purposes which you aimed at in concluding your clearing agreements been achieved ? . . . . .	139
25. Does the extension of the clearing system to the sphere of multilateral agreements appear to you possible and desirable ? If so, in what form ? . . . . .	142
26. What conclusions does your experience of clearing agreements enable you to draw from the point of view of international economic policy ? . . . . .	146
<b>ANNEX III. — COUNTRIES WITH CLEARING AGREEMENTS . .</b>	<b>152</b>



# REPORT OF THE JOINT COMMITTEE FOR THE STUDY OF CLEARING AGREEMENTS<sup>1</sup>

---

## I.

1. As the result of a proposal put forward by the French delegation in the Second Committee, the last Assembly adopted the following resolution :

“ The Assembly requests the Council to arrange for an enquiry to be made by the Economic and Financial Organisation of the League concerning the causes, scope, methods and results of compensation and clearing agreements.

“ It requests that this study should, in particular, include an examination of the agreements concluded and the working of the organisations set up to provide for their execution, and should throw light upon the practical difficulties

---

<sup>1</sup> The present report was drawn up at the second session of the Joint Committee, held from March 25th to 30th, 1935.

The following were present :

Dr. Vilem POSPISIL, Chairman, Envoy Extraordinary and Minister Plenipotentiary, former Governor of the National Bank of Czechoslovakia ;

M. J. A. DEKNATEL, Director of the Dutch Clearing Institute (Netherlands), replacing M. ter Meulen ;

M. P. DEVINAT, Secretary-General of the Commission interministérielle de Compensation at the Ministère du Commerce (France), replacing M. Elbel ;

Sir F. W. LEITH Ross, Chief Economic Adviser to the British Government (United Kingdom) ;

Sir Otto NIEMEYER, Bank of England (United Kingdom) ;

Mr. Oscar B. RYDER, Member of the U.S.A. Tariff Commission (United States of America), replacing Mr. Norman Davis ;

Dr. R. SCHÜLLER, Envoy Extraordinary and Minister Plenipotentiary, former Chief of the Economic Section of the Department for Foreign Affairs (Austria).

The following were also present :

M. G. DAYRAS, Inspecteur des Finances (France), President of the Financial Committee ;

M. DOLEZAL, Under Secretary of State at the Ministry of Commerce (Poland), President of the Economic Committee.

The following were absent and not replaced: M. A. DI NOLA (Italy), M. A. JANSSEN (Belgium) and M. STUCKI (Switzerland).

that have been encountered and the results that have been obtained.”

The Council requested the Economic and Financial Committees to set up a Joint Committee to supervise the enquiry and to report upon the conclusions to be drawn from it.

In a short session held at Paris in October 1934, the Joint Committee began its work by defining the kinds of agreements to be considered. It decided to regard as agreements covered by the Assembly resolution all those (whether or no they aim at establishing an equilibrium of commercial exchanges) under which, especially in the case of exchange restrictions, two parties agree upon provisions for the payment of debts arising out of commercial or other transactions.

The Committee at the same time decided to ask for information from countries which have concluded clearing agreements, namely :

Argentine	Estonia	Netherlands
Austria	Finland	Norway
Belgium	France	Poland
Brazil	Germany	Roumania
United Kingdom	Greece	Sweden
Bulgaria	Hungary	Switzerland
Chile	Italy	Turkey
Czechoslovakia	Latvia	Yugoslavia
Denmark		

It further decided that these countries should be asked to communicate :

(a) A general account of the causes, scope, methods and results of the clearing agreements concluded by them ;

(b) The texts of those agreements, accompanied by a brief analysis of each of them and of their annexes ;

(c) In regard to each of these treaties, particulars of the circumstances in which the treaty was concluded, of its subsequent development and any modifications it may have undergone, and of the results secured, accompanied by statistics ;

(d) A description of the working of the bodies set up to execute such agreements, together with particulars of difficulties experienced in applying them and suggestions for meeting such difficulties.

These decisions of the Joint Committee were put into effect by sending to the countries mentioned above a Circular Letter, dated October 31st, 1934, to which was attached a questionnaire.

The Secretariat has received statements from all the countries, except the Argentine, Brazil, Germany and Turkey. The United Kingdom Government stated that it had not concluded any clearing agreements.

2. The results of the enquiry are embodied in the two documents attached.

The first of these attempts to extract from the general body of facts and arguments communicated by the different Governments a succinct description of the main features of the clearing system. The Secretariat further endeavoured, on the basis of the statistical data at its disposal, to bring out in this document the effects of clearing agreements on international trade.

The second document reproduces or summarises the replies of the Governments to the questions in the questionnaire attached to the Secretary-General's Circular Letter.

These documents are intended to give as complete a survey as possible, not only of the actual state of affairs resulting from clearing agreements, but also of the different phases of their development, as well as of the opinions most frequently expressed as to their causes, scope and results.

Finally, the Committee was able to study the memoranda, written on its request by M. Basch, lecturer at Prague University, M. Guarneri, Director-General of the National Fascist Confederation of Industry, and Professor B. Ohlin, Stockholm University.

## II.

The Joint Committee is therefore in a position to confine itself to summarising as briefly as possible certain reflections suggested by the results of the enquiry, and, inasmuch as all

information as to the scope and methods of the agreements is contained in the annexed documents, it proposes to restrict its observations to the causes and results of these agreements and to the possibility of abolishing them or of correcting their defects.

1. The establishment of clearing agreements arose out of conditions created by the institution of exchange control — that is to say, State restrictions on the purchase of foreign exchange in the open market. The Governments, in their replies, have not seen fit to go deeper into the matter; but it is necessary to point out that exchange control is only one form of defence against the effects of the general depression on countries whose economic and financial structure was specially vulnerable. The heavy fall in prices and the paralysis of international credit could not fail, in the absence of the regulating influence of the movement of capital, to give rise to a grave disturbance of the currents of international trade. The reaction of this disturbance on the monetary systems had the effect of hindering the natural and automatic international clearing process. It tended, on the one hand, to create abnormal channels of trade, and, on the other hand, to lead to defaults in payments or to conditions in which artificial methods of payment had to be sought. Clearing agreements, although apparently merely a mechanism for effecting payments, have frequently been used as a means of influencing the direction of trade.

The distortion of the system of trade and mechanism of payment under the stress of the economic depression was a general phenomenon taking different forms in different countries.

In view of the rapidly increasing shortage of foreign exchange, it was thought necessary in certain countries to limit, or entirely suspend, transfers abroad in respect of financial obligations and to limit the power of private persons to purchase with their national currency the foreign exchange required to pay for imports.

Countries which were creditors or suppliers (very often both) of the country whose currency was weak then found themselves confronted with serious difficulties. Not only were financial payments suspended or cut down, but a new kind of



bad debt soon accumulated on account of goods delivered for which payment could not be obtained — the so-called *frozen commercial claims*.

Moreover, the countries hardest hit by the depression have been led, in order to protect their currencies, to impose import restrictions of various kinds which, however unintentionally, often adversely affected other countries. This was inevitably the case when, with inadequate resources of foreign exchange at their disposal, they found themselves compelled to give preference to those imports most essential to their economic life.

On the other hand, the countries whose claims and goods remained unpaid were usually not inclined to accept increased imports of goods from the country with a weak currency.

Faced by this dilemma, they sought a system which would permit them : (1) to obtain payment for goods already delivered, (2) to continue, as far as possible — even on a reduced scale — their exports to the country in question, and (3) to secure at least partial repayment of their financial claims.

We need not consider whether, in such circumstances, creditor countries might not have adopted a policy better adapted to the conditions with which they were faced, nor whether it would not have been possible to facilitate the process of adjustment that was needed by bolder and better concerted action for the liquidation of the claims that were proving impossible of enforcement owing to the catastrophic fall of prices.

In the situation as it in fact developed, the countries which were economically and financially weaker were led either to take unilateral measures particularly harmful from many points of view or to introduce by joint agreement a system designed to eliminate transfers of foreign exchange so far as commodity transactions between the two countries cancelled one another. Thus arose the bilateral system of commodity clearing.

As it was not found possible to eliminate entirely evasions of the clearing system and as the country with a weak currency is usually also a debtor country, it follows that this system could only operate if the balance of trade between the two parties was definitely in favour of the debtor country.

A surplus in favour of the debtor country is required to enable it to meet financial obligations to the other contracting

party to liquidate frozen claims, and to make necessary purchases, particularly of raw materials, in third countries.

It is not surprising that, in face of the almost insuperable difficulties with which the situation was beset, the first persons to discern the possibility of the clearing process imagined themselves to be the inventors of a new and effective economic system.

2. Some time had, in fact, to elapse before it became apparent that the utility of this system in the face of the underlying causes of the depression was limited by its inherent defects. There is an immense difference between the spontaneous automatic, almost unconscious, clearing of debts and claims, generally through the machinery of banking, almost without the importer or exporter realising it, and the obligatory and necessarily bilateral clearing system as we see it applied at present.

Where a clearing agreement does not guarantee a sufficient supply of foreign exchange to a country with a weak currency, that country finds itself deprived, at least to a considerable extent, of the exchange the free disposal of which would naturally result from a surplus in its exports. A situation thus arises in which the orders of the weak-currency country at first tend to flow towards the country with which it has clearing relations, to the prejudice of third countries.

Moreover, the limited amount of free foreign exchange at its disposal makes it not only less and less able to purchase in third countries but also less able to make any payments to them. Since the starting-point is usually that the weak-currency country has an active balance of trade, it follows that, if it has at the same time large debts and a debit balance in relation to certain third countries, the latter probably will be the chief sufferers from the situation so created.

3. It might seem that things would proceed in a more or less satisfactory manner, at all events between the two countries between which clearing treaties exist. But, as will be seen from the description in the summary reproduced below, a series of forces tend to impair the trade relations between these two countries in the most undesirable way — by making it easier for the country with a strong currency, and more difficult for the country with a weak currency, to export.

It is natural that, while the depression continues, the pressure on the balance of payments of countries with weak resources should induce a corresponding pressure on the value of their currencies. The maintenance of the gold parity, which is threatened from the outset, becomes more and more difficult as the depression continues, in spite of the alleviation afforded by the more or less extensive and more or less regularised suspension of financial obligations in these countries. In the relations established by the clearing system, the rate of exchange corresponding to gold parity is from the outset relatively high, and acts accordingly as a brake on exports, while it encourages imports — whereas exactly the opposite process would be necessary to restore the position of a country which is both an exporter and a debtor.

In the other country, the existence of a rate of exchange higher than the natural rate places a premium on exports. The exporter receives more in exchange for the currency in which the payment is made than he would have received had there been no official rate. Not only does he receive more, but he is, at first at any rate, relieved of anxiety concerning payment being made, as he has a claim on the national clearing office and not on a foreign debtor. At a later stage, when, owing to these causes, unsettled arrears have accumulated, delays in payment will occur and credit will consequently have to be allowed.

The result of such a state of affairs is the reversal of the original trade balance on which the whole system was built, and the accumulation of frozen credits to the detriment of the country with a sound currency, while the other country consequently experiences an increased difficulty in continuing its exports and in obtaining, with a constantly declining volume of free foreign exchange, raw materials which it ought to obtain from third countries.

The situation just described changes from day to day as the various countries which have adopted the practice of clearing have speedily realised the dangers referred to above and are now endeavouring to meet those dangers by various measures.

4. Thus we see that the country with a weak currency, not wishing officially to abandon the official rate of exchange

in its transactions, introduces measures designed to neutralise the restrictive effect on its sales abroad of a rate which has become unduly high. These measures may consist in complicated systems of export bounties or import surcharges, which may vary according to the country of destination or provenance or according to the nature of the goods; or they may consist in giving the clearing offices special powers to fix the rate of exchange for transactions; or, again, they may consist in a considerable development of what is known as private compensation, which, while ensuring that every import shall be balanced by a corresponding export, leaves the parties concerned relative freedom to fix their terms of business, including the rates of exchange.

It should, however, be recognised that, if the system of private compensation is a phase in the process of evolution leading to the adoption of a natural rate of exchange, it cannot be regarded as an end in itself.

It is, in effect, a reversion to the primitive system of barter, which is only adopted by traders because money has ceased to be negotiable.

Moreover, the countries with free currencies, especially when they are at the same time financial creditors, become alarmed at the rapid increase in their commercial claims in arrears and realise the necessity of at all costs maintaining a balance in favour of the countries with weak currencies.

As they are in most cases unwilling to increase their imports, they generally have to decrease their exports; and this principle has been adopted in many clearings from the outset. In order to check the flood of arrears and to bring about their settlement, they institute clearing visas.

It is scarcely necessary to add, when the reversal of the natural currents of trade described above is borne in mind, that, in such circumstances, the final result of the system is to reduce the total volume of trade.

Nor have the unsatisfactory results of clearings been limited to the countries with weak currencies. The creditor countries which have adopted clearings have in some cases diminished the free exchange at the disposal of the weaker countries, thereby strengthening their own position as compared with that of other

countries and intensifying the fluctuations of exchange which already existed.

5. Before concluding this examination of the state of affairs created by the existence of clearing agreements, however, we desire to add certain further observations on the effect that these agreements have on international trade, and particularly on the interests of third countries. For their general effects on international trade, we may refer the reader to Annex I. Whatever construction may be placed upon the figures given and however opinions may differ as to the significance of the changes observed, it will be seen that the general tendency of clearing agreements is constantly to reduce the volume and value of international trade and to subject it to forms of restraint that necessarily hamper its development.

Third parties are adversely affected because a country with a weak currency will tend to buy as much as possible in the country with which it has a clearing agreement. Lacking free exchange, the weak-currency country will buy in the other country even goods which, in the ordinary way, it might have bought in third countries on more favourable terms. This leads to a diversion of commercial trends to the detriment of these last-mentioned countries, and if the third party is at the same time a financial creditor, it runs the risk of having to submit to treatment less favourable than that enjoyed by the other creditor countries whose relations with the debtor are based upon clearing arrangements. It should, however, be observed that, so far as raw materials not produced in either of the two contracting countries are concerned, purchases effected by one of them in the territory of the other will, in reality, be no more than a deviation of trade which will not put a stop to all exports of the product in question from third countries. But the weak-currency country will probably pay a higher price for its raw materials than it would have paid in the country of origin, and instead of buying raw materials it will be compelled to buy semi-manufactured goods; all these factors increase the price of what it buys, and will finally react unfavourably upon the cost price of the finished article. In many cases, measures are adopted to prevent such transactions. On both sides, the result will be a decrease in commercial transactions.

On the other hand, once natural automatic clearing has been either partly or wholly replaced by a number of water-tight bilateral arrangements, it is very difficult for third parties, producers of raw materials, to obtain the payments due to them, since, as a rule, their commercial balances with the debtor country are favourable. Third parties also suffer prejudice in another way; the debtor countries endeavour to procure in these markets free exchange, which they are unable to obtain elsewhere, by reducing their purchases from them. To sum up, when the question of clearing agreements is considered from the point of view of third parties, its most serious defect immediately becomes apparent — viz., its strictly bilateral character, which is the exact antithesis of that system of “communicating vessels” on which international economic life is based and under which the financial obligations which still exist were brought into being.

Side by side with the usual type of clearing, which was designed mainly for the recovery of commercial or other claims by the creditor countries, certain countries have employed bilateral clearings as an instrument of commercial policy for restoring equilibrium in the commercial balance between the two contracting parties, or even for obtaining a surplus.

Clearing agreements of this type usually contain a clause intended to restore the balance of trade and to secure an automatic return to the level provided for in the agreement.

Although of monetary origin, this form of clearing may place the States which accept it in contradiction with the most-favoured-nation clause; it is liable to create artificial channels of trade, running contrary to price levels; finally it reduces mutual exchanges to the level of the party for the moment less qualified to carry on export trade, and thus tends to reduce the volume of world trade.

Apart from their influence on the natural direction and total volume of trade, clearing agreements tend to lower the world level of prices. Their restrictive effect on trade limits possibilities of sale and, faced with the partial or complete closing of their outlets, the countries which are not parties to clearing agreements are gradually led to reduce the prices of their goods in order to sell them. These agreements thus reduce the volume

of trade and the prices at which trade is conducted ; they reduce the ability of debtor countries to meet those very financial obligations which gave rise to exchange control and subsequently to the introduction of clearing agreements.

Moreover, internal readjustments, which in many countries will be indispensable to the establishment of normal conditions of credit and trade, are rendered more difficult. In this respect, the system acts as a brake by maintaining an artificial currency rate and a disequilibrium between home and foreign prices. A return to equilibrium in exchange rates and commodity prices is an essential condition of improvement in the general economic situation.

It has been suggested that the prejudice caused to third countries might be avoided by making it possible to transfer balances between different clearings and thus making them multilateral. But there would be material difficulties in arranging such a system and the developments in this field have not been encouraging.

6. But it is not sufficient to indicate only the drawbacks of the system of clearing agreements which are fully realised by the very countries that have recourse to them ; these countries indeed are endeavouring by varied, if partial, measures to remedy the drawbacks as far as they can, pending the possibility of abandoning the system. In their replies, most of the Governments have stated that they consider this system to be a necessary evil and that they ask nothing better than to revert as soon as possible to the normal methods of international trade.

The next step is to attempt to discover how, in the difficulties now prevailing, this may be done ; for that, however, it will be necessary to go back to the root cause of the clearing system — that is to say, exchange control.

Such control is due to various causes of which the principal is the fear with which the Governments and public opinion of certain countries regarded the danger of a currency depreciation analogous to the monetary collapse of only a few years ago. However, certain countries, in very similar material, though different psychological, conditions, have been able to dissociate their monetary units from a fixed quantity of gold and thus avoid the necessity of imposing upon their trade restrictions

which would only serve to increase the depression. While it is not for this Committee to pass judgment on the policy which each country, in view of its special situation, thinks fit to apply in monetary matters, the Committee feels bound to point out one fact which is indisputably proved by the operation of the clearing treaties — namely, that when, in order to maintain the internal value of a currency at a particular level, that currency is prevented from serving as an instrument in trade, it ceases, at any rate as regards the external relations of the country in question, to perform the essential function for which it was created.

7. It remains to consider by what means clearing agreements can be abolished or their effects rendered less harmful.

In the first place, it is to be hoped that exchange control will be abolished, at any rate as regards commercial transactions, so that national currencies can once more perform their natural function, which is to be exchangeable without any limitation for all other currencies, and through them for goods.

In certain countries, a return to a more normal situation may be rendered difficult by the large volume of short-term debts which, in the absence of exchange restriction, might involve large-scale withdrawals. But the burden of debts of the majority of the chief debtor countries has already diminished to a very considerable extent. The depreciation of the dollar and of the pound, and of the currencies gravitating in their orbit, has constituted a real reduction of debts which has partly counterbalanced the increase in the weight of the debt caused by the fall in prices. Moreover, a number of special arrangements have been concluded, particularly as regards short-term debts, the aggregate result of which has certainly been to reduce considerably the payments to be effected.

But in some cases there have been no such arrangements, or they are not sufficiently wide. It may be necessary in such cases to maintain some control in regard to debt payments.

The Committee does not in any way desire to under-estimate the importance of the debt problem in relation to the existence of exchange control, but it is of opinion that the present situation proves beyond all doubt that the control of debt settlement by exchange control does not achieve its object. Exports, and



consequently the actual settlement of debts, are thereby made more difficult.

The experience of countries which have abandoned exchange control during recent years has proved that the risk of depreciation is not so acute if the Government concerned avoids monetary inflation. Their experience has also shown that the flight of capital which may occur when monetary depreciation begins is of a temporary nature and may be arrested by various means.

Creditor countries possessing ample financial resources are called upon to play a highly important part in restoring economic equilibrium. It is essential that these countries, realising that others in monetary difficulties are at once their clients and their debtors, should, when concluding agreements, display greater breadth of mind and not confine themselves to endeavouring to liquidate their claims; they should bear in mind the economic interdependence which, whether they like it or not, actually exists between the fate of both classes of countries. It would be futile — and indeed out of place — to advocate the abandonment of exchange control, if the return by any country to free transactions were to mean that other States would refuse to accept its products on the pretext that their prices had thus been reduced.

In short, it is important that, when a debtor country endeavours to allow its currency to find its natural level by removing exchange control, creditor countries should not negative the effect of this action by increasing their own restrictions on trade.

So long as a creditor country is not prepared to develop and to maintain an unfavourable balance of trade, or at least to compensate a favourable balance by "invisible" imports, no international monetary system can operate successfully.

8. It is important to consider whether, during the period which must elapse before the foreign exchange control — at least for commercial transactions — can be abolished, it is not possible to modify the clearing agreements with a view to rendering gradually more normal the conditions under which international trade takes place. We believe that there is already a tendency in this direction and that signs of it are

apparent in the most recent stage of the evolution of clearing agreements.

The countries in question soon perceived that, unless certain precautions were taken, the position of the two parties to the clearing agreement gradually deteriorates, to the great disadvantage of both. As is shown by the Secretariat's summary given below (Annex II), countries have therefore been obliged to resort to measures intended to counteract this tendency which is inherent in the clearing system, especially when it is based on the application of a rate of exchange that has become artificial.

It should be pointed out in this connection that the Secretariat's enquiry was begun some months ago and that, in the meantime, the application of these measures has become more and more general. For instance, several countries with a weak currency, including the most important, have found that the result of the strict application of the legal parity was rapidly to wipe out all the balances in their favour resulting from their trade with their partners in the clearing agreements.

There is in certain countries a tendency to allow clearing offices to fix the rate of exchange by agreement between themselves. Moreover, the practice of private compensation, by which the parties concerned negotiate more freely between themselves the conditions of the transaction and the rate of exchange is becoming more widespread.

In short, all these measures and concessions tend to make it possible for producers and traders alike to re-establish among themselves — without the abandonment of the theory of legal parity — monetary and price conditions which are becoming more and more normal. These tendencies are undoubtedly in the right direction.

When the free market rate is extensively applied to commercial transactions, whether directly or by means of private compensation, the countries in question will realise that this method offers greater advantages and fewer risks than was thought, and will before long decide to apply this rate more and more generally, until clearing agreements are finally abolished. Even before that stage is reached it will be possible, where trade conditions permit, to replace the red-tape methods of the

clearing system by the much more elastic method of transfer or payment agreements, which would allow more freedom to the parties concerned and would not affect the direct relations between individual debtors and creditors.

Nevertheless, two important obstacles remain :

The first is of a political nature. Certain countries have by experience found clearing agreements to be an instrument enabling them to model their national economic system on new lines. They have therefore used them to modify systematically the existing channels of trade. They pursue a policy, over a longer or shorter period, of utilising clearing agreements in the same way as quotas or Customs duties. At the same time, these countries obtain through the clearing a credit in goods.

To hasten the return of normal trade conditions, it would be desirable that clearing agreements should not be used in future for such purposes.

The second obstacle is a technical one, and consists in the accumulation of commercial claims in arrears. These claims, to which the clearings owe their origin, contribute to their survival. The abandonment of the agreements depends to a large extent on the measures taken to liquidate them. To this end a unilateral clearing can be maintained in respect of a part or the whole of the exports from the debtor country till the arrears are settled. But this entails a suspension of further exports from the creditor country, and therefore also diminishes trade. In certain cases, debtor countries have been helped to liquidate arrears by a funding system — the debtor Governments taking over the payments made by the debtors in their national currency and the creditors accepting a long-term bond of the debtor Government in settlement of their claims. Such a procedure is, of course, only possible in cases where the debtor Government framed a policy which enables confidence in its credit to be established.

9. (a) In conclusion, while it recognises that the clearing system may, in certain cases, have helped to prevent a still more serious collapse of trade that might otherwise have occurred as the result of the general introduction of control of foreign exchange transactions, the Committee recommends that the clearing system should not be extended.

(b) It further considers, like most of the Governments consulted, that this system can only be regarded as an expedient or makeshift involving a number of drawbacks, and that it should therefore be abolished as soon as possible.

(c) The best, though not the only, solution would be the complete abolition of exchange control facilitated by measures designed at once to promote permanent arrangements in regard to financial debts and a less restrictive commercial policy which would afford minimum guarantees for export. Should such complete abolition be impossible, commercial transactions should at any rate be freed from the obstacles placed in their way by exchange control.

(d) Pending these measures of recovery, the Committee considers that all proposals and all action designed to counteract, directly or indirectly, the grave drawbacks to international commercial relations resulting from the application of an artificial exchange rate in order to relieve the situation of the debtor country should be encouraged.

(e) All measures reducing import restrictions and opening the way to the export of increasing quantities of goods from debtor States should also be encouraged — even in the interest of creditor countries with a sound currency — first in order to ensure the payment for their exports and secondly in order to promote general recovery.

(f) Measures designed to leave the conditions — including exchange conditions — under which imports and exports are effected to the initiative of the parties concerned should also be encouraged.

(g) The more definite this tendency towards a return to normality becomes, the nearer we shall get to a situation in which it will be possible to replace clearing agreements by less vexatious arrangements, such as transfer and payment agreements, and finally to abolish them.

\* \* \*

While clearing agreements and other arrangements for the settlement of international payments by compulsory compensa-

tion are in most cases the outcome, as we have seen, of the introduction of restrictions on foreign exchange dealings in various countries, this action is itself the outcome of certain fundamental causes. The countries which adopt such restrictions and maintain them persistently, notwithstanding the growing difficulties that they cause to their economic life and to international trade, would no doubt be more willing to abandon them if they were not dominated by a feeling of insecurity, due in the main to the three following causes :

The risk of seeing certain foreign markets for their products suddenly closed by measures of prohibition ;

The instability of the international market in goods and capital, due to the instability of the rates of exchange between the principal currencies ;

Uncertainty as to the real and final weight of their indebtedness, despite the substantial alleviations which have already been generally brought about.

Hence, without prejudice to the suggestions made above — which should be put into force to the greatest possible extent — the Committee would regard the restoration of an international monetary standard, with the conditions of commercial freedom essential to its normal operation, as the most effective safeguard against disturbing action being taken as regards either dealings in foreign exchange or international agreements for the settlement of payments.

---

## ANNEX I.

### STRUCTURE, OPERATION AND EFFECTS OF CLEARING AGREEMENTS.

#### 1. CAUSES WHICH LED TO THE CONCLUSION OF CLEARING AGREEMENTS.

For an understanding of the nature and operation of clearing agreements, it will be enough to consider, among the various circumstances that led to their creation, the fact constituting the *immediate and direct cause* — i.e., *the establishment of measures for the control of dealings in foreign exchange*. This control, as is well known, was introduced in many countries in order to protect an unstable currency and obtain the sums required to discharge foreign obligations. The policy of control has made it more and more difficult for foreign suppliers to secure payment for the goods sold to the countries in question, and speedily resulted in the freezing of their debts.

Moreover, the inevitable corollary of exchange regulation was control of imports. In order to economise foreign exchange, goods could not be imported from other countries without a permit issued by the competent authority. The object was to admit only articles that were really indispensable to the national economy. The goods imported were therefore subjected to a process of selection, and even when the selection was quite impartial, the practical result was a differential treatment that was calculated to some extent to affect international relations.

The situation thus created was all the more embarrassing to international trade since this policy was applied by numerous countries, more especially in Central and Eastern Europe, and including Germany, a country playing a leading part in world economics.

The new monetary, financial and commercial policy of these countries was therefore bound to have vast and far-reaching repercussions. Certain other countries, which had lent these countries considerable sums, while finding their commercial and financial claims becoming frozen, saw their exports to them decline.

A similar situation gradually arose, *mutatis mutandis*, between several Latin-American States and countries with no foreign exchange restrictions. It will easily be understood that the last named had to devise ways and means of putting an end to a state of affairs that was becoming more threatening from day to day.

The Governments of these countries immediately obtained powers to take any steps that would safeguard the interests of exporters in respect of countries whose foreign exchange regulations were prejudicial to them (Law of August 8th, 1932, in Belgium ; Decree of December 3rd, 1931, in France ; Clearing Law of 1932 in the Netherlands ; Royal Decree-Law of April 13th, 1933, in Italy, etc.).

These measures generally consisted in *payment or transfer agreements and clearing agreements*.

Clearing agreements vary considerably<sup>1</sup> and have been concluded more especially between European countries and Latin America. Clearing agreements are much more numerous than those for payment. In Europe, at the moment the former are the rule and the latter the exception.

They have been adopted chiefly by countries which, owing to the introduction of foreign exchange control in certain States, have found themselves unable to obtain payment of their claims (blocked or frozen claims) and which, at the same time, bought from those States more goods than they sold them. They felt these agreements were the surest way of recovering their blocked claims and of preventing the freezing of fresh claims ; the agreements have, in fact, rendered it possible for the amounts which should have been transferred to pay for

---

<sup>1</sup> The Anglo-German Agreement of November 1st, 1934, is an example of payment agreements. The main provisions of this agreement are as follows :

(a) German exports to the United Kingdom continue to be made, as heretofore, without any formalities or control, and they are paid for directly to the German supplier by the British importer without the intervention of a clearing office ;

(b) British exports are admitted into Germany up to the normal proportion which such exports had maintained in comparison with German exports to the United Kingdom during the preceding year, so that the balance of trade will not be altered. The actual proportion agreed upon was that British exports to Germany in each month should be admitted up to 55 per cent of the actual value of German exports to the United Kingdom in the second preceding month ;

(c) The limitation of British exports is effected by the licensing authorities in Germany : but in order to prevent this licensing system being abused, the exports from the United Kingdom of a few specified commodities (coal, herrings and textile manufactures) may not be restricted below the amounts of these exports in the preceding year, without the agreement of the British Government ;

(d) Thus out of the value of German exports to the United Kingdom, the normal proportion (45 per cent) is left at the free disposal of the Reichsbank : but the German Government undertook to set aside 10 per cent out of this 45 per cent to pay for frozen commercial debts, and they further undertook to meet the service of the Dawes and Young Loans held in the United Kingdom, the service of other German loans being funded for two years.

goods purchased in the countries with foreign exchange control to be used to that end.

There exist clearing agreements, not only between countries which have left foreign exchange uncontrolled and countries where it is controlled, but also between countries in the latter category.

## 2. THEORY OF THE OPERATION OF BILATERAL CLEARING SYSTEMS.

In each of the contracting countries, importers of goods from the other country, instead of paying their suppliers direct, remit the value of imported goods in the national currency to a special office<sup>1</sup> or undertake to do so. It is frequently provided that the Office shall receive payment, not only of trade debts which fall due after the agreement comes into force, but also of debts already due on that date.<sup>2</sup>

From the amounts thus received, the clearing office takes the sums necessary to pay national exporters for goods sent by them to the other contracting country. Exporters therefore are paid for their goods by the clearing office and not by the foreign customer who bought them.

As regards the settlement of payments, direct relations between the exporters of one country and the importers of the other country, parties to the clearing agreement, cease to exist and are replaced by :

(a) Two triangular sets of relations (importers — clearing office — exporters) occurring within a single contracting country; the sums paid by importers, and therefore paid in national currency only, are no longer used to pay the foreign sellers but the domestic exporters, thus linking the same country's imports and exports closely together;

(b) A relationship between the two clearing offices which set off their respective claims and debts.

---

<sup>1</sup> Generally in the National or Central Bank, which is responsible both for the administration and financial operation of the clearing system (Austria, Belgium, Bulgaria, Finland, Hungary, Norway, Turkey, etc.), or for its financial operation only, the administration being entrusted to an *ad hoc* institution (in Italy, to the *Istituto nazionale per i cambi coll' estero*; in Switzerland, to the Swiss Clearing Office; in Belgium, to the Belgian-Luxemburg Clearing Office; in the Netherlands, to the Netherlands Clearing Institute, etc.). In some countries, such as France, this institution (*Office de compensation des paiements* at the Paris Chamber of Commerce) is responsible for all clearing operations.

<sup>2</sup> The Additional Agreement of December 8th, 1934, to the Clearing Agreement between Switzerland and Germany provides in the case of Switzerland that payments arising out of tourist traffic or capital transactions shall also be made to the clearing office.



### 3. PRACTICAL OPERATION.

(a) *Order of payments to exporters.*

Exporters are paid in principle in the chronological order of the payments made by debtors,<sup>1</sup> so far as the clearing office funds permit.

(b) *Payments made to clearing offices constitute a final settlement in certain cases.*

Some agreements (*e.g.*, that of December 22nd, 1934, between Sweden and Germany) provide that payments made to clearing offices constitute a discharge for debtors, while other agreements (more particularly those concluded by Switzerland and Italy) contain a provision to the effect that the payments made by a debtor do not relieve him of liability until the creditor has received the amount of his claim. The object of this provision is to protect exporters against exchange risks by obliging debtors to pay any exchange difference that may arise between the rate on the date of payment and the rate on the date of transfer.

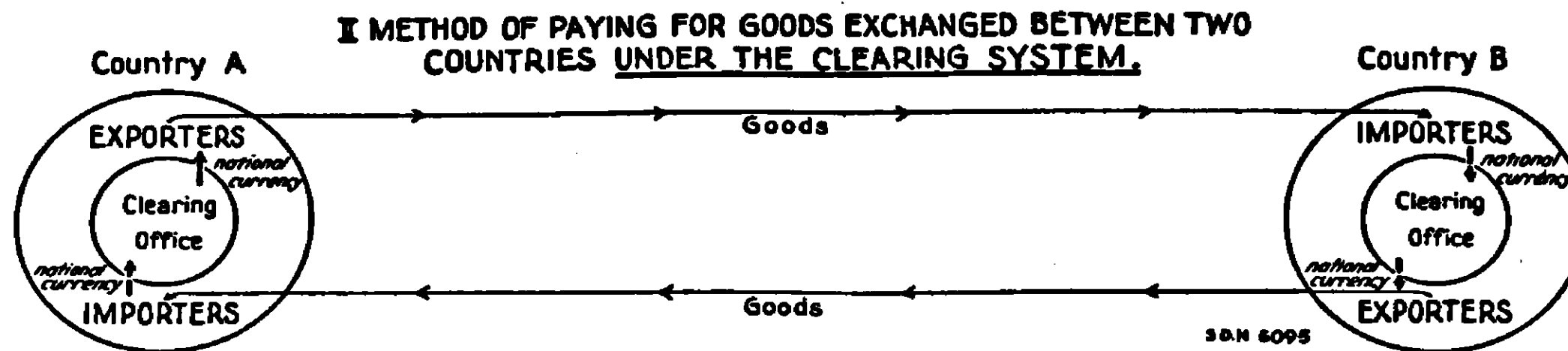
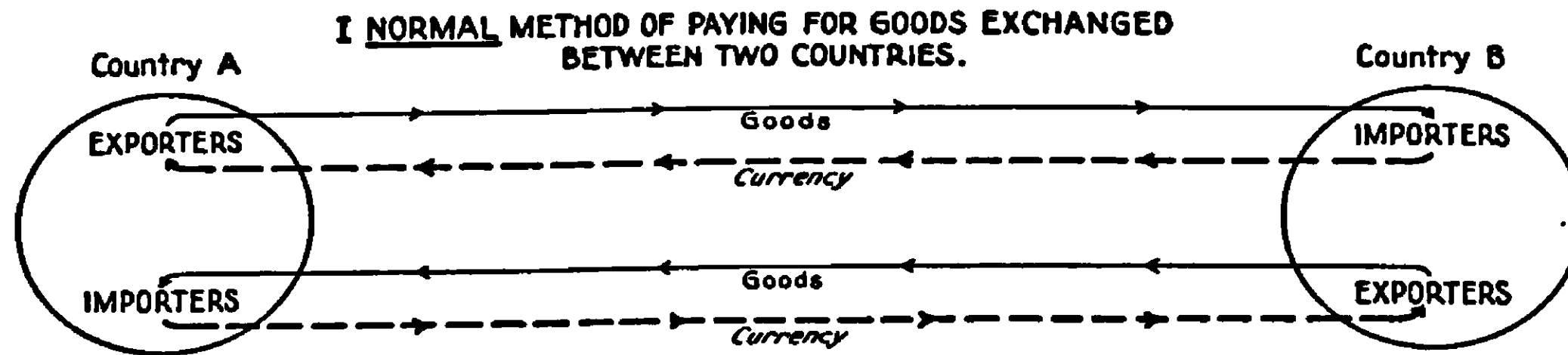
The question arises in certain countries whether, in the absence of any express provision on the subject, any exchange difference arising between the date of payment by the buyer and the date of payment to the vendor, where the price of the goods has been fixed in the currency of the latter or in any other currency than that of the purchaser, should be subject to later settlement between the parties to the contract.

Some hold that, when the buyer pays his own national clearing office and the latter notifies the clearing office of the seller, the result is to make the latter the creditor of his own national clearing office and the question of exchange risk no longer arises. Furthermore, since the payments made by importers are used *in toto* to pay exporters, they cannot be regarded as individual payments.

On the other side, it is argued that adoption of the method of transfer compulsorily imposed by clearing agreements on the buyer and the seller should not, and cannot, affect the will of the latter as expressed in the contract of sale. If the price has been fixed in the currency of the seller or in any currency other than the buyer's, the seller should receive in such currency the full amount of his claim. It should accordingly be implicitly agreed, in the obvious mutual interest of the sellers of both contracting parties, that the payment made by the buyer only acts as a discharge when the seller is paid.

---

<sup>1</sup> The two clearing offices notify one another of the payments received, thus authorising payment to the respective vendors.



- I. Under the normal system, the two reciprocal flows of goods between countries A and B are accompanied by two opposite flows of currency representing the value of the goods and proceeding from the importers of each country to the exporters of the other.
- II. Under the clearing system, only the two flows of goods remain; the external flows of currency are abolished. Inside each of the countries, a flow of the national currency proceeds from importers to the clearing office and from the clearing office to exporters.

*(c) Origin and provenance of goods: goods in transit.*

The goods covered by a clearing agreement are usually those originating in or coming from the territory of the contracting parties. Goods which have undergone an important change or conversion in such territory are sometimes covered by the clearing agreement (agreements of the Netherlands, Czechoslovakia and Italy with Germany, etc.).<sup>1</sup> The same applies to goods from the colonies: all the agreements of the Economic Union of Belgium and Luxemburg apply equally to the Belgian Congo and to Belgian mandated territory. The colonies are also included in the agreements made by France, the Netherlands and Spain with Germany, in the agreement between France and Roumania, etc.

On the other hand, transit trade is generally explicitly excluded in order to prevent the exporters of third countries from using the clearing system to obtain payment for their goods to the prejudice of traders of the contracting parties. Switzerland, whose transit trade is of considerable importance, has included transit transactions in some of her agreements. She also included transit transactions in her clearing agreement with Germany but, finding that her clearing accounts with Germany were overloaded with articles of foreign provenance — the reasons for this will be given below — she dropped them altogether in the Additional Agreement of December 8th, 1934.

*(d) Miscellaneous payments (subsidiary expenditure — trade claims in arrears — financial claims — tourist traffic — postal and telegraph charges, etc.).*

Payments arising out of commodity transactions between two countries are often taken to cover, not only payment of the price of the goods, but also the subsidiary costs of commercial transactions (transport, insurance premiums, commissions, Customs duties, etc.).

Payments of a miscellaneous nature, apart from those arising out of trade in goods, may be and are settled by clearing.<sup>2</sup>

---

<sup>1</sup> On the other hand, the finishing trade is excluded from the clearing agreements concluded by France.

<sup>2</sup> There are treaty provisions, for instance, for payments:

(1) Arising out of the settlement of accounts between the postal, telegraph and telephone administrations and the railways of the contracting parties (clearing agreements between the Netherlands and Germany, Italy and Germany, Sweden and Germany, etc.);

(2) Arising out of tourist traffic. Such payments are specially important for countries like Switzerland, Italy, Austria, Czechoslovakia, etc. (clearing agreements between Italy and Germany, Switzerland and Germany, etc.). A special feature of the clearing agreement between Switzerland and Germany is that the sums earmarked for

But it is chiefly the payments in respect of commercial claims in arrears and financial claims that are given precedence. The liquidation of blocked commercial claims is in fact the basic motive for clearing agreements, while financial claims are important, more particularly in the relations between certain Western European countries which lend large amounts of capital and Germany. At the present time, the clearing system is regarded by these countries as a useful means of recovering their blocked assets. The settlement of financial claims is also included in many clearing agreements concluded with Eastern European countries (clearing agreements between France and Hungary, France and Bulgaria, France and Turkey, Italy and Roumania, Switzerland and Roumania, etc.) and Latin-American countries.<sup>1</sup>

The service of the Young and Dawes Loans is also included in certain agreements (France, Belgium, the Netherlands, etc.) with Germany.

*(e) Allocation and priority of payments.*

When there are several kinds of debts to be paid with the funds in the clearing office, the rule followed in most cases is to allocate the amount according to percentages fixed beforehand in the agreement itself. To make the system of allocation more elastic, it is often provided that, should one class of claims not absorb the proportion of the clearing funds allotted to it, the unused surplus shall be periodically credited to another class (Swiss clearing agreements, clearing agreement between Italy and Roumania, etc.).

In these allocations, commercial claims are given priority over financial claims. It has been felt — even in countries such as Switzerland, which largely make good the deficit in their balance of trade by the income from their investments abroad — that the interests of exporters must take precedence of the interests of investors.

---

the expenditure of German tourists in Switzerland are those due to imports into Switzerland of German coal;

(3) Representing the expenditure of legations, students (clearing agreements between Bulgaria and Austria, Hungary, Czechoslovakia, etc.);

(4) Representing the cost of manufacturing licences (clearing agreement between the Netherlands and Germany), patent fees (clearing agreement between Sweden and Germany), etc;

(5) In respect of maritime transport (clearing agreement between Italy and Germany), etc.

<sup>1</sup> The clearing agreement between Czechoslovakia and Austria only applies to financial payments in the case of Czechoslovakia and certain specific payments in the case of Austria.

(f) *Assignment to the other party of a proportion of the sums available in the clearing fund.*

When the contracting party which is usually the other party's debtor for goods and creditor on other counts has left foreign exchange transactions free, it almost always puts part of the amounts available in its clearing fund at the free disposal of the other party<sup>1</sup> : and sometimes (and this is the most usual case) the agreement lays down a percentage figure for this amount, sometimes it merely states that the proportion will be fixed by agreement between the parties (occasionally the amount is not disclosed). The percentage may be fairly low (4 per cent in the agreement between Germany and the Netherlands of December 22nd, 1934) or be almost a third of the payments made to the fund (40 per cent in the French-Roumanian agreement.)

It should, however, be observed that the proportion of the amounts available in the clearing funds of creditor countries which an agreement puts at the disposal of the other party is *not always transferable, although this is not to be gathered from the terms of the treaty*. To quote only one instance, the percentages granted to Hungary by her various clearing agreements can in many cases only be used by her, in full or in part, for certain payments inside the country concerned. This provision indicates the tendency, for each country, to balance as far as possible its trade exchanges with every other country. Naturally, this equilibrium of trade cannot easily be achieved and the result is that the amount in question often remains blocked.

Two essential points regarding the structure of clearing agreements have still to be explained. The first point is the following.

(g) *Rate of conversion of the currencies of the contracting parties (or other currencies used for clearing).*

It has already been stated that the amounts paid by debtors to the clearing offices must be paid in the national currency. The clearing agreement lays down the rules to be followed in converting one country's currency into that of the other. Consequently, when the invoice is made out in the currency of the seller — which is naturally always the case if that currency is not controlled — the buyer must pay the amount of his debt in his own currency after converting it in accordance with the rules laid down in the clearing agreement.

---

<sup>1</sup> This is often the condition on which the debtor country with a credit balance of trade accepts the clearing system (cf. the replies of the Bulgarian, Yugoslav and other Governments).

Various methods are followed in this respect. The basis for conversion may be either the legal gold parity (agreement of Hungary, Belgium, etc.), or the "official rate" of exchange (agreement between Italy and Roumania, etc.), or the mean rate of the day on a given bourse (agreement between France and Germany),<sup>1</sup> or a conventional rate (agreement between Latvia and France), or market rates (agreements between Germany and Denmark, between Sweden and Turkey and Germany, etc.), or a "given stable currency or the rate of dealings on the bourse" (Austrian agreements). There are also agreements providing that the conversion of the currency of one contracting party into that of the other shall be carried out by agreement between the bodies responsible for working the clearing system (Italian agreements with Germany and Turkey), or at a rate fixed by the experts of the respective clearing institutions (agreement between the Netherlands and Germany).

In reality, however variously described, there are always two basic systems for converting the currency of one contracting party into that of the other: the system which disregards the *actual* value of the currency of the country with foreign exchange control and the system which takes this value into account.

The choice of the basis for conversion has a very great influence on the operation of clearing systems, as will be seen later. The consequences of such choice differ very widely, according to whether account has or has not been taken of the depreciation of the currency of the country which has instituted foreign exchange control.

In cases where invoices are made out in currencies other than those of the contracting parties, the bases for converting them into the currencies of the latter also differ very widely. Use is sometimes made of the exchange rate on the bourses of the contracting parties (agreement between Italy and Germany) or on the market of a third country (agreement between Italy and Yugoslavia). Sometimes the clearing institutions are made responsible for fixing the rate of exchange by joint agreement (clearing agreement between Italy and Turkey). Some agreements provide that conversion must always be carried out only in the currency of one of the contracting parties<sup>2</sup> (in Italian lire in the agreement between Italy and Yugoslavia, in French francs in the agreement between Estonia and France). When the currency of a specified third country is adopted as the basis for conversion and the invoice is made out in another currency,

---

<sup>1</sup> The rate of the Berlin Bourse is used for converting both francs and Reichsmarks.

<sup>2</sup> This is the currency in which the general clearing accounts between the two countries are kept.

the invoice must first be converted into the basic currency (agreement between Austria and Turkey).

Lastly, the accounts kept by the clearing offices are expressed in the respective national currencies (in most cases), or in the currency of one of the contracting parties<sup>1</sup> or in the currency of a specific third country.<sup>2</sup>

(h) *Clearing account surpluses and balances.*

There is a second feature of clearing agreements which is of considerable importance: the utilisation of any *surpluses* existing on the expiry of a certain period (fifteen days, one or three months) after the settlement of accounts between the clearing offices, as well as of the balances remaining on the termination of clearing agreements in favour of either contracting party.

The provisions regarding eventual surpluses aim at giving the debtor countries in whose favour they may arise an additional supply of foreign exchange over and above the percentage already allocated to them in the agreement, or at using such extra balances to expedite the settlement of the debts of those countries. Both these aims are sometimes achieved simultaneously (Additional Agreement between Germany and Switzerland of December 8th, 1934). There is sometimes a provision also that, should the balance exceed a given amount, the excess over such amount is to be at the disposal of the party concerned (clearing agreement between Germany and Norway). Another provision is that the use to be made of the surplus amounts in question shall be decided by agreement between the clearing institutions of both parties (clearing agreement between Italy and Germany).

As regards balances remaining on the expiry of the treaties, it is usually laid down that they must not be transferred.<sup>3</sup> The importers of the country which has a favourable balance with the other country must continue to pay to the clearing office sums equivalent to the value of their imports at the moment when the agreement terminates until the claims

---

<sup>1</sup> The clearing accounts of Switzerland with Greece, Yugoslavia and Turkey are kept in Swiss francs; those of France with Estonia and Yugoslavia, in French francs. The clearing accounts between Estonia and Finland are kept in Finnish marks; the accounts between Italy and Yugoslavia, in Italian lire; those between Sweden and Germany, in Swedish crowns, etc.

<sup>2</sup> For instance, the clearing accounts of Sweden and Yugoslavia with Turkey are kept in French francs.

<sup>3</sup> There are, of course, exceptions (agreements between France and Roumania, Greece and Roumania, Sweden and Germany, etc.).

corresponding to such balance have been fully met. This *liquidation clause* is contained, for instance, in the treaties concluded by Switzerland, in the agreements of Italy with Germany and Turkey, etc. But even when no such clause appears in the clearing agreements, the method of liquidating the balance is always to increase the exports of the country which is still a debtor in the clearing system. Transfers of balances in foreign exchange are avoided as far as possible, as they are considered inconsistent with both the spirit and the purposes of the clearing systems.

#### 4. ESSENTIAL DIFFERENCE BETWEEN *NORMAL* (OR BANKING) CLEARING AND *CONVENTIONAL* (BILATERAL) CLEARING.

As the payments arising out of international obligations have always, since the credit system made its appearance in the economic world, been made by a system of set-off, it may perhaps be advisable to stress the great difference between *normal clearing* and *clearing carried out under the agreements* referred to here.

The *normal*- (or banking) *system of clearing*, which only operates and can only operate between countries in which currency movements and foreign exchange transactions are unhampered, consists in a *spontaneous* and *automatic* setting-off of debits and credits between each country and abroad, this being done by exchanging credit instruments — reckoned at the free world-market rate — in certain institutions specially engaged in such operations. This is a matter of banking, with which importers and exporters of goods have nothing whatever to do and which therefore imposes on them no kind of compulsion.

On the contrary, *conventional* (bilateral) *clearing* systems are *compulsory* — other forms of payment being prohibited — and *bilateral* — *i.e.*, they only affect the obligations of one contracting party to the other; they are often based on conventional or artificial rates of exchange and impose on traders various obligations, formalities to be complied with, etc., which considerably restrict their freedom of action. As regards movements of money, communication between the economic systems of the various countries is abolished or reduced to a minimum, and each country, as already duly explained, ultimately becomes a self-contained unit.

Since the automatic process of adjustment brings no longer the balance of payments into equilibrium naturally, the individual States try to achieve this result by securing equilibrium with each of their trading partners — an obviously hopeless proceeding.



## 5. AN ADVERSE TRADE BALANCE NECESSARY FOR THE SATISFACTORY OPERATION OF THE CLEARING SYSTEM.

As a general rule, clearing agreements are concluded on the initiative of, or even under pressure from, the country with a sound currency. This is very natural, since the country with a controlled currency is not interested in applying a system which will result in depriving it of foreign exchange. Such a country is in fact compelled to accept the establishment of a clearing system by being threatened with denunciation of commercial treaties, quantitative restrictions (import quotas, etc.), additional duties, imposition of a unilateral clearing system, increased difficulty in finding foreign sellers willing to grant long credits.

The more the trade balance between two countries is favourable to the country with a weak currency, the greater will be the pressure exercised on that country.

Again, an *unfavourable* or *adverse balance* in a country with a sound currency is a *sine qua non* if the clearing system is to operate so as to further the interests of that country.

The existence of an adverse balance is all the more necessary if, as has almost always been the case, the country with a sound currency has had to impose a clearing arrangement on a country with a weak currency in order to recover blocked claims, since it is only by using the funds of its clearing office for such purposes after paying exporters — thereby implying an excess of its imports over its exports — that the creditor country can achieve its purpose.

The results of our investigations show that *an adverse balance tends to disappear* by the very functioning of the clearing system, as is explained later.

From then on, the essential object of the clearing system is endangered. By a curious change in the scale of values, the decrease in its adverse balance of trade, which a credit country would formerly have welcomed, becomes on the contrary a source of anxiety and difficulty. This has given rise to the saying: "*To have a good clearing system you must have a bad balance of trade*".

It is therefore necessary, if the clearing system is not to become inoperative, to adopt special measures calculated to prevent changes in the respective proportions of the foreign exchange held by the parties in question.

**6. FORCES RELEASED BY THE CLEARING SYSTEM ITSELF WHICH TEND TO ALTER THE NECESSARY RATIO OF TRADE BETWEEN THE COUNTRIES AND THEREFORE TO JEOPARDISE THE OPERATION OF THE CLEARING SYSTEM.**

The causes which combine to produce this state of affairs — the modification of the balance of trade in favour of the country exercising foreign exchange control — are many and various.

*(a) A clearing system stimulates purchases by a country with a controlled currency.*

The first and chief of these reasons is that the traders of such a country naturally tend to increase their purchases in the other country, because they have no longer any exchange difficulties to contend with; they merely pay their clearing office in their own currency for the value of the goods imported. Furthermore, the very shortage of foreign currency, which the existence of the clearing agreement has accentuated, encourages them to buy in that country many goods which they used to purchase elsewhere, perhaps even at a lower price, but for which, in the absence of foreign exchange, they can no longer pay their old suppliers.

There is in addition the psychological factor that the traders of the other party, feeling that the clearing system gives them a complete guarantee that they will always receive the price of their goods, are inclined to increase their exports and develop their business.

Under a clearing agreement on the other hand, sale is, or may be, made conditional upon purchase. The stronger party obtains a monopolistic right of sale up to the limit of the value of its purchases from the weaker. This monopoly would have no particular importance if commodities normally required were equally easily obtained from any and all countries. In actual conditions in Europe, it has very great importance. The majority of the weaker States are characteristically exporters of foodstuffs and two or three raw materials: oil, tobacco, timber; they are importers of raw materials and manufactured goods. The stronger countries are exporters of manufactured goods. Not only have the terms of trade in recent years become less favourable to foodstuffs, but the European foodstuffs producers are to a considerable extent limited in the circle of their export markets by the cost of transport. The lower the price of foodstuffs, the greater the restrictive influence of transport costs. If this restricted circle of export markets insists on the conclusion of clearing agreements and under those agreements blocks the foreign exchange which the foodstuff-exporting countries obtain for their exports, these latter are driven either

to buy manufactured goods which they may not want at the price, or to buy raw materials which they do want, not directly from the producers of the raw materials, but indirectly from industrial States.

Lastly, when, as often happens, the rate of exchange between the currencies of the two parties is fixed by treaty regardless of the real value (generally lower) of the currency of the country where foreign exchange is controlled, a premium is put on that country's imports.

All these reasons naturally explain why the exports of a country with a sound currency to a country with a weak currency must necessarily rise.

*(b) Effects of an excessively high rate of exchange.*

Again, the factor last mentioned (conventional rate of the currency of the country exercising foreign exchange control) causes the prices of its goods to be artificially and automatically increased and thus handicaps its exports to the other contracting party.

Thus, imports into the country with a weak currency increase while its exports to the other country decrease.

*(c) Various ways of evading the clearing system.*

The third and last reason, which mainly affects payments to the clearing office of the country with a sound currency, is that traders of the country exercising foreign exchange control often try to evade and escape the clearing, so as to obtain at least some proportion of high value foreign exchange.

Among the methods adopted for this purpose we may mention the following :

(a) Selling goods, not direct to the other party, but through traders of a third country which has no foreign exchange control and is not bound by a clearing agreement to either of the countries concerned ;

(b) Agreeing with the purchaser to make a fictitious declaration of value or make out a fictitious invoice showing the goods at less than the real value, so that part of the cost price of the latter is not paid by the purchaser to the clearing office but deposited in a bank in his country for the account and at the free disposal of the seller ;

(c) Granting to the purchaser a long term for payment in the hope that meanwhile — in a rapidly changing world — the exchange and currency situation will improve to the advantage of the parties concerned ;

(d) Despatching goods to a branch in the territory of the other contracting party. The branch will of course not have to pay the cost of the goods but, as it sells them itself in the country, will be able to receive the full price outside the clearing system to the profit of the seller.

Traders of the country in which foreign exchange dealings are still uncontrolled are often prepared to lend themselves to these various expedients, either because they get more favourable prices from the suppliers, or because they, too, dislike the clearing system. The fact is that this system by its formalities hampers them considerably in transacting their business<sup>1</sup> and makes them lose valuable time. Imports and exports of goods are subject to applications being made on special forms, and to the submission of other documents (certificate of origin, original or copy of invoice, Customs certificate, undertaking in the case of importers to pay the value of the goods to the clearing office at the appointed date, export permit issued to the consignor by the proper authority, etc.), these being documents which it is sometimes impossible to have available simultaneously.<sup>2</sup>

## 7. TENDENCIES OF TRADE STATISTICALLY ILLUSTRATED.

The majority of clearing agreements have been contracted between a country — generally a debtor state — enforcing a system of exchange control and a country with freely convertible currency. In order to illustrate the broad tendencies of trade regulated by clearing agreements, trade figures for six countries which have concluded several such agreements have been analysed. Of the first three countries — namely, France, Switzerland and Italy (called Group A below) — none exercised exchange control in respect of merchandise transactions until December last; the three other countries — Hungary, Bulgaria and Roumania (Group B) — have all enforced exchange control.

The trade of these countries with those with which they have concluded clearing agreements (for the sake of brevity called "clearing countries" below) has been considered separately. This trade comprises :

That of *France* with Bulgaria, Estonia, Germany, Greece, Hungary, Latvia, Roumania, Turkey, Yugoslavia;

---

<sup>1</sup> Banks are also as a rule rather averse to clearing transactions, as they lose the profit on their transfers abroad.

<sup>2</sup> To avoid the reproach of needless red tape, some Governments (e.g., France) have allowed traders to work the clearing system themselves. The results, however, do not seem to have been more satisfactory for those concerned.

That of *Switzerland* with Austria, Bulgaria, Chile, Germany, Greece, Roumania, Turkey, Yugoslavia;

That of *Italy* with Germany, Hungary, Roumania, Turkey, Yugoslavia;

That of *Hungary* with Austria, Belgium-Luxemburg, Czechoslovakia, France, Germany, Greece, Italy, Switzerland, Turkey;

That of *Bulgaria* with Austria, Belgium-Luxemburg, Czechoslovakia, France, Germany, Italy, Switzerland;

That of *Roumania* with Austria, France, Germany, Greece, Hungary, Italy and Switzerland.

The following table shows, for each year during the period 1931-1934, the share in the trade of the six countries mentioned of the countries with which clearing agreements<sup>1</sup> were in force at the end of the period. It should be observed that the agreements were concluded one by one in the course of the period and that the more recent of them have not yet affected trade considerably, though they may be expected to do so in the same direction as the older agreements. Comparatively few of the agreements were, in fact, concluded before 1933, and to some extent the movement of the figures given, particularly from 1931 to 1932, must be attributed to other measures (bilateral and unilateral) aiming at increased bilateralism and whose effect upon trade resembles that of clearing agreements.

In order to eliminate the effect of the increasing trade between France and her oversea territories, the French trade with "foreign" (that is, non-French) countries has alone been considered.

PERCENTAGE SHARE IN THE TRADE OF SIX COUNTRIES OF COUNTRIES WITH WHICH CLEARING AGREEMENTS ARE CONCLUDED.

*Group A.*

	France (excluding trade with colonies, etc.)		Switzerland		Italy	
	Imports	Exports	Imports	Exports	Imports	Exports
1931 ...	20.5	14.8	35.9	21.6	20.8	14.4
1932 ...	19.0	16.1	33.8	20.9	18.8	15.7
1933 ...	17.3	16.8	36.0	22.7	20.3	17.4
1934 ...	15.4	19.8	35.5	29.5	21.3	22.6

<sup>1</sup> Including the agreement for "private compensation", which in June 1933 was substituted for the clearing agreement between Roumania and Hungary.

*Group B.*

	Hungary		Bulgaria		Roumania	
	Imports	Exports	Imports	Exports	Imports	Exports
1931 ...	60.7	70.5	66.4	74.4	63.0	55.8
1932 ...	63.1	71.7	70.6	74.9	59.8	52.5
1933 ...	66.3	66.3	76.4	75.2	56.1	45.5
1934 ...	67.6	70.0	73.9	71.4	52.7	52.9

The movement of the percentages is striking. The share of clearing countries in the exports of France, Switzerland and Italy increased considerably during the period — from 15 to 20 per cent, from 22 to 30 per cent and from 14 to 23 per cent respectively. The share of clearing countries in the imports of France and Switzerland, on the other hand, did not rise — that in French imports fell, in fact, steadily from 20.5 to 15.4 per cent. Only that in Italian imports rose slightly during the period.

The figures given for Group B (Hungary, Bulgaria and Roumania) move in the opposite direction to those for France and Switzerland. The share of clearing countries in the imports of Hungary and Bulgaria rose appreciably, while that in their exports fell. (It should be observed that the rise in the export figure for Hungary in 1934 is due to the exceptional German demand). In the case of Roumania, clearings would appear to have affected both imports and exports unfavourably; but up to 1933 (after which year the figures are biased by the increased German demand for European raw materials), the fall in the share of clearing countries was greater for exports than for imports.

*Effect upon the Trade Balance.*

The table which follows shows the effects of the changes now referred to upon the balance of trade with clearing and other countries.

**TRADE BALANCES OF SIX COUNTRIES WITH :**

(a) COUNTRIES WITH WHICH CLEARING AGREEMENTS ARE CONCLUDED ;

(b) OTHER COUNTRIES.

(In millions of national currency.)

*Group A.*

	France		Switzerland		Italy	
	a	b <sup>1</sup>	a	b	a	b
1931 .	—3,936	—8,804	—516	—386	—954	—479
1932 .	—2,999	—7,785	—429	—533	—482	—964
1933 .	—1,649	—7,592	—381	—361	—470	—963
1934 .	—216	—4,713	—260	—330	—457	—1,985

*Group B.*

	Hungary		Bulgaria		Roumania	
	a	b	a	b	a	b
1931..	+75	—44	+1,325	— 51	+2,450	+3,992
1932..	+33	—27	+ 83	—171	+1,599	+3,101
1933..	+53	+27	+ 458	+186	— 83	+2,592
1934..	+51	+10	+ 164	+141	+ 315	+ 202

The passive balance of France, Switzerland and Italy in their trade with clearing countries was heavily reduced during the period. The French balance in 1934 was only 5 per cent of what it had been in 1931. In the case of Switzerland, the fall is relatively less important, but 82 per cent of the reduction in that country's total trade deficit is accounted for by the trade with clearing countries. In the case of Italy, the deficit in trade with clearing countries was reduced by over half, while that in trade with other countries was more than quadrupled. To the extent that the reduction of the deficit of the three countries mentioned with clearing countries was due to the movement of the trade with Germany, it cannot be wholly attributed to clearing agreements. The balances with other clearing countries show, however, the same tendency as those with Germany.

The active balances of Hungary, Bulgaria and Roumania in trade with clearing countries also fell rapidly during the

<sup>1</sup> Excluding trade with French oversea territories.

period. On the other hand, the trade deficit of Hungary and Bulgaria with other countries was turned into a surplus from 1933. The surplus of Roumania with the same group, though falling, remained on a high level in 1933; in 1934, on the other hand, that surplus almost disappeared owing to the diversion of raw material exports to Germany at the same time as exports of cereals (which had to be disposed of in non-clearing countries) were partly suspended in 1933 and 1934.

The movement of trade balances may be further studied in the diagram on the following page, which shows exports as percentage of imports in the trade of the six countries with clearing and other countries in 1931 and 1934.

Clearing agreements are often concluded between two countries which have both enforced a system of exchange control. In such cases, the balance of their mutual trade is likely to move in favour of the country whose currency is least overvalued.

#### 8. MEASURES TO READJUST THE TRADE BALANCE SO AS TO PERMIT OF THE SATISFACTORY OPERATION OF THE CLEARING SYSTEM.

States alarmed by the constantly increasing amount of purchases by weak-currency countries feel obliged to contemplate safeguards. The existing agreements have been altered with a view to maintaining the equilibrium in the amounts of foreign exchange held which is indispensable to the working of the clearing system. Quantitative restrictions on exports to weak-currency countries have also been imposed, in order to prevent their exceeding what is considered to be a normal amount.

Recent agreements generally include provisions for preventing evasion, or, at least, checking it as far as possible.

To prevent the risk of the seller, in a country with a weak and controlled currency, giving too long payment terms, the Swiss Government, for instance (which, in its early agreements, such as that with Austria, had suffered from these drawbacks in the case of payments to its clearing office), now lays down certain time-limits for payment. Italy has inserted in some of her agreements (with Germany, for instance) a clause that payment for the goods may in no case be protracted beyond the usual term for the particular goods dealt in.

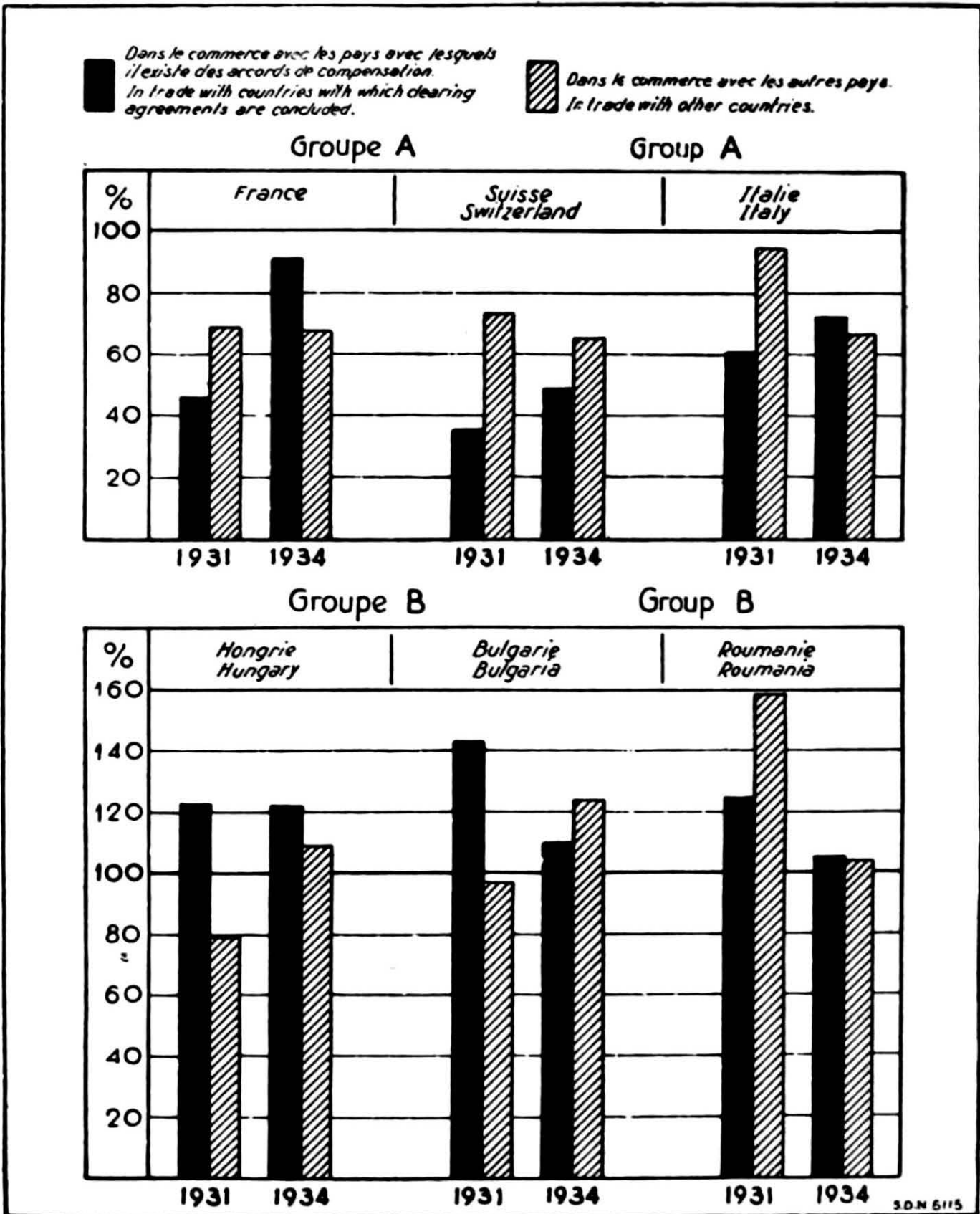
Similarly, it has been made obligatory to attach to the goods, not only a certificate of origin, but another certificate from chambers of commerce or similar bodies specifying that the price invoiced by the exporters corresponds to the actual price (cf. Agreement between Italy and Roumania).

Lastly, an attempt has been made to obviate the other drawback referred to dealing with the despatch of goods to



DIAGRAM I.

*Exports as percentage of imports of six countries in their trade with countries with which clearing agreements are concluded, and with other countries.*



branches opened in the country of destination by making it compulsory for persons wishing to import goods on consignment or for sale on commission to ask for prior permission and report their sales, as and when made, to the clearing institutions.

The above shows clearly the patient and steady effort of adjustment and adaptation to constantly changing circumstances that the clearing machinery necessitates. Furthermore, provision is often made for setting up bilateral Government commissions to supervise the execution of the agreements. Consequently, in most cases, the term of the agreements is very short. When it exceeds a few months or is indefinite, the agreements can always be denounced at any moment, subject to one month's notice at most. They also often contain a *revision clause*.

#### 9. PURCHASE OF RAW MATERIALS RENDERED DIFFICULT.

The indebted European countries which have concluded clearing agreements are practically all dependent upon the European market for their exports, and, with few exceptions, their partners in the agreements are European countries. Debtor countries in Europe are, however, largely dependent upon oversea countries for their supply of raw materials. Clearing agreements have recently rendered their supply of free currency scarce and their imports of raw materials at world market prices increasingly difficult. Among the countries in question may be mentioned Germany, Hungary and Bulgaria.

The German trade figures for the third quarter of 1933 and 1934 are (in million marks) :

Trade with :	1933		1934	
	Imports	Exports	Imports	Exports
(i) Twenty-one European countries with which clearing or compensation agreements are concluded . . . . .	456	831	525	719
(ii) Other countries . . . . .	588	399	533	287

While imports from the countries with which clearing or compensation agreements are concluded were 15 per cent higher than in 1933, imports from other countries were 9 per cent lower than in that year. Imports of raw materials from all European countries were 12 per cent higher in value than in 1933, but imports of raw materials from oversea countries were 19 per cent lower.

The following figures show the quantities and average prices of wool imported by Germany from the main oversea and some continental producers :

	Tons imported July- September		Average price in RM. per ton, July- September		Percentage change in	
	1933	1934	1933	1934	Quan- tity	Price
From Argentine, Aus- tralia, Union of South Africa, Uru- guay . . . . .	22,795	5,556	1,320	1,870	-76	+42
From Austria, Cze- choslovakia, Hun- gary, Italy, Swe- den, Turkey . . . .	1,396	4,754	981	1,534	+34	+53
Total from the above countries . . . . .	24,191	10,310	1,300	1,715	-57	+32

Average prices paid by Germany for raw materials imported rose, while the tendency in the world market was to fall. The following figures show the percentage change between the first and third quarter of 1934 in the average prices (in terms of gold) paid for raw materials imported by the United Kingdom, France, Germany and Italy.<sup>1</sup>

	Percentage increase (+) or decrease (-)
United Kingdom . . . . .	- 2.0
France . . . . .	-16.7
Germany . . . . .	+ 4.0
Italy . . . . .	- 8.9

The reduction in the purchase by Germany of oversea raw materials, due to the diversion of her demand to the countries with which she had concluded clearing agreements, naturally contributed to the fall in world market prices and thus affected adversely the economic situation of the world as a whole.

<sup>1</sup> Basis: Official import price indices, calculated by variable weighting, according to the quantities of different goods entering into imports.

According to the Hungarian reply to the questionnaire sent out, the effect of her clearing agreements on the internal economic situation has mainly taken the form of increasing difficulty in procuring raw materials from countries with which Hungary has no agreements — a difficulty which has had an unfavourable effect on industrial production and on the export of manufactured articles.

In the Bulgarian reply, it is pointed out that the necessity of importing from countries with which clearing agreements were concluded checked imports from other countries.

#### 10. INFLUENCE OF CLEARING AGREEMENTS ON COMMERCIAL RELATIONS.

The facts noted above show that clearing agreements tend to eliminate or restrict any impulse or movement towards increased trade between the two parties<sup>1</sup> and even to upset the trade balance between them and to facilitate the existence of unsettled debts. If trade is to expand, transactions would have to increase without the fixed proportion being changed, which is clearly very hard to achieve. It is true that clearing agreements have pierced the protectionist barriers raised by all countries against imports of foreign goods, particularly by countries with a sound currency against imports from countries with a depreciated or controlled currency, for it has been realised that a decrease in the imports from such countries meant the disappearance of the trade deficit necessary to make the clearing operative. In other words, it has been realised that debtor countries can only discharge their debts by paying them in the form of goods or services.

We have already mentioned the increased quotas for imports of German goods into France. Mention might also be made, for instance, of certain preferential tariffs granted by Czechoslovakia and France to Yugoslav imports to enable their exporters to obtain the amounts due to them sooner. Roumania has also found that certain Governments of creditor countries endeavour to encourage their imports of goods from debtor countries in order to increase their own exports and clear off more quickly the claims, due either to trade debts in arrears or to other reasons, which have remained longer in abeyance. It must, however, be added that this advantage is offset by fresh restrictions which, as a result of these very agreements, have been applied to exports from creditor countries.

<sup>1</sup> It should be noted that many agreements even fix the trade ratio: the Agreement between Belgium and Germany of September 5th, 1934, under which the two parties agree to keep the movement of exports between the Economic Union of Belgium and Luxemburg on the one hand and Germany on the other at the ratio of 62.5 : 100.

## 11. PRIVATE COMPENSATION.

A corrective of clearing agreements is afforded by private compensation, which consists of the direct export and import of goods between the two contracting parties. This affords the creditors of the contracting parties the advantage of immediate payment, irrespective of the funds available in the general accounts of their respective compensation offices. It is true that the view is often taken that, by depriving the clearing funds of part of their revenue, private compensation hampers their operation and should therefore be abolished, or, at any rate, confined to transactions which would otherwise become impossible.

Italy considers that, where a clearing system works normally, the need for private compensation does not arise. In the Italian Government's opinion recourse to compensation is either the result of a situation necessitating the liquidation of a credit which would otherwise remain blocked for an indefinite period, or else it constitutes the only means of surmounting certain barriers, such as the imposition or reduction of an import quota after the goods have been exported.

Nevertheless, certain countries (the Netherlands, etc.) encourage private compensation contracts, and provision is made for them in a large number of clearing agreements.<sup>1</sup> It is merely stipulated, in order to prevent any possible abuses, that the previous authorisation of the institutions in charge of the clearing service must be obtained.

Private compensation is also favoured by certain countries with weak or depreciated currency (Austria, for example, has made extensive use of it), as it enables their exporters, who are unable to sell at the official rate — since that rate would not cover their costs of production — to negotiate freely with the other party on all issues involved, including that of the rate of exchange.

By means of private compensation, exporters, in a word, are enabled to take advantage of the export premium afforded by the depreciation of their currency.

---

<sup>1</sup> In certain agreements (such as the agreement between Italy and Turkey), private compensation is confined to the reciprocal export of certain commodities originating in and coming from the territory of the two contracting parties (with or without limitation of quantity or value); the object is to encourage and stimulate the export of those commodities by reason of the facilities afforded by private compensation as compared with the official clearing system.

## 12. VIEWS OF STATES WITH CLEARING SYSTEMS.

If we examine the opinions expressed on this matter by the various Governments, we shall find that they one and all agree that clearing agreements are highly detrimental to international trade. However, it is easy to understand that countries which have introduced foreign-exchange control are much more hostile to clearing agreements than countries with a sound currency, especially when the other contracting party has placed no restriction on foreign exchange transactions; this hostility is even greater if the clearing agreements are not confined to commercial exchanges but embrace all classes of payments between the countries concerned. Nevertheless, they admit that, in dealing with another country which has also prohibited the transfer of foreign exchange, the clearing agreement may be of service inasmuch as goods can continue to be exchanged between the two countries, whereas, in the absence of such an agreement, trade would finally cease.

For their part, countries with a sound currency, and particularly those that have claims to be recovered, are well aware of the drawbacks to clearing agreements; but they accept them as the only possible remedies for an unhealthy situation. In their eyes, they are merely temporary expedients, the disappearance of which, when the international economic situation improves, will cause no regret.

Experience appears to show that clearing agreements may give satisfaction to countries with a freely negotiable currency in their dealings with countries with a controlled currency, provided certain precautions are taken. In particular, it is essential : (1) to take account of the effective rate of exchange ; (2) to include in the clearing agreement claims other than current commercial debts (and particularly private financial claims)<sup>1</sup> only if and in so far as the trade balance is sufficiently in favour of the country with a controlled currency ; (3) not to allow the trade balance on the basis of which the clearing agreement was concluded to be modified.

In Sweden, the Netherlands, and other countries, exporters have been able to obtain payment in full without undue delay. On the other hand, in several countries, exporters have had to wait a long time, and this difficulty has been met by a " mobilisation " of their claims.<sup>2</sup>

<sup>1</sup> In order to avoid friction between commercial and financial creditors.

<sup>2</sup> In the case of Czechoslovakia, for instance, mention may be made of the advances against clearing claims introduced by the Provincial Bank of Prague. This institution, which has a special public law character, gives credit to Czechoslovak exporters whose claims on foreign debtors have been entered in the clearing account pending the accumulation in Czechoslovakia of sufficient funds in this account for their payment.

There are likewise delays in France,<sup>1</sup> but clearing agreements have made it possible in that country also to release a considerable number of frozen claims. The Franco-German Agreement is now being improved as a result of the arrangement reached at the end of November. In particular, the percentage deducted in France from payments for German imports has enabled the service of the French blocks of German external loans to be met in full. Moreover, the return of the Saar to Germany is likely to bring about an appreciable change in the form of the Franco-German clearing agreement; this agreement will no longer cover Saar exports to the Reich, and this will presumably expedite the recovery of French claims in arrears.

### 13. CLEARING AGREEMENTS AND THIRD COUNTRIES.

The fact that clearing agreements artificially stimulate trade between the contracting parties — either because, for lack of foreign exchange, a country with a weak and controlled currency has to increase its purchases in the other country, or because clearing balances cannot be transferred but must be used in the country which is still a debtor — naturally affects third countries.

As we have seen, the countries whose currency is subject to control do not obtain under the clearing agreements any free foreign exchange which they can utilise for purchases on the markets of third countries. On the other hand, these countries endeavour to obtain the free foreign currency which they thus lack from the countries with which they have no clearing agreement, by restricting as far as possible their imports from those countries.

Oversea countries which used to supply raw materials to Germany and the other countries of Central and Eastern Europe have undoubtedly suffered serious losses, owing to the shrinkage in their trade with those countries.

This deviation of trade, this artificial canalisation of commerce between countries connected by clearing agreements, is moreover anti-economic. It has already been pointed out that, when the exchange rate of the currency of a country with foreign exchange control is kept conventionally at a level other than that

---

<sup>1</sup> In order to obviate these delays to some extent, the French Compensation Office has arranged for the "mobilisation" of claims, in agreement with the Bank of France. The latter accepts or rediscounts under certain conditions bills issued by exporters and accompanied by receipts delivered by the Office.

at which it would stand if the currency could be freely dealt in, the prices of that country's goods rise, to the detriment of its exports.<sup>1</sup> Again, this same country, being forced to buy from the other party even such articles as it could purchase elsewhere more cheaply (and which it actually used to buy elsewhere), pays more for its purchases. Another result is that both parties buy useless or unnecessary goods which they would normally not import, solely in order to liquidate a favourable clearing balance which would otherwise be left unused.

#### 14. REDUCTION OF TRIANGULAR TRADE.

The ratio in each country's trade of active and passive balances which cancel out to the total trade of the country may be taken as representing its triangular merchandise trade. This ratio is, in the case of most countries, lower than it was in 1929. The following figures show the percentage ratio in question in the aggregate trade of twenty-two countries, representing nearly three-quarters of world trade :

	1929	1931	1932	1933
(a) Sixteen European countries . . . . .	16.0	14.0	12.5	12.0
(b) Six other countries. . . . .	22.6	19.0	20.2	19.6
(a) + (b) . . . . .	18.3	15.5	14.8	14.2

The fall in the ratios would appear to be due largely to the tendencies of commercial policy. In particular, the extensive use made by European countries of quotas and clearing agreements is responsible for the fall in the ratio for these countries between 1931 and 1933.

Measures taken by any country in order to reduce its trade deficit with another are likely to influence, not only the trade of the latter, but of others. The country whose exports are most directly affected may attempt to find new markets for its exports, and, until this proves possible, it may neutralise the

---

<sup>1</sup> To obviate this unfortunate consequence, resort is frequently had to indirect devices. Hungary, for instance, while maintaining the gold parity of the pengő, has adopted for her foreign trade a *compensation or exchange indemnity* system. With the agreement of the parties concerned, she gives an export bounty, the amount of which is fixed by the authority according to the size of the subsidy considered necessary to sell the Hungarian goods abroad. Simultaneously, an import surtax is levied, the rate of which is fixed in accordance with the need for the goods to be imported.



effect of the change in its balance of trade by gold exports or new loans raised abroad. But in times such as the present, when trade barriers leave but small possibilities for an expansion of trade, the international capital markets are inactive and the gold reserves of many debtor countries largely exhausted, a reduction in these countries' credit balances in certain directions is likely to have the effect of reducing their imports from third parties. This again affects the triangular trade of the latter countries, which will have to reduce their imports from others. A move in the direction of bilateralism may thus cause a reduction in world trade which is many times greater than that in the trade between the two parties originally concerned.

Clearing agreements are one of the most important causes of the increased bilateralism in trade, though recent compensation agreements, quotas and tariff changes have also contributed to this result.

*Bilateralism causes fall in gold prices.*

The approach to a bilateral system of trade which is still in progress brings with it disturbances of extreme severity. Certain of the industrial countries of the European continent find it increasingly difficult to provide the currency needed for purchases from countries in other continents, as they are not able to sell large amounts of their own products to these countries. The latter, on the other hand, finding the demand for their products reduced, have to accept lower prices in terms of gold, and to meet this price fall by a continued depreciation of the exchange value of their currencies. Naturally, the fall in the prices of primary products spreads to other commodities. Accordingly, the average gold prices of goods entering into world trade continue falling. On the basis of import statistics of four big importing countries, this price is estimated to have been 46 per cent of the 1929 average in the first quarter of 1934, 45 per cent in the second quarter and 44.5 per cent in the third. This fall is a reflection of the growing scarcity value accruing to gold, which can be employed for payment in all directions, while, with the approach to bilateralism, the employment of goods otherwise than as payment for imports from the country of destination is being rendered increasingly difficult. The steady depreciation of paper currencies and the accompanying necessity for gold countries to deflate their price-level if it is not to become incompetent may thus be regarded as a consequence of the approach to bilateralism.

15. IS THE EXPANSION OF CLEARING AGREEMENTS ON A MULTILATERAL BASIS POSSIBLE AND USEFUL ?

(a) *Multilateral clearing agreements.*

The question has been raised whether, by extending the geographical scope of clearing agreements so as to cover tripartite transactions, the majority of the obstacles which to-day impede the working of bilateral compensation would not be eliminated and, above all, whether this would not facilitate a return to more normal conditions of international trade.

The conclusion to be drawn from the replies of the various Governments is that they are not in favour of multilateral clearings. In reality, every clearing agreement is an agreement *sui generis*, which is closely bound up with the special economic, financial and monetary situation of each of the contracting parties, considered separately and in its bearing on the situation of the other party.<sup>1</sup> Hence it is difficult to include third countries in the arrangement.

In this connection, we need only recall the opinion of the French Government, which was the first to bring this very question before the League Assembly, and the opinion of the Italian Government.

The French Government considers "that it is difficult to draw from the operation of the clearing agreements any general conclusions sufficiently positive to form the basis of international economic policy". As regards universal compensation, it seems to it in any case essential "to exclude at the outset countries which are bound throughout to be in the position of debtors incapable of coping with their adverse balances, or, at any rate, of exercising sufficient control to limit their purchases to their effective potentialities of payment in goods or in foreign exchange".

---

<sup>1</sup> This explains why the results of the agreements have varied so considerably from one country to another. For instance, Estonia has stated that her agreement with France has had a favourable influence on the volume of foreign exchange and hence on the cover of the Eesti Pank, whereas clearing agreements have helped to diminish the foreign exchange reserves of Bulgaria and, in particular, have prevented her from meeting her financial obligations regularly. Similarly, the conclusions reached by the Hungarian and Yugoslav Governments regarding their clearing agreements conflict with each other : in the first case they are unfavourable, while in the second they are favourable. Roumania has found that agreements confined exclusively to current commercial debts do not meet the interests of the contracting parties ; agreements covering payments of all kinds appear to her to be preferable to an unregulated system of foreign payments, particularly of the public debt service.

The Italian Government is even more categorical. It completely excludes the possibility of concluding multilateral agreements and maintains that a clearing agreement must necessarily be bilateral, mainly because economic and monetary disorder tends to lead to a system of balanced exchanges<sup>1</sup> and reduces trade to the primitive and elementary form of barter. In the Italian Government's opinion, only by stabilising currencies and attaching them to a fixed and universally accepted standard, such as gold, would it be possible to conclude multilateral compensation agreements. In such circumstances, however, there would be no further need for such agreements. The Italian Government goes still further and considers that, for the same reasons, it would be impossible to *establish a standard form of agreement*, although there are certain principles which should be followed in every case.

(b) *Tripartite compensation of balances.*

It has been suggested that the arrangements regarding bilateral compensation might be supplemented by multilateral compensation agreements applicable solely to available balances — for which the help of the Bank for International Settlements might possibly be sought. If the compensation fund showed a credit balance in favour of a certain country, that country should be allowed to use the balance for the payment of its exports to other countries in respect of which its compensation account showed a debit balance. It is obvious that by means of this compensation system, which would no longer be confined to exchanges between two countries but would be applicable to a large number of countries, credit or debit balances would be reabsorbed more quickly. Tripartite agreements of this kind already exist. For instance, there is the clearing agreement between Yugoslavia and Greece which provides for the possibility

---

<sup>1</sup> Clearing agreements may also be used to balance exchanges between the contracting parties. They naturally tend to have this effect when one of the parties has no longer any arrears of debts owing to the other and the sole object of the clearing agreement is to guarantee the mutual payment of current commercial debts.

The Belgian Government states that it has concluded clearing agreements (for instance, with Greece and Turkey) with States in respect of whom its trade balance was *favourable*, for the purely economic purpose of completely equalising commercial exchanges.

The Latvian Government asserts that, in its experience, a clearing agreement can only render the services expected of it if it is accompanied by a compensation agreement regulating the exchange of commodities and concluded on the basis of complete reciprocity. Hence Latvia and France have been induced to conclude supplementary arrangements with a view to equalising the balance of trade between the two countries.

of the transfer of the credit balance, or part of that balance, in the clearing account to third States which are not parties to the agreement.

The Italian Government is of opinion that an experiment might be made with this *super-compensation* system for clearing balances, restricting it of course to bilateral agreements. The debts and credits resulting from the clearing agreements concluded between the various countries might periodically be compensated. Such compensation, however, could be effected only by *joint agreement*, as it is obviously impossible to compel a creditor country to replace one claim by another that is more difficult to settle.<sup>1</sup>

---

<sup>1</sup> It should be noted that certain agreements, such as that between Germany and Yugoslavia, expressly preclude all possibility of a tripartite or multilateral clearing.

## ANNEX II.

### REPLIES OF GOVERNMENTS TO THE QUESTIONNAIRE ON CLEARING AGREEMENTS.

On October 31st, 1934, the Secretary-General of the League of Nations invited certain Governments to send him a general account of the clearing agreements concluded by them; a questionnaire to serve as a guide in drawing up this memorandum was attached to the letter.

The present annex reproduces or summarises the information supplied by Governments on the various special points mentioned in the questionnaire. This information is given after each question.

#### I. CAUSES THAT HAVE LED TO CLEARING AGREEMENTS.

1. *What are the causes that have led you to conclude clearing agreements with other countries ?*

**Austria.**

The existence of foreign exchange control either in Austria or in the contracting country. In this respect, the clearing agreements concluded can in general be divided into two groups: the first group comprises the agreements concluded at the time when Austria had numerous restrictions on foreign exchange transactions, and other countries, where no such restrictions existed, demanded the conclusion of clearing agreements; the second group comprises the agreements subsequently concluded by Austria when her foreign exchange restrictions had been to a great extent removed and she was endeavouring to secure the recovery of the proceeds of her exports from States imposing such restrictions.

**Belgium.**

The exchange control measures adopted in foreign countries with their harmful effects on the Belgian export trade induced Belgium to conclude clearing agreements.

**Bulgaria.**

(a) The blocking of assets arising out of Bulgarian exports and the fixing of quotas for such exports.

(b) The restrictions on foreign currency dealings obtaining in Bulgaria.

**Chile.**

The reason for the conclusion of clearing agreements is in reality the rivalry between the European countries which compete for Chile's custom as consumers of their manufactured goods. The, commercially, less highly developed countries believe their interests to be injured by other countries whose foreign trade and financial services are more efficiently organised and which previously were in the habit of re-exporting to them Chilean foodstuffs and raw materials. In order to eliminate such re-export, Chilean goods are refused admittance unless an undertaking is given to invest the total or a certain proportion of their value in the actual countries of consumption instead of in the countries of re-export.

**Czechoslovakia.**

The reason why Czechoslovakia has been compelled to conclude clearing agreements with other countries has always been the impossibility of obtaining payment for Czechoslovak goods and other claims on the countries concerned, owing to the restrictions imposed by the latter on foreign exchange dealings.

**Denmark.**

Denmark has only one clearing agreement — viz., with Germany. The reason which led to the conclusion of this agreement was the difficulties created by the foreign exchange regulations in Germany.

**Estonia.**

Cause of the agreement with France: The unilateral institution of clearing arrangements by France in order to recover her outstanding debts.

**Finland.**

See No. 2.

**France.**

France was compelled to resort to compensation in order to come to the relief of French traders and industrialists exporting to countries with a foreign exchange control rendering it impossible for their nationals to meet their engagements by exporting capital.

From the outset, therefore, compensation was regarded as a defensive measure; and such it still is. It would be incorrect, speaking generally, to regard compensation as a retaliatory action. On the contrary, it must be regarded as operating to the advantage of the countries to which it is applied, inasmuch as it affords them the only practical means of continuing to purchase from other countries.

**Greece.**

The measures taken by Greece with a view to the liquidation of arrears of debts induced certain Governments to agree to conclude compensation agreements with Greece, and actually to press for such agreements themselves, as a means of settling these claims.

**Hungary.**

The principal motive was to avoid, as far as possible, any effects on trade as a result of foreign exchange control instituted at any rate in one of the contracting countries.

**Italy.**

In the latter half of 1931, serious transfer difficulties were repeatedly encountered by certain countries in meeting their commercial and financial liabilities abroad. As the outcome of a study of this situation, and of the resulting negotiations between creditor and debtor countries, various agreements were concluded, of which the most important are the general compensation (clearing) agreements.

Italy's position as a creditor country was almost entirely due to the fact that commercial claims matured without the debtor obtaining the necessary foreign currency to settle with his creditor, although he had paid or was prepared to pay the amount of his debt in his own currency. Another result of this "frozen" situation was gradually to reduce commercial relations between creditor and debtor countries and to disturb the whole system of trade that had become a tradition with Italian exporters and the supply of the importing country.

It was precisely in order, as far as possible, to overcome these difficulties that Italy decided immediately to conclude compensation agreements.

**Latvia.**

Latvia has concluded clearing agreements to protect the cover of her currency and to regulate payments to foreign countries.

**Netherlands.**

The Netherlands desired to retaliate against unilateral action on the part of certain countries in the matter of foreign exchange.

**Norway.**

The clearing agreements of Norway (with Germany, Greece and Turkey) were concluded on account of the exchange difficulties which were met with in the countries in question and which hampered Norwegian exports to those countries.

**Sweden.**

Cause of the agreement with Turkey : The institution of foreign exchange control in Turkey.

Cause of the agreement with Germany : Difficulties caused by the German transfer moratorium.

**Switzerland.**

The institution of foreign exchange control in a number of countries which are large customers and debtors of Switzerland.

**Yugoslavia.**

The essential and fundamental cause is the *marked decline in the influx of foreign exchange* as a result of :

- (a) The withdrawal of foreign capital ;
- (b) The partial flight of national capital ;
- (c) Quotas, Customs tariffs and other prohibitive measures by countries to which Yugoslav exports go ;
- (d) Exchange difficulties of other countries, which have reduced the receipts from the tourist traffic and remittances of Yugoslav emigrants ;
- (e) Cessation of service of debt obligations under the peace treaties.

---

## II. OBJECTS.

### 2. *What have been your objects in concluding your clearing agreements ?*

**Austria.**

See No. 1.

**Belgium.**

(1) To procure the refund of capital belonging to Belgian export trade ;

(2) To re-establish a normal current of trade with countries which had blocked Belgian capital.

**Bulgaria.**

To settle her old commercial debts to certain countries (France, Italy, Belgium, Switzerland, Germany, Hungary, Austria, Turkey) ; to secure immediate payment for her exports and to ensure the purchase of certain agricultural products by countries which have instituted foreign exchange control (Austria, Germany, etc.).

**Chile.**

Chile has been compelled to accept clearing agreements with eleven European countries (Germany, Austria, Union of



Belgium and Luxemburg, Denmark, Spain, France, Italy, Netherlands, Sweden, Switzerland and Czechoslovakia) for the sole reason that this was the only means of obtaining the right to export to these countries her agricultural and mineral products (chiefly sodium nitrates and copper), in spite of the restrictions (export licences, quotas, etc.) to which the foodstuffs and raw materials which are Chile's only exports are subject in all these countries.

The only non-European country with which Chile has a clearing agreement is Brazil, the agreement being concluded as a means of remedying the consequences of the system of exchange control introduced in both countries.

**Czechoslovakia.**

To ensure the use of available active elements in the balance of accounts with the different countries concerned for payment in cases where there is an adverse balance against a particular country.

**Denmark.**

Facilitation of development of trade with Germany.

**Estonia.**

To safeguard the interests of Estonian exporters who might have suffered from the unilateral French clearing system.

**Finland.**

Preservation of her possibilities of export to countries in which foreign trade is subjected to severe restrictions. (Finland has concluded two clearing agreements, one with Germany and the other with Estonia. At the moment only the former of these is in force).

**France.**

The sole object of France in instituting clearing agreements has been to ensure regular payment for French exports, in spite of the restriction or prohibition of foreign exchange transfers by an ever increasing number of countries.

**Greece.**

The objects which Greece had in view in concluding compensation agreements were, firstly, the facilitation of trade, in particular with certain countries with which continued trading might otherwise have been impossible owing to the shortage of foreign exchange, and, secondly, the attainment of balanced imports and exports with each of those countries individually. The latter object — though it may appear to be in the nature of an economic absurdity — is an imperative necessity in the present situation of Greece compelled as she is

**Sweden.**

Cause of the agreement with Turkey : The institution of foreign exchange control in Turkey.

Cause of the agreement with Germany : Difficulties caused by the German transfer moratorium.

**Switzerland.**

The institution of foreign exchange control in a number of countries which are large customers and debtors of Switzerland.

**Yugoslavia.**

The essential and fundamental cause is the *marked decline in the influx of foreign exchange* as a result of :

- (a) The withdrawal of foreign capital ;
- (b) The partial flight of national capital ;
- (c) Quotas, Customs tariffs and other prohibitive measures by countries to which Yugoslav exports go ;
- (d) Exchange difficulties of other countries, which have reduced the receipts from the tourist traffic and remittances of Yugoslav emigrants ;
- (e) Cessation of service of debt obligations under the peace treaties.

---

## II. OBJECTS.

### 2. *What have been your objects in concluding your clearing agreements ?*

**Austria.**

See No. 1.

**Belgium.**

(1) To procure the refund of capital belonging to Belgian export trade ;

(2) To re-establish a normal current of trade with countries which had blocked Belgian capital.

**Bulgaria.**

To settle her old commercial debts to certain countries (France, Italy, Belgium, Switzerland, Germany, Hungary, Austria, Turkey) ; to secure immediate payment for her exports and to ensure the purchase of certain agricultural products by countries which have instituted foreign exchange control (Austria, Germany, etc.).

**Chile.**

Chile has been compelled to accept clearing agreements with eleven European countries (Germany, Austria, Union of

Belgium and Luxemburg, Denmark, Spain, France, Italy, Netherlands, Sweden, Switzerland and Czechoslovakia) for the sole reason that this was the only means of obtaining the right to export to these countries her agricultural and mineral products (chiefly sodium nitrates and copper), in spite of the restrictions (export licences, quotas, etc.) to which the foodstuffs and raw materials which are Chile's only exports are subject in all these countries.

The only non-European country with which Chile has a clearing agreement is Brazil, the agreement being concluded as a means of remedying the consequences of the system of exchange control introduced in both countries.

**Czechoslovakia.**

To ensure the use of available active elements in the balance of accounts with the different countries concerned for payment in cases where there is an adverse balance against a particular country.

**Denmark.**

Facilitation of development of trade with Germany.

**Estonia.**

To safeguard the interests of Estonian exporters who might have suffered from the unilateral French clearing system.

**Finland.**

Preservation of her possibilities of export to countries in which foreign trade is subjected to severe restrictions. (Finland has concluded two clearing agreements, one with Germany and the other with Estonia. At the moment only the former of these is in force).

**France.**

The sole object of France in instituting clearing agreements has been to ensure regular payment for French exports, in spite of the restriction or prohibition of foreign exchange transfers by an ever increasing number of countries.

**Greece.**

The objects which Greece had in view in concluding compensation agreements were, firstly, the facilitation of trade, in particular with certain countries with which continued trading might otherwise have been impossible owing to the shortage of foreign exchange, and, secondly, the attainment of balanced imports and exports with each of those countries individually. The latter object — though it may appear to be in the nature of an economic absurdity — is an imperative necessity in the present situation of Greece compelled as she is

to rely increasingly on her commercial exports, as she sees the invisible imports of her balance of payments (mercantile marine, emigrants' remittances, etc.) diminishing from year to year.

**Hungary.**

To maintain trade, to facilitate trade payments, to settle trade debts incurred before the conclusion of the agreements, to keep free disposal of some of the foreign exchange proceeds of Hungarian exports, to strengthen foreign exchange control.

**Italy.**

See n° 1.

**Latvia.**

Avoidance of actual transfers of foreign exchange and maintenance of the figure of foreign trade transactions at as high a level as possible, while providing that such trade shall not suffer from the lack of effective transferable foreign exchange.

**Netherlands.**

Germany and Chile : To secure payment of future exports to those countries and to settle various outstanding debts ; Turkey : To ensure payment for exports ; In general : To protect Dutch trade against the effects of foreign exchange control.

**Norway.**

To enable Norwegians exporting goods to the countries in question to obtain payment for the goods delivered within a reasonable period and, in this way, to permit of the continuation, and if possible expansion, of Norwegian exports to these countries.

**Roumania.**

Improvement of the position arising out of the impossibility of effecting payment either by debtor States to Roumania or by Roumania to creditor States, especially in respect of commercial debts which are outstanding as a result of the disequilibrium of the balance of payments and of the danger to the national currency position caused by such disequilibrium.

**Sweden.**

Turkey : To obviate the consequences of restrictions imposed on foreign exchange transactions by Turkey and to maintain trade with that country ; Germany : To enable the interest on Swedish claims on Germany to be transferred and to provide effective guarantees of payment for Swedish exports to Germany.

**Switzerland.**

To safeguard the interests of the exporters; to recover "frozen" commercial and financial debts; to obviate the consequences of restrictions imposed on foreign exchange transactions in countries parties to the clearing agreements.

**Yugoslavia.**

Maintenance of trade relations without free foreign exchange; concentration of export *Devisen* at the central bank of issue by obtaining a free percentage from countries on the gold standard; part payment in goods of debts to creditor countries; closer (indirect) control of the use of export *Devisen*.

---

### III. STRUCTURE OF CLEARING AGREEMENTS.

3. *Do your clearing agreements relate exclusively to payment for goods exchanged, or do they also extend to the settlement of commercial or other debts (including tourist traffic, financial debts, etc.) ?*

**Austria.**

The following are the purposes for which deductions are made from the proceeds of clearing agreements: expenses of diplomatic and consular representatives, tourist traffic, maintenance expenses of sick people and students, the Public Debt, interest on securities. Provisions to this effect appear in the agreements concluded with Switzerland, Greece, Hungary and Turkey. There is no need to overestimate the amount of these deductions.

**Belgium.**

The clearing agreements signed by Belgium may be classified as follows:

(a) Clearing agreements relating exclusively to payments for commodities and blocked commercial debts;

(b) Clearing agreements relating to payments for commodities, the return of blocked funds, "commercial-financial" debts and financial debts;

(c) Clearing agreement regarding payments for commodities, the return of blocked funds by means of payments for a particular commodity and organisation of the exchange of agricultural goods for industrial products (agreement with Chile);

(d) Agreements concluded with countries which had established foreign exchange control and with which Belgium

had a credit balance of trade (the economic object was to establish absolute equality in the volume of trade)(agreements with Greece and Turkey).

**Bulgaria.**

(a) The agreements with Austria, France, Hungary, Italy, Poland, Spain, Switzerland and Turkey regulate the trade in goods and payment of old trade debts.

(b) The clearing agreement with Germany covers all payments of a commercial, financial or other character.

(c) The clearing agreements with Austria, Czechoslovakia and Hungary also cover the payment of the expenses of Legations, students and tourists.

**Chile.**

All Chile's clearing agreements provide for the payment of commercial debts by means of a proportion (15 to 30 per cent) of the proceeds of nitrate sales, and the Saltpetre Sales Corporation of Chile has even undertaken in all cases to sell the stipulated amount of foreign exchange at less than half its actual value, so as to facilitate the recovery by creditors of sums owing in respect of goods sold to Chile during the years 1931 and 1932, when foreign exchange was only made available subject to the governmental restrictions necessitated by its scarcity and trade conditions — in Chile (as everywhere else) — were such that debtors had not the liquid resources to enable them to meet their liabilities, even if they had been able to obtain the necessary foreign exchange.

Chile's agreements do not include tourist traffic or financial debts (save in one case), for the reason that *none* of the countries with which the agreements were concluded has made loans of the Chilean Government or invested any considerable sums in Chilean mines, industry, etc.

**Czechoslovakia.**

The clearing agreements signed by Czechoslovakia of the kind defined by the League of Nations Joint Committee are of the most varied nature. For the most part they are not agreements concerned solely with payments of a particular character, but are agreements dealing with a variety of different payments. As a whole they cover the following transactions :

(a) Payments for goods newly exported or imported ;

(b) Payments for goods exported or imported before the conclusion of the clearing agreement either at a relatively recent date or at a more distant date (the so-called " old blocked claims ");

(c) Payments for particular articles exported, other goods not explicitly specified being left to be paid for freely in foreign exchange ;

(d) Payments in respect of capital investments (*e.g.* interest and amortisation payments), payments in liquidation of deposits or other obligations, payments in liquidation of particular forms of property, payments in respect of pensions, alimony, relief, dividends, directors' fees, inheritances, dowries, etc. ;

(e) Payments in connection with licences, patents, commission, published notices, advertisements, public performances, insurances, transportation, Customs, etc. ;

(f) Payments in connection with tourist traffic, watering-places, spas, etc. ;

(g) Payments in respect of diplomatic and consular agencies, transfers by cheques, etc.

**Denmark.**

The agreement with Germany relates exclusively to payment for goods exchanged.

**Estonia.**

The clearing agreement with France only relates to payment for goods. However, it also applies in practice to payments arising out of loans contracted by Estonia in France.

**Finland.**

The clearing agreement with Germany only governs trade payments between the two countries.

**France.**

In principle the clearing agreements provide only for the payment of claims resulting from the sale of goods. In certain cases they include machinery for the gradual liquidation of blocked commercial claims arising before the agreements came into force (arrears of trade debts).

The relative amounts used for the liquidation of arrears and the payment of current claims respectively are fixed either by the agreements themselves or by ministerial decisions or by annexes to the agreements.

France has further agreed in certain cases to leave at the disposal of the National Bank of the other country a certain percentage of the funds of the French Office, to enable a currency reserve to be built up for the purpose of transfers not in connection with trading transactions. The Franco-German agreement, for example, provides for a deduction of 15.75 per cent of the total payments by French importers to keep up the service of

the Dawes and Young Loans. The agreements with Hungary, Bulgaria, Turkey and Roumania contain similar provisions.

**Greece.**

The compensation agreements are in principle confined to the field of operations that come within the trade balance, since it is the other active elements of the Greek balance of payments on which Greece has to rely for meeting all her obligations to foreign countries other than those arising out of the import of goods. Nevertheless, as an exceptional measure, a part of the national income derived from the mercantile marine and a small part of the income derived from the tourist traffic have been included in the compensation arrangements with countries where it would not otherwise be possible immediately to balance the imports and exports. Accordingly, Greece has agreed to include in the compensation that part of freight charges which is effectively imported into Greece in foreign exchange as payment to Greek shipowners. She has also, under the compensation agreements with Yugoslavia, Roumania and Turkey, agreed to include in the compensation a small specified part of the value of goods imported from these countries against a part of the expenditure of Yugoslav, Roumanian and Turkish tourists in Greece. Almost all the agreements further contain provisions for the gradual liquidation of arrears of trade debts (originating before April 26th, 1932), under which either the percentage due half-yearly under Law 5422 is increased from 10 to 15 per cent, or a part of the value of goods exported is earmarked for the purpose.

**Hungary.**

As a general rule, the agreements merely relate to payment for goods (including, in most cases, the settlement of outstanding commercial debts). Some agreements relate in addition to the settlement of Hungarian financial claims, while the settlement of Hungarian financial debts is always excluded. Apart from these clearing agreements proper, there is a further category of payment agreements which are of much less importance and refer to the payment of foreign financial or other debts (not commercial debts) blocked in Hungary and the payment of Hungarian claims of the same kind blocked in foreign countries, by means of compensation, tourist traffic, additional exports, etc.

**Italy.**

In almost all the agreements, the claims referred to are those arising out of commercial transactions.

Some agreements, or special arrangements concluded in connection with these agreements (Germany, Hungary), cover



tourist traffic to Italy. Financial claims are dealt with only in very limited and special cases. The two clearing institutions are usually entitled to agree to transfers for purposes not explicitly contemplated or prohibited.

All the agreements make direct or indirect provision for frozen credits. Generally, some of the payments made in Italy in settlement of goods originating in the other contracting country are specially earmarked, if necessary, to pay for frozen Italian credits.

All the various agreements aim at promoting the gradual resumption and expansion of trade between the two countries concerned. Thus, a suitable proportion of the payments made in Italy by clearing is earmarked for payments in respect of new currents of trade; this proportion is increased by the amount earmarked for the settlement of frozen credits as soon as these have been cleared off.

**Latvia.**

The clearing agreements concluded by Latvia have only dealt with the settlement of commercial debts.

**Netherlands.**

The agreements with Chile and Turkey relate to payment for goods exchanged (including outstanding commercial debts). The agreement with Germany relates, not only to payments for goods exchanged, but also to the payment of charges incurred in trade between Germany and the Netherlands: transit, industrial licences, service of the settlement of accounts between the respective public services of railways, posts and telegraphs, etc.

**Norway.**

The agreement concluded with Greece relates exclusively to payment for goods supplied. That concluded with Turkey also relates to other commercial debts between the two countries. As regards the agreement concluded with Germany, it relates to payments for goods (including expenses incidental to the delivery of such), patent fees, licence fees and similar charges.

**Roumania.**

The agreements with Austria, Germany and Hungary relate exclusively to current commercial debts. The agreements with Czechoslovakia, France, Greece, Italy and Switzerland relate further to the payment of arrears of debt and other payments.

**Sweden.**

The agreement with Turkey relates solely to payment for goods. That with Germany applies, as far as Sweden is concerned,

to payment for goods (and charges relating thereto) and, as far as Germany is concerned, to payment for goods and interest on certain German debts.

**Switzerland.**

The agreements concluded with Bulgaria, Chile, Hungary, Turkey and Yugoslavia only relate to payment for goods. The agreement with Roumania also relates to the payment of financial debts and the agreement concluded with Greece provides that the balance existing in favour of the Bank of Greece, after settling commercial payments, shall be applied to the liquidation of Swiss claims not arising out of transactions in goods. The agreement with Germany refers, not only to trade in goods and capital, but also to passenger traffic (tourist traffic) and in general to all payments which have not been expressly excluded.

**Yugoslavia.**

The fundamental principle of all the clearing agreements of Yugoslavia is the provision of machinery for payment for goods exchanged. Exceptionally, payments in connection with tourist traffic are also made through the clearing system. Financial payments are made solely out of the free percentage at the disposal of the National Bank in free foreign exchange.

\* \* \*

**4. *Through what bodies (National Bank, special offices, monopolies, etc.) are clearing operations effected ?***

**Austria.**

National Bank.

**Belgium.**

Belgo-Luxemburg Compensation Office established by Royal Decree of August 31st, 1932.

**Bulgaria.**

National Bank.

**Chile.**

The Central Bank is responsible for the application of all the clearing agreements.

**Czechoslovakia.**

The National Bank, the bank of issue of Czechoslovakia, is entrusted with the clearing accounts in Czechoslovakia. In its relations with certain countries, the National Bank sometimes

delegates its functions to big commercial banks authorised for the purpose in connection either with all transfers or transfers of certain specified categories (e.g., goods, tourist traffic, compensation transactions).

**Denmark.**

Danish National Bank.

**Estonia.**

National Bank.

**Finland.**

National Bank.

**France.**

The Paris Chamber of Commerce was entrusted with the organisation of the first Office de compensation : it has further been entrusted with the organisation of all the other compensation offices, including the Franco-German and Franco-Roumanian Offices handling commercial payments, which are the last to have been set up.

**Greece.**

The operation of the compensation agreements is in the hands of the Bank of Greece, which has organised a special department for the purpose. Except in the case of the agreement with Germany, which was concluded by an exchange of letters between the Reichsbank and the Bank of Greece, all the agreements are inter-governmental, even where they deal with compensation of a special character — viz., between tobacco monopolies (in Italy, Hungary and Sweden), apart from the case of the original tobacco agreements with Austria, which were concluded between the Bank of Greece and the Austrian Tobacco Monopoly.

**Hungary.**

National Bank.

**Italy.**

Istituto Nazionale per i cambi con l'estero. The Banca d'Italia acts as banker for the Institute.

**Latvia.**

Clearing operations with France are effected through a clearing office established *ad hoc* at the Ministry of Finance.

There are also compensation agreements between the Bank of Latvia and the banks of issue of Germany and Estonia.

**Netherlands.**

Nederlandsch Clearinginstituut. The banker of this institution is the Nederlandsche Bank N.V.

**Norway.**

Bank of Norway.

**Roumania.**

National Bank of Roumania.

**Sweden.**

Clearing operations with Turkey are effected through the Clearingkontoret and clearing operations with Germany through the Clearingnämnden.

**Switzerland.**

The administrative arrangements in connection with the clearing traffic are entrusted to the Swiss Clearing Office, while the financial administration is in the hands of the Swiss National Bank.

**Yugoslavia.**

National Bank of the Kingdom of Yugoslavia.



5. *Do your clearing agreements permit of " private compensation " ? If so, to what extent and on what conditions ?*

**Austria.**

The clearing agreements all contain a clause regarding the permissibility of private compensation transactions. If the sales effected by two parties, one being an Austrian concern and the other a concern belonging to the other contracting country, can be settled by compensation, the banks of issue of the contracting countries declare themselves willing to authorise such compensation.

As the carrying-out of compensation transactions, however, entails a number of formalities, such transactions have usually a restricted field of application during the validity of the clearing agreements, with the exception of the Austro-Roumanian clearing agreement, which is almost entirely based on compensation transactions.

**Belgium.**

Private compensation requires the authorisation of the Compensation Office.

**Bulgaria.**

Private compensation is provided for in several agreements on condition that it is settled only by means of clearing accounts (agreements with Austria, Germany, Czechoslovakia and

France) or that the two National Banks give their consent (agreement with Hungary, Italy and Turkey). As regards private compensation arrangements, in most cases a certain percentage — from 20 to 50 per cent — is required by Bulgaria.

**Chile.**

All the agreements relative to new purchases of European goods provide for "private compensation" against exports of other products from Chile (agricultural products almost exclusively); the responsible Chilean clearing authorities keep such transactions under supervision, special authority being required before they can take place outside the ordinary clearing system as provided for in the agreements.

No restrictions are placed upon private or direct compensation in goods, except in the case of nitrates and copper, the two chief exports of Chile, which are subject to special regulations designed to facilitate payments in respect of commercial debts or new purchases.

As a general rule, the copper producers (who are almost all citizens of the United States) have suspended their exports to countries in which they would be obliged to enter into compensation agreements, as it is only if they are able to make unrestricted use of the proceeds of such sales that they can pay the interest on their capital in the United States.

**Czechoslovakia.**

Private compensation transactions with countries having the clearing system may be divided into a number of different categories :

(a) With certain Balkan countries, private compensation transactions are allowed where it is found that the interval required for payment of claims arising out of exports stands in the way of new business being done. But the authorisation of private compensation transactions is made conditional on the operation including imports the amount of which exceeds the amount of exports by a specified percentage, as also on the balance which Czechoslovakia is compelled to find being paid into the clearing account.

(b) In the case of certain countries, private compensation transactions have been arranged within the framework of the compensation agreements between the States. The value of the compensation imports is carried to the special clearing account and used to pay for the corresponding exports, or, in certain cases, to finance the tourist traffic or the requirements of visitors to watering-places.

(c) With some countries, "commercial" compensation is authorised without any concomitant authorisation of

compensation of payments strictly so called. Commercial compensation means that exports are allowed against a specified compensating volume of imports — *e.g.*, where — owing to existing obstacles in the country of the purchasers — it would not be possible to market Czechoslovak goods there without at the same time purchasing foreign products.

(*d*) In certain cases, only “personal” compensation is authorised — that is to say, the Czechoslovak exporter in whose favour a claim on a foreign country is created is permitted to make use of it to purchase goods he requires for his own use, to pay his own debts in the foreign country, or to make a business trip to the foreign country or a journey for purposes of health, etc.

(*e*) There is an element of compensation in the widest sense of the term in the use of clearing claims on foreign countries for capital investment in those countries, either in the form of simple loans — generally, long-term loans — or in the form of purchases of securities (bonds or shares), or in the form of acquisition of interests in undertakings, or directly in the form of acquisition of manufacturing or commercial plant.

**Denmark.**

The agreement with Germany contains no provision regarding private compensation transactions. Arrangements of this kind have only played an insignificant part in trade relations between Denmark and Germany.

**Estonia.**

Private compensation is not provided for in the agreement with France.

**Finland.**

The clearing agreement with Germany allows of private compensation subject to authorisation by the clearing institutions of the two countries.

**France.**

Private compensation, to enable traders in each of the contracting countries to set off their claims against their debts, so as to avoid transfer of the balances, is allowed in the majority of agreements on condition that a fresh special permit is obtained from the State offices or banks responsible in each case. The German and Roumanian agreements, on the other hand, prohibit private compensation.

It should be realised that private compensation has given rise to frequent difficulties, and that the abuses of which it is capable obstruct the operation of the clearing machinery.

It is accordingly becoming increasingly unpopular with many exporters and with many administrative authorities as well. The search for openings for private compensation and the offer of services in connection with it have developed into a regular trade, and support a growing number of middlemen.

Where the parity of exchange does not reflect the real value of the currencies concerned, private compensation inevitably develops, taking advantage of the arbitrarily encouraged depreciation of the currency. The worse a clearing agreement operates, the more pressing the demands for private compensation, with the result that the situation is proportionately aggravated.

**Greece.**

Provision is also made for private compensation by special arrangement in the agreements. Private compensation may also be admitted under the provisions of Law 5426, even where there are no compensation agreements. Moreover, in the case of any country whose imports have been made subject, at the country's own initiative, to the condition of "total" exchange, the compensations that take place are described as private and their organisation is subject to special authorisation by the Bank of Greece.

Payment for goods imported under private compensation arrangements is made in the following manner :

(a) Where the export of national goods precedes the import of foreign goods, the Bank of Greece does not deliver the bills of lading except against deposit with itself of bills of lading of foreign goods of equal value or, where there are no restrictions on the exchange of the bills of lading, against deposit of a specified guarantee ;

(b) Where the import of foreign goods precedes the export of national goods, the importer has to deposit with the Bank of Greece the entire value of such goods on blocked account. Sixty per cent of the amount is released on submission of the bills of lading proving the export of the corresponding national goods, and the remaining 40 per cent on submission of a certificate from the Customs authorities of the country of destination, visaed by the competent consular authority, proving the import of the goods in question into the country of destination

**Hungary.**

All clearing agreements covering the whole trade allow of private compensation with the consent of the clearing centres, except the Franco-Hungarian agreement, in which such compensation is only provided for in exceptional cases.

Moreover, payment transactions are carried out by means of clearing compensation for goods which are not subject to clearing under a clearing agreement.

**Italy.**

In several clearing agreements concluded by Italy, explicit provision is made for the possibility of " private compensation " ; no agreement prohibits it.

Private compensation — *i.e.*, the direct linking up of an export and import transaction in goods originating in one of the countries parties to the agreement and consigned to the other country, or coming from the latter — always implies the approval and supervision of both clearing institutions, since it is essential to ensure that, from the " foreign exchange " standpoint, private compensation should not have the effect of stultifying, even partly, the purposes for which the two countries concluded the agreement.

In practice, private compensation has not hitherto given tangible results in Italy. From the general economic standpoint, it is regarded as useful if it creates business developments which cannot take shape in the general framework of a clearing agreement.

This kind of compensation has proved successful in Italy in the case of goods already exported which have remained blocked owing to the introduction of a fresh quota or the increased restrictiveness of an existing quota, always provided that such a combination of contracts enables the quota to be ignored.

While they allow the possibility of private compensation, Italian clearing agreements either lay down no basic restrictions or else limit the possibility of such compensation to specific goods exchanged for other specific goods. This restriction has never been asked for by Italy, but has been by the other party, desirous in this way of confining this form of trade to goods which on account of their price were difficult to export, the obvious intention being to dispose of them to advantage in this way.

Where, however, a clearing system works normally and where there are no Customs restrictions which can be evaded only by resorting to private compensation, no need has been felt for such compensation.

**Latvia.**

The agreement with France admits of private compensation, though each case is subject to a special decision by the clearing organisations concerned. Private compensation transactions do not take place direct between the two firms, but through the



French National Bank for Foreign Trade. Some commodities — for instance, pit props — may not, however, be settled by private clearing.

**Netherlands.**

Private compensation is only allowed in the case of goods which do not come under the clearing system. For the latter goods, an authorisation is required.

**Norway.**

Direct compensation transactions between private individuals must be approved by both the clearing authorities concerned.

**Poland.**

Poland has no clearing agreements, properly so called, at the present time.

With the majority of European countries which have recourse to exchange restrictions on a relatively liberal scale, Poland has also been able to conclude agreements of the ordinary kind, in each of which provision is made guaranteeing the necessary foreign exchange to pay for Polish exports to the countries in question. In certain special cases, however, — they amount to some 1.5 per cent of the total of Polish exports — as a means primarily of financing trade with countries in the south-east of Europe in which Poland has frozen claims, resort has been had to what is known as "private clearing", though not to the exclusion of other possibilities of effecting payments to the countries in question.

The general idea of the private clearing system may be briefly summarised as follows: Being unable to guarantee to Polish exporters payment for the goods exported by them to these countries, the Polish Government was led to allow compensation transactions by a private company known as the Polish Compensation Trade Company. This company has not a monopoly; but it has certain privileges enabling it to block sums due to the exporters of the countries concerned for goods exported by them to Poland. These privileges — it must be repeated — have nothing to do with the general movements of foreign exchange, and do not involve any obligations of any kind either for the Bank of Poland or the official authorities in charge of Polish national finance. As the majority of imports from countries with strict foreign exchange control, who have frozen debts to Poland, cannot enter Poland freely, the Polish Government agrees not to give import permits for goods exported by such countries to Poland unless the Polish importer undertakes to pay the sum due for the import of the said goods into a blocked account opened by the company with certain banks in

Poland. These sums are used for the payment of Polish exporters to the countries in question.

It is obvious that this arrangement makes possible to a certain extent the regulation of trade with countries in which there is strict foreign exchange control and difficulty is found in arriving at an equilibrium of the trade balance — and that, without any compensation agreement or system of quotas with the countries concerned. It must, however, be added that this system itself involves certain disadvantages, and, in particular, the following :

(a) The unprohibited portion of exports from these countries to Poland comes in freely and cannot be used as a basis for increasing Polish exports to these countries ;

(b) The general tendency is towards an almost continuous falling-off of trade between these countries and Poland.

**Roumania.**

Trading is on a private compensation basis under the control of the issue banks concerned — viz., those of Austria, Czechoslovakia, Germany and Hungary.

**Sweden.**

Private or direct compensation is permitted, but only with the authorisation of the clearing organs.

**Switzerland.**

Private compensation is only allowed in the agreements concluded with Chile and Hungary.

The authorisation of the respective national banks is required for each transaction.

**Yugoslavia.**

The majority of clearing agreements provide for the possibility of *private compensation* between exporters and importers, with the previous assent of the institutions in charge of the clearing system to be obtained separately in each case.

\* \* \*

6. *Are your clearing agreements related or not to other special arrangements of a commercial, financial or other character ?*

**Austria.**

The agreement with Turkey is the only one which is directly and closely connected with a trade compensation agreement, concluded simultaneously.

**Bulgaria.**

The agreement with Austria is connected with an arrangement concerning the purchase of Bulgarian tobacco by Austria. Similarly, a special agreement regulates the purchase of Bulgarian tobacco by the Italian monopoly.

The Bulgarian clearing agreements in some cases provide for certain facilities for the reciprocal exchange of goods (increase in import quotas, reduction in Customs duties, etc.).

**Chile.**

Under certain agreements, the Saltpetre Sales Corporation or the producers of copper have been guaranteed import licences up to a certain amount in exchange for the sale of a percentage of their foreign exchange at a specially favourable rate, with a view to the payment of commercial debt.

**Czechoslovakia.**

The clearing agreements signed by Czechoslovakia are, in some cases, independent agreements between Governments concluded solely with a view to payment for goods. Sometimes they are a part of commercial treaties. In other cases, they are agreements between banks of issue, as to which the Governments are kept informed.

**Denmark.**

The Danish-German clearing agreement is not related to any other agreement.

**Estonia.**

The clearing agreement with France is not related to other arrangements.

**Finland.**

The agreement with Germany is not related to any other arrangement.

**France.**

The clearing agreements are not in any case related to commercial or financial agreements. Their sole object is to establish forms of transfer for the payment of goods, which are themselves the subject of independent commercial agreements.

The last Franco-German agreement is, however, an exception to this general rule. Its negotiation (in July 1934) and its renewal (in November 1934) both synchronised with commercial negotiations; but part of the agreement includes arrangements of a financial character (earmarking of a percentage of the importers' payments for service of the Dawes and Young Loans).

**Greece.**

In principle, compensation agreements operate within the framework of existing commercial agreements, which, having almost all been concluded before the first phenomena of the crisis in Greece, are based (in all but two cases) on unconditional most-favoured-nation treatment. In the few cases in which commercial agreements of a provisional character were concluded during the crisis, the latter were combined with simultaneous compensation agreements. The provisional commercial agreement, for example, between Greece and Czechoslovakia of July 30th, 1932, refers to the compensation agreement of the same date between the two countries. The agreement between Greece and Brazil of May 15th, 1933, was conditioned by the agreement between the Greek Government and the Brazil-Orient Company, which had undertaken to organise the compensation between Brazilian coffee imported into Greece (and through Greece to all the Balkan countries) on the one hand and Greek goods imported into Brazil (and through Brazil to all the countries of South America excepting the Argentine) on the other hand.

**Hungary.**

In most cases, the conclusion or amendment of clearing agreements has been directly linked up with commercial treaties. There are, however, some agreements, especially the first agreements concluded with Austria, Belgium and Switzerland, which are not related to any other arrangement.

**Latvia.**

At the beginning, the agreement with France was quite independent and not connected with any other agreement. Experience has, however, shown that, if a clearing agreement is not accompanied by a compensation agreement regulating the exchange of commodities and concluded on the basis of absolute reciprocity, it does not render the services anticipated. The object and ideal of the agreement in question is to arrange commercial transactions in such a manner that they do not call for the transfer of foreign exchange. The Governments of Latvia and France were therefore subsequently led to conclude additional arrangements, with the object of bringing the trade balance of the two countries into equilibrium.

**Netherlands.**

The agreements with Chile and Turkey are connected with the commercial agreements. Links also exist (for instance, with regard to quotas) between the clearing agreement with Germany and the commercial treaty with that country.

**Norway.**

The agreement with Turkey was accompanied by a compensation and quota agreement.

**Sweden.**

The agreement with Germany is connected with two arrangements, one of which deals with the Dawes, Young and Kreuger loans and the other with the German transfer moratorium.

**Switzerland.**

The clearing agreements have in some cases been combined with the system known as the "compensation system", with a view to concentrating imports of certain foodstuffs and raw materials and in order to facilitate exports of Swiss industrial products and the liquidation of credit balances in the clearing accounts.

**Yugoslavia.**

The clearing accounts of Yugoslavia with the different countries are not related to other special agreements of a commercial or financial character. The commercial treaty with Greece, which also contains provisions with regard to payments, is an exception; and so in certain respects is the agreement with Czechoslovakia.

\* \* \*

*7. In clearing transactions, what is the basis adopted for the reciprocal conversion of the currencies of the contracting parties (real, legal or conventional parity)? In this connection, are there any practices which aim at correcting the effect of the rate of exchange adopted, such as price rebates, export bounties, import taxes, etc.?*

**Austria.**

Under the first clearing agreements, conversion effected on a gold parity basis; subsequent agreements provide that conversion shall be effected on the basis of a stable currency or a current exchange rate.

**Belgium.**

In the clearing transactions concluded by the Economic Union of Belgium and Luxemburg, payments are made on the basis of the legal gold monetary parity.

**Bulgaria.**

Imports and exports are usually invoiced in the currency of the country with which Bulgaria has concluded the clearing agreement.

The value of Bulgarian imports is paid to the National Bank of Bulgaria in leva at the rate of the day.

**Chile.**

All Chile's clearing agreements provide for one, two or three rates of exchange, according to the kinds of claim with which they deal, as follows :

(a) A rate of exchange closely approximating to the "real" exchange, fixed by the Government or Central Bank, for the sale of the percentage of foreign exchange held back out of the proceeds of sales of nitrates (in the neighbourhood of 20 per cent); in the agreements this is described as account A ;

(b) A conventional rate of less than half the "real" value ; it is at this rate that the 15 to 25 per cent kept back from the sales of nitrates (account B) is sold, with a view to the payment of frozen debts ;

(c) A "real" rate of exchange at which Chilean exporters sell the exchange obtained abroad through the settlement of export transactions authorised by Chile in the form of "private" or direct compensation in goods.

**Czechoslovakia.**

The ratio between the two clearing currencies is sometimes a fixed rate and sometimes parity. This is the case where independent clearing accounts are opened in both countries. The sums paid into the account in one of the two countries are at once converted at the agreed rate into the currency of the other country, so that the creditor is entitled to a fixed payment in his national currency.

In the most recent agreements, provision is made as a general rule for a single account only to be kept, the other bank of issue concerned keeping a parallel account in the other country — *i.e.*, a duplicate of the account in the other country. In the second country, the payments for goods to importers are made in the country which keeps the original account — generally at the current rate. Similarly, in the first country, the payments out of the account are converted into the currency of the other country at the Stock Exchange quotation. Some agreements stipulate that any exchange differences are to be met by the debtors (where so bound by their contracts) through the clearing account.

In the event of serious exchange differences, the bank of issue is not a party to the disputes which, in such case, arise; but it commonly recommends the parties concerned to come to an amicable arrangement by halving the loss, and wherever possible to avoid litigation. The clearing agreements concluded by Czechoslovakia in no case contain any provisions with regard to price rebates, export bounties, import taxes, etc.

**Denmark.**

The agreement with Germany contains no provisions on this point, but, in practice, it is the real parity which is taken as a basis for the reciprocal conversion of the currencies of the two countries.

**Estonia.**

France : The two accounts are kept in French francs; the Estonian crowns are converted into French francs at the market rate at Tallinn (real parity).

**Finland.**

The clearing agreement with Germany provides that, where the invoice is made out in Finnish marks, the conversion into Reichsmarks is to be made at the latest mean rate on the Berlin Stock Exchange, and that, where it is made out in Reichsmarks, the conversion into Finnish marks is to be made at the latest sight rate at the Bank of Finland. The two clearing institutions may agree to allow part payment of German exports to Finland in Kreditspermarks or Registermarks.

**France.**

The importers' payments into the Compensation Offices are always made in the national currency.

The legal parity is the basis generally adopted for the reciprocal conversion of the currencies of the two contracting parties.

In the case of Yugoslavia, the conversion of dinars into francs is effected at the official quotation of the National Bank of Yugoslavia at the current date, plus a premium fixed by that institution.

The fixing of a gold parity by agreement is undesirable, inasmuch as it does not take into account the real value of the currency. For example, the operation of the Hungarian agreement has been seriously compromised by the difference in value for the importer and exporter between the gold and paper pengö. The importers of Hungarian products suffer from the fact that they make their purchases in gold pengö, which are really paper pengö, while the Hungarian exporters have the benefit of an exchange premium representing the difference between the two.

**Greece.**

As a basis of conversion, the compensation agreements concluded by Greece have adopted the Zurich parity of the day of payment of the price of the goods. As there is no question of a fictitious exchange rate in this connection, no measures to correct the exchange have been necessary.

**Hungary.**

Legal gold parity. In order, however, to overcome the difficulties arising out of this rule, the exporters receive, in addition to the exchange value corresponding to the gold parity of the value of their exports, a compensation or exchange indemnity, the rate of which is fixed by an organisation set up for the purpose. Importers for their part are obliged to make payments to the clearing organisation at the official rate and, in addition, to pay a corresponding "compensation indemnity" to one of the authorised compensation banks. The system is at present applied in the case of all countries with which clearing agreements are in force, with the exception of Austria.

**Italy.**

The problem of converting the Italian lira into the currency of the contracting country, and *vice versa*, was exhaustively studied when the agreements were negotiated. In this particular field, Italy's experience is conclusive, as it covers all the possible solutions, which in practice may be reduced to the two following :

(1) Conversion on the basis of the actual rates of exchange ;

(2) Conversion on the basis of conventional rates not corresponding to the actual rates.

Italian circles still maintain that the adoption of the former solution is essential to the proper operation of a clearing system.

The second solution may in itself cause the gravest disturbances in the currents of trade between the countries parties to the agreement. A country whose currency, owing to the adoption of a conventional rate, is valued at a rate higher than the actual rate of exchange, is in this way imposing a handicap on its exports and placing a premium on its imports. As a result, the method of conversion applied has, as regards restoring the economic and monetary balance of the country concerned, an entirely opposite effect to that required : it increases imports and diminishes exports.

Furthermore, the adoption of a rate of exchange different from that actually obtaining encourages the holders of claims expressed in the currency which, quoted at this rate, is devaluated



in the clearing arrangement as compared with the other, to try by all possible means to evade the obligation of settling their claim through the clearing office, so as to be able to dispose freely of the foreign currencies represented by their own claim at the actual rate of exchange through the illegal channel of the so-called "black exchange".

**Latvia.**

Compensation transactions with France are calculated on the basis of a rate fixed by the Agreement which corresponds in effect to the gold parity of the two States. The agreement with Germany provides for the basing of the calculations, not on gold parity, but on the average rate at Berlin.

**Netherlands.**

Turkey and Chile: The rate of exchange of the day;  
Germany: The rate fixed by the experts of the respective clearing institutes.

**Norway.**

In clearing operations with Greece and Turkey, it is the real parity which is taken as the basis for conversion into French francs. The agreement with Turkey includes various rules regarding the conversion of one currency into the other. It further stipulates that losses on exchange and loss of interest arising out of transfers to the pool accounts are to be made good by means of supplementary payments into those accounts.

The clearing with Germany is effected at an exchange rate fixed by direct agreement between the two clearing institutions.

**Roumania.**

Commercial and all other kinds of payments are made by Roumania to all the countries with which she has concluded payment agreements on the basis of the legal monetary parity; similarly, in respect of countries with which Roumania has no payment agreements, the legal rate of the national currency is applied; the rates applied in the private compensation arrangements with Austria, Germany, Hungary, and even Czechoslovakia, represent a lower value for Roumanian national currency, since these rates do not take account of the devalorisation of the currency in those countries — for instance, the Austrian schilling and the Hungarian pengö, or the various kinds of marks which are negotiated in foreign countries at rates differing from those of the free mark.

**Sweden.**

The basis for the reciprocal conversion of the currencies of the contracting parties in the two agreements with Turkey and Germany is real parity.

The clearing account with Turkey is kept in effective French francs deposited with the Bank of France at Paris.

The clearing account with Germany is kept in Swedish crowns (the marks are converted into crowns on the basis of the latest average rates quoted on the Berlin exchange). All advice notes exchanged between the clearing organisations are expressed in Swedish crowns. In Sweden, payments to exporters are made in Swedish crowns; in Germany, they are made in marks.

#### **Switzerland.**

Payments into the clearing accounts are made in Switzerland in Swiss francs and in the contracting countries in the respective national currencies. The rate of conversion provided for in all the agreements, except that with Germany, is the official rate of the Swiss franc quoted in the respective countries. The aggregate accounts at the National Banks are kept in the respective national currencies. Only those in Greece and Turkey are in Swiss francs. A special system is provided for in the German-Swiss clearing agreement. The debtors on both sides are in principle entitled to pay in their national currency or to purchase marks or Swiss francs respectively from their national banks. In Germany, the conversion rate is the official rate of the Swiss franc; in Switzerland, the Reichsmark is converted at the rate of the day.

In order to eliminate all exchange risks, Switzerland lays down the principle that a foreign debtor is only regarded as having discharged his debt when the Swiss creditor has actually received the total amount due to him.

#### **Yugoslavia.**

As regards conversion from one currency into another, various clearing agreements of Yugoslavia provide for the application of the legal parities, while others stipulate for the current quotation at Zurich. Any other practice which aims at correcting the effect of the rate of exchange adopted, such as export bounties, import taxes, etc., is embodied in the clearing agreement. But the premium on the dinar should be borne in mind: it is at present 28.50 per cent of the exchange value — 9 Swiss francs = 100 dinars.

8. *Do your agreements stipulate that invoices may be made out in currencies other than the national currencies? If so, what basis of conversion is provided for?*

**Austria.**

If the invoices are not made out in the currency of one of the countries parties to the agreement or in the currency adopted as a basis, they must be first converted into one of these currencies. For instance, Austrian or Turkish claims made out in any other currency than the French franc must be computed after converting the said currency into French francs at the closing rate of the Paris exchange of the previous day.

**Belgium.**

If the debt is expressed in belgas or in any currency other than that of the contracting country, the value is converted into the national currency at the official rate of that country quoted on the day preceding payment.

**Bulgaria.**

When the invoices are made out in leva or in a currency other than that of the contracting foreign country, the conversion into the currency of that country is carried out at the official rate or at a rate agreed upon beforehand (Hungary).

**Chile.**

All Chile's agreements allow invoices in other currencies and take as the rate for conversion into the currency of the contracting European country the rate current on the date on which the amount of the invoice was paid in, or the preceding day.

**Czechoslovakia.**

The clearing agreements do not make it a condition that invoices should be made out in a specified currency, and the exporter is free to express the value of his goods in his national currency or in any other (foreign) currency.

If the creditor has made out his invoice in some currency other than his national currency, the question of cover for the risk of exchange fluctuation may arise. The solution is not the same in all cases. The risk is borne by the debtor, if it is not explicitly stipulated that his debt is discharged as soon as he makes his payment into the clearing account of his own country. Where, on the other hand, the debtor is not discharged until the creditor is paid, the latter is entitled to claim refund of the exchange difference.

**Denmark.**

The agreement with Germany is silent on this point.

**Estonia.**

The agreement with France provides for invoices being made out in other currencies than those of the contracting parties. These currencies are converted into French francs at the rate quoted at Paris on the day on which payment is made to the clearing office.

**Finland.**

Debts expressed in currencies other than the national currency shall be converted as follows : in Germany into Reichsmarks at the latest known rate on the Berlin Stock Exchange, and in Finland into Finnish marks at the latest "sight" rate of the Bank of Finland, of the respective currencies.

**France.**

The agreements which provide for invoicing in other national currencies invariably stipulate that such currencies are to be converted into the national currency at the official rate.

**Greece.**

The compensation agreements concluded by Greece do not, generally speaking, contain any special provisions with regard to the currency in which goods are to be invoiced. Invoices can therefore be made out in any currency covered in principle by the compensation agreement, on the basis always of the Zurich parity.

**Hungary.**

The making-out of invoices in other currencies than the national currencies is expressly admitted in most of the agreements concluded. The legal gold parity of the pengö generally forms the basis of conversion, although the text of the provisions on this subject vary in different agreements.

**Italy.**

As regards the conversion of any other country's currencies in which prices may be expressed, the principle to be preferred is that of the actual quotation on a third market of those currencies as compared with the currencies on which the clearing agreement is based. The method adopted for converting foreign currencies must never result in changing the proceeds collected by sellers as compared with the figure which would result from the application of conditions freely agreed upon from the respective purchasers.

**Latvia.**

In the clearing agreement with France, special stipulations provide for the settlement of commercial debts expressed in a currency other than those of the two contracting States (Article 6, paragraph 3).

Under the agreement with Germany, debts in other currency than the Latvian lat or the German Reichsmark are converted at the average rate at Berlin or Riga if no special arrangement has been made on this subject between the parties engaged in the transaction.

**Netherlands.**

Provision is made for the making-out of invoices exclusively in national currencies. Liabilities in other currencies are converted into the national currency at the rate of exchange of the day. The clearing accounts with Turkey and Chile are settled on both sides in florins.

**Sweden.**

(1) The agreement with *Turkey* provides that, if the invoice is not made out in the national currencies or in French francs, payment shall be made after conversion into French francs at the latest rate quoted on the Paris Bourse before the date on which payment is made to Sveriges Riksbank or to the Turkish Central Bank. Conversions of French francs into Swedish crowns or into Turkish pounds shall be made at the rate quoted by the banks at Stockholm or by the Turkish Central Bank respectively on the day on which payment is made. A clearing account is kept in effective French francs deposited at the Bank of France at Paris. Payments to Swedish exporters are made by cheques in French francs drawn on Sveriges Riksbank. Payments to the Clearingkontoret are made in French francs or Swedish crowns; in the latter case, the Riksbank provides the corresponding amount in French francs.

(2) The agreement with *Germany* provides that debts expressed in other currencies than the national currencies shall be converted in Germany into marks on the basis of the latest average rates quoted on the Berlin Stock Exchange and, in Sweden, into Swedish crowns at the latest selling rate quoted at Stockholm.

**Switzerland.**

See No. 7.

**Yugoslavia.**

No clearing agreement of Yugoslavia contains any obligation to make out invoices in any given currency. Each exporter and importer is left entire freedom in the choice of the currency in which to invoice. The basis of conversion is the current rate of the foreign currency on the national Stock Exchange, allowing for the premium.

There is one Order of the Finance Ministry, issued independently of the clearing agreements, under which all invoices of exports to Germany have to be made out in *dinars*, in view of the

considerable adverse balance in the clearing account of Germany *vis-à-vis* Yugoslavia.

\* \* \*

9. *What are the various formalities to be gone through by the importer or exporter in virtue of the existing agreement, as regards both the consignment and receipt of goods and payment for the latter ?*

**Austria.**

The exporter and importer in Austria have no other formality to fulfil in respect of the forwarding and receipt of goods. The agreement with Turkey is the only one which provides that the consignment must always be accompanied by a certificate of origin.

**Belgium.**

The importation into the Economic Union of goods coming from a country with which it has concluded a compensation agreement is, as a rule, subject to the production of a duplicate of the invoice made out by the vendor to the purchaser. This document must be certified correct by the vendor and must contain the names and addresses of the vendor and purchaser, the date when payment falls due and other terms of payment, together with a dated and signed declaration by which the purchaser undertakes to pay the value of the imported goods to the National Bank of Belgium within the time mentioned.

Moreover, payments to be made by foreign purchasers of Belgian or Luxemburg products to the National Bank of the country which has an agreement with the Economic Union can only be made on the production of the duplicate of the invoice drawn up by the supplier and legalised by the Belgo-Luxemburg Compensation Office at Brussels.

**Bulgaria.**

Payment for imports is authorised on presentation of the invoice and the Customs declaration.

**Chile.**

The exporter need only apply for a private compensation permit when he wishes to fix his own rate of exchange in lieu of the ordinary clearing rate. This is the almost invariable practice in the case of agricultural products, which are not subject to the regulations regarding the holding-back of a part of the value for the payment of outstanding debts. At the same time or later, as he may prefer, the exporter hands over to the Chilean authorities orders for payment covering the whole or a part of the value of the European goods in which he desires to

trade. The orders are then transmitted by the Chilean authorities to the European clearing authority, so that the transaction may be authorised.

The importer of European goods must apply for an import licence, which is granted without restrictions whenever the necessary exchange is available in account A or has been obtained through a private compensation arrangement.

#### **Czechoslovakia.**

The formalities for exportation to countries with a clearing system are the same as in the case of exports to any other foreign country. The exporter has to notify the National Bank of the amount of goods invoiced with a view to control of the export currencies.

When goods are imported from a country with a clearing system, a distinction has to be made according as the goods are subject to authorisation being obtained from a special Commission at the Finance Ministry with a view to the control of imports (Foreign Exchange Commission) or are goods which come in free of such restriction. In the former case, the importer has to obtain a certificate from the Foreign Exchange Commission in accordance with the usual regulations. In both cases, the importer applies, when his invoice becomes due, to the National Bank for authority to make payment into the clearing account of the State in question. Such applications have to be made, for technical reasons, on forms of a special colour known as "credit certificates on blocked account".

#### **Denmark.**

In the case of the majority of articles, the importation of goods into Denmark is conditional upon the production in each case of an exchange certificate "*Valutaatest*" issued by the Foreign Exchange Office "*Valutakontor*" of the National Bank.

In general, this certificate enables the importer to clear goods through the Customs and subsequently purchase from the banks the foreign exchange which he requires to pay for them. As regards those imports from Germany to which the clearing system applies (that is to say, at present, to almost all imports from that country), the exchange certificates authorise, not the purchase of "free" exchange, but payment through the clearing system.

The Danish exporters receive payment in crowns from the National Bank as soon as the latter is advised by the Reichsbank that the German importer has paid the necessary sum in marks into the *Deutsche Verrechnungskasse*.

#### **Estonia.**

Presentation to the Eesti Pank of an import or export *application* on a special form.

**France.**

Under the Decision of February 15th, 1932, French importers may not import goods from the countries concerned, unless they undertake to pay the price of such goods to the Office de compensation of the Paris Chamber of Commerce.

Further, in order to obtain an import permit, importers have to apply through the Office. The permit, which compels the importer to conduct his transaction through the Office, should not be confused with the import licence.

The declaration submitted by the importer for stamping by the Office has to be drawn up in five copies in accordance with the prescribed form. It embodies an undertaking to make payment for the goods imported through the Office in the national currency of the country of the vendor of the goods.

The French importer has further to certify, on his own responsibility, that the foreign vendor agrees to this form of payment : this provision is effective only in the case of unilateral compensation.

As a guarantee for the undertakings to which they give their signature in their declarations, the importers are required to pay into the Office de compensation the equivalent of 10 per cent of the declared value of the imported goods as soon as the latter enter France. This payment is received by the Customs Service for account of the Office de compensation, and is refunded to the importer on proof shown either of the final payment for the transaction through the Office de compensation or of the cancelling of the transaction.

The Decision of February 15th, 1932, entrusts the Office de compensation with the duty of settling claims of exporters of French goods sold in the countries in question, the price of which has been paid by the purchasers themselves to a bank in their own country designated for the purpose.

These payments are used as compensation in *chronological order* to pay for transferred claims on French importers. The Office uses funds derived from payments made by the importers of goods originating in and/or coming from each of the countries concerned — as and when such funds become available and to the extent to which they are available — to pay the claims on those countries of exporters of French goods. Payment may be made as soon as the Office is advised of the receipt of the claims by the corresponding organisations in the foreign countries.

Where the funds derived from payments made by the importers are not sufficient to allow of immediate settlement of the claims of the registered exporters, the latter may be given receipts by the Office de compensation from a numbered counter-foil book showing the amount credited to the Office for their account



Payment is resumed, as and when funds again accrue, in the order of the numbers of the receipts.

**Greece.**

The compensation agreements concluded by Greece do not in general contain special or detailed provisions with regard to the formalities to be gone through by the importer or exporter as regards the consignment or receipt of goods. The formalities required are laid down in the relevant Greek internal regulations.

**Hungary.**

Importers must submit their applications for foreign exchange, accompanied by Customs and transport documents and invoices (and, if necessary, certificates of origin), to the Chamber of Commerce and Industry of Budapest, which decides, under the control of the National Bank, whether the goods in question will come under the clearing arrangement or not. Admission to French and Austrian clearing arrangements is regulated by special provisions.

Exporters must be provided with a document from the National Bank of Hungary certifying that the exporter has remitted to it the equivalent of the exported goods in foreign currency or that he has undertaken to remit it within a certain period or that he has been exempted from this obligation.

**Latvia.**

The agreement with France does not lay down any provisions regarding the formalities to be completed by the importer or exporter. In practice, the formalities in Latvia are as follows : the importer applies to the Riga clearing office and encloses : (a) *the authorisation of the Foreign Exchange Committee* to effect payment through the clearing office of the Ministry of Finance ; (b) *the invoice* and (c) *the receipt issued by the Customs* (if documents relating to the goods are sent through a bank for collection, *the corresponding notification of the bank* must also be attached). The clearing office, after checking the above documents, issues to the importer an order to pay the corresponding sum into the current account of the clearing office of the Ministry of Finance with the Latvijas Banka. The clearing office, after receiving the advice of payment from the bank, notifies the clearing office of the Chamber of Commerce at Paris that payment has been made. The importers pay a charge of 2 per mille on the amount of the payment in favour of the clearing office.

As regards exports, the clearing office of the Chamber of Commerce at Paris transmits to the clearing office at Riga the schedules showing the amounts due to the Latvian exporters. After receiving these schedules, the clearing office informs the

exporters in writing that the transfer has been received and, at the same time, requests them to submit the documents relating to the export to the clearing office. After the documents have been checked, the amount due is paid, 2 per mille being deducted in favour of the clearing office (the Paris clearing office also charges 2 per mille, plus 3 French francs).

**Netherlands.**

Presentation to the Customs of a special declaration for imports and presentation to the Clearinginstitut of the claim on a special form in the case of exports.

**Norway.**

The agreement with Turkey makes the right to effect payments into the clearing account conditional upon the production of a certificate of origin. The agreements with the other two countries contain no such provision.

A check is kept on payments made into the German-Norwegian clearing accounts through the co-operation of the Customs authorities, who notify all imports of German goods into Norway.

All importers must supply a Customs declaration, which is addressed to the Bank of Norway by the Customs authorities, the importer being required to produce a duplicate when payment is made.

**Sweden.**

The importer must submit to the Customs certain information (and the certificate of origin of the goods in the case of imports from Turkey). No formalities for the exporter.

**Switzerland.**

*Imports:* The Swiss clearing office sends the importers a questionnaire (except in the case of transactions with Germany), in which they are required to give the essential data regarding the goods imported. Payments to the clearing account must in principle be notified to the National Bank on a special form; they must be effected in cash, by a banker's transfer or by postal transfer. The direct postal remittance of money abroad in settlement of sums governed by the clearing system is permitted only in trade with Germany.

*Exports:* Exporters and other creditors to whom the clearing system applies are required to notify their claims to the clearing office in writing on special forms. The National Bank pays the parties concerned on the basis of an audit of payments carried out by the clearing office, according to the funds available.

**Yugoslavia.**

The clearing agreements provide that payments into the pool accounts must comply with the conditions of the Foreign Exchange Regulations. Proof has, for example, to be furnished that the goods have been imported (*e.g.*, by means of the Customs declaration, original of the invoice or similar documents); or the exporter has to undertake to repatriate the equivalent value of the goods exported.

\* \* \*

10. *How is the question of credit balances dealt with ?*

(a) *Credit balances originally anticipated.*

**Austria.**

If clearing agreements contain any provisions regarding settlement of the balance, this balance must be covered in accordance with those provisions, even after the agreement has lapsed. This form of settlement was necessary in the case of the clearing agreements concluded with France, Italy and Switzerland. The balance with the National Bank of Austria was settled by continuing to pay the proceeds of Austrian exports in the country concerned to the clearing office, and compensating them with the balance at Vienna.

**Belgium.**

The question of balances existing at the time when the agreements expire or are denounced is settled in the following manner :

In case of denunciation, the provisions of the agreement continue to apply to commercial debts which have arisen or may arise from contracts duly recognised to the satisfaction of the contracting parties as having been concluded before the date of denunciation ;

In case of the expiry of the agreement, the balance available in favour of either of the two contracting parties shall continue to be discharged in accordance with the provisions laid down in the agreement until the balance is exhausted.

**Bulgaria.**

The settlement of credit balances is provided for in each agreement separately. In general, the National Bank tries to secure at least a minimum percentage of foreign exchange that can be freely arbitrated so as to be able to meet its engagements in other countries which buy nothing, or only insignificant,

quantities of goods, from Bulgaria. In order to be able to meet her service of State loans and other foreign obligations, Bulgaria is compelled to require, at the time of the arbitration, a small percentage of foreign exchange. (France, Spain and Switzerland each credit 30 per cent of the value of Bulgarian imports into those countries to a special account on which the National Bank can draw freely. Most countries, however, insist on complete clearing of reciprocal claims.)

**Chile.**

Chile's clearing agreements contain no provisions with regard to credit balances.

Of the proceeds of sales of Chilean saltpetre, 60 to 85 per cent is left free for transfer abroad, for payments due on foreign capital (which usually means English or United States capital) invested in Chile in nitrate concerns, and further for payments in respect of petroleum, jute sacks, shipping freights, etc., which are not payable in the contracting countries.

The proceeds of sales of all other Chilean goods must be used in their entirety for the purchase of goods in the contracting European country.

**Czechoslovakia.**

There is not as a rule any previous provision in clearing agreements for dealing with balances in the clearing accounts. Czechoslovakia has recently had a credit balance in all its relations with countries having the clearing system, and has been at pains to increase imports from these countries as a means of liquidating this balance. There are no obligations, however, in this respect except in the case of a single agreement.

**Denmark.**

The sole purpose of the agreement with Germany was originally to bring about the desired increase in trade, and it was only little by little that it came to be more generally applied. Even with the wider scope which it has acquired in practice, it is only in rare instances and to a limited extent that there have been differences requiring for their settlement the transfer of "free" exchange between the two banks.

**Estonia.**

The Estonian-French agreement does not provide for credit balances. (In practice, France deals with outstanding debts on the same basis as new debts.)

**Finland.**

(1) The agreement anticipates a surplus balance in favour of Germany, and it was consequently arranged that a certain percentage — fixed by special agreement — of the payments

to the Bank of Finland for German goods should be placed at the free disposal of the "Deutsche Verrechnungskasse". (Since the agreement came into force, however, the balance has always remained in Finland's favour.)

(2) If, on the expiry of the agreement with Germany, the payments into the Reichsbank are not balanced by the payments into the Bank of Finland, the payments into the latter are to continue until the whole of the outstanding balance is liquidated.

#### **France.**

It is a matter of experience that clearing agreements tend to a more or less rapid reversal of trade balances. This is shown by the case of France. The French trade balance with the majority of countries with which France has clearing agreements, from being at the outset passive, is now in process of becoming active in the majority of instances.

This development is indicative of one of the most serious defects in the agreements concluded by France.

The majority of them were concluded at a time when France had a debit balance in relation to the other contracting parties; and the maintenance of the position in this respect was in some sort assumed in concluding the agreements, as the only means of enabling the clearing machinery to operate regularly and clear up the arrears of trade debts.

But the conclusion of the agreements proved frequently to be the signal for a marked increase of exports and a marked decrease of imports, with the result that the operation of the compensation machinery did not fulfil its purpose.

#### **Greece.**

In principle, the majority of compensation agreements contain a provision to the effect that, where there is an uncovered balance for one or other of the contracting parties on the expiry of the agreement, the balance is to be liquidated by the export of goods, the provisions of the compensation agreement continuing to operate until the balance is liquidated. Certain agreements signed during the year 1934 further make provision for the restriction of imports from the other party, if the latter, in spite of having a credit balance in its favour, does not within a certain period take the necessary steps to re-establish equilibrium of the trade balance. Restrictive measures of this kind have already been applied in Greece during the second half of 1934 in the case of French and Czechoslovak imports.

#### **Hungary.**

Most of the agreements provide that the National Bank of Hungary may dispose freely of a given percentage of the sums paid in the contracting country for the settlement of liabilities in

Hungary. In some cases, however, this free percentage of Hungarian assets can only be used for certain payments within the respective country.

In addition, the Austro-Hungarian agreement authorises the National Bank of Hungary to use the credit balance remaining in its favour after the settlement of Austrian commercial debts in order to make other payments in Austria.

**Italy.**

The agreements concluded by Italy contain no rules for the settlement of clearing balances.

The agreement between Italy and Germany is the only one which provides, by means of a "sundry transfers" account, for a periodical determination of the clearing balance, to be settled by special agreement between the two Governments.

It should, however, be noted that in the agreements concluded by Italy it is always provided that the termination of the agreement shall not affect claims existing on the date of the expiration, these being still governed by the provisions of the agreement in question.

**Latvia.**

The clearing agreement with France does not contain any provision relating specially to the transfer of balances. Nevertheless, such transfers have taken place under accessory agreements, though to a small extent, but experience has shown that the transfer of balances in foreign exchange was not in accordance either with the spirit or the objects of clearing arrangements for commercial debts. Latvia has therefore based her recent policy in respect of clearing agreements on the principle of the non-transfer of balances in foreign exchange and the payment of such balances in goods.

**Netherlands.**

The clearing agreements with the Netherlands do not contain any provision relating to the transfer of balances.

Under all the agreements, a given percentage of the sums paid is placed at the free disposal of the Central Bank of the other contracting party.

**Norway.**

Under the clearing agreements with Greece and Turkey, any balances are carried forward without interest with a view to their use for the gradual liquidation of current transactions. No settlement of balances is to take place until the clearing system is finally wound up.

Under the agreement with Germany, any balance standing to the credit of the Reichsbank is to be made over to that Bank by means of bi-monthly transfers whenever such balance exceeds

500,000 Norwegian crowns. Any balance standing to the credit of the Bank of Norway is to be carried forward to the following account.

**Roumania.**

I. *Roumanian credit balances*: (a) In the case of countries with which trade is regulated by private compensation arrangements (without collective clearing accounts), the credit trade balance cannot be paid in foreign exchange if these countries have introduced foreign exchange restrictions. Roumania was in this position as regards Austria until 1933 and also as regards Hungary. She employed the credit trade balance for financial transfers (other than movements of capital) to these countries.

(b) The credit balance of certain other countries (France, Greece and, until September 1934, Italy) is paid in free foreign exchange in accordance with the provisions of the agreements.

(c) In the last agreement with Italy a proportion of 30 per cent of the value of the exports is reserved (the credit balance is less than this proportion) for financial payments to that country, and, from the practical point of view, this represents a quantity of foreign exchange assigned to a limited purpose.

(d) The position is the same in Switzerland (see separate note), which has a debit balance with Roumania (according to Swiss statistics, which include Roumanian goods imported through third countries, though according to Roumanian statistics, which only show direct consignments to Switzerland, Roumania has a debit balance). The proportion reserved for financial payments is 20 per cent, of which 15 per cent is allocated to State requirements.

II. *Roumanian debit balances*: (a) In the case of Czechoslovakia, with which country Roumania has a heavy debit balance, the maximum amount of the debit balance which may appear in the clearing account has been limited. Payments received by the clearing account in favour of Czechoslovak exporters are subject to this maximum limit.

In addition, the yield from certain goods has been allocated to the amortisation of the debit balance of the clearing account, in conjunction with the fixed proportion between exports and imports, which is favourable to Roumania; this is supposed to reduce the debit balance of the clearing account (which also represents arrears) and therefore also the trade balance.

(b) The agreement between the Reichsbank and the National Bank of Roumania (May 1st, 1933) provides for making good the balances existing at the end of each month by delivering goods or, if this is impossible, by some other means to be determined by the two banks of issue.

**Sweden.**

(1) The agreement with *Turkey* provides that 40 per cent of the amounts paid to Sweden should be placed at the free disposal of Turkey and 60 per cent should be employed for the payment of Swedish exports to Turkey.

(2) The agreement with *Germany* provides that amounts paid in Sweden should be used in the first place for the settlement of debts arising out of exports, and that the balance should be used partly for the payment of interest on Swedish financial debts and partly placed at the free disposal of Germany.

**Switzerland.**

(a) The agreements concluded with Hungary and Yugoslavia place 20 per cent, those concluded with Bulgaria and Turkey 30 per cent, and the Roumanian-Swiss agreement 15 per cent at the free disposal of the national bank of the contracting country with Switzerland.

(b) The German-Swiss agreement provides for the following settlement :

(1) Twelve per cent of all Swiss payments other than those relating to imports of German coal (which are credited to a special account) are placed to the credit of a free account with the Reich clearing office up to a maximum monthly amount of 5 million francs ;

(2) Each month, 24½ million francs are applied to payments for Swiss exports and interest on Swiss debts ; the balance remaining is placed at the disposal of the Reich clearing office up to 5 million francs per month, in case this figure has not been reached by the payments referred to under (1) ;

(3) If a balance still remains, it is used for settling debts arising out of the trade in goods and the interest service on Swiss debts in so far as it has been impossible to cover them by the 24½ million francs deducted in accordance with (2) ;

(4) Of the sums still available, an amount of 6 million francs is deducted in order to be applied in the proportion of 1 to 2 for the amortisation provided for in the agreement and payment for goods not of Swiss origin exported by Switzerland ;

(5) The surplus is placed at the free disposal of the Reich clearing office.

See also n° 6



**Yugoslavia.**

There is not as a rule any provision in the clearing agreements for dealing with credit balances. In one case, there is a clause which provides that, on the expiry of the clearing agreement, the contracting parties shall come to an understanding as to the liquidation of the balance remaining. In a few agreements only, it is specified that the existing credit balance is to be dealt with by new payments to the creditor country. There is practically no other way of dealing with this balance without remitting free foreign exchange.

(b) *Unforeseen or temporary credit balances.*

**Bulgaria.**

The unforeseen or temporary credit balances remain unused until goods are imported into the country in favour of which a balance exists.

**Estonia.**

Agreement with France : The balances in favour of Estonia are refunded by a transfer of foreign exchange ; those in favour of France are settled by exports of Estonian goods.

**Hungary.**

Hungary has authorised the use of amounts in pengő, which, for the moment, are not transferable and have accumulated in Hungary in favour of a country with which a clearing agreement existed, for investments or various payments within Hungary. In such cases, however, the contracting parties have endeavoured to facilitate the transfer of balances which have accumulated in this manner by increasing the exports of Hungarian goods.

**Netherlands.**

The question of these balances has not yet been settled.



11. *Duration of the agreements. Is their revision provided for, and, if so, in what form ?*

**Austria.**

The periods laid down for the agreements are usually short. The agreed time-limits for denunciation are also very short. The agreement with France provides that, if difficulties arise during the term of the agreement, an exchange of views will take place. Under the terms of the treaty with Italy, the agreement ceases to apply if changes are made in the

monetary parities. Under the Hungarian agreement, the clearing system ceases to operate, not only when the parity rates are changed, but also when, in the opinion of the National Bank of Austria or the National Bank of Hungary, these rates are no longer applicable in view of trade with third countries.

**Belgium.**

The agreements are generally concluded for three months and provide for one month's notice. Should any change take place in the monetary or legal parity, the agreement is subject to revision — that is to say, fresh negotiations must be entered into between the contracting countries.

**Bulgaria.**

Agreements are usually concluded for a period varying from six months to one year and may be denounced at from fifteen days' to two months' notice.

**Chile.**

In all cases, the duration of the agreements was originally fixed at one year, to be renewed by tacit agreement failing notice of termination by one of the parties. None of the treaties has so far been denounced. Revision has been made by mutual agreement between the contracting parties, changes in the sums, or in the list of transactions subject to reductions, being conditional on the payment in full of the amounts due.

**Czechoslovakia.**

The duration of agreements is not, in general, confined to a specified period. But the right is sometimes reserved to denounce agreements at the short notice of fifteen days, in order to make it possible to deal at once with any difficulties which may arise in operation, by the conclusion of a new agreement.

**Denmark.**

The agreement with Germany contains no specific provision as to its duration, though both parties have stated their willingness to negotiate whenever either of them may think the agreement in need of modification.

**Estonia.**

The agreement with France was concluded for an indefinite period.

It may be denounced at any time on giving one month's notice.

No provision is made for the revision of the agreement.

**Finland.**

The agreement with Germany, which was concluded on October 2nd, 1934, will remain in force until May 31st, 1935, but may be denounced at any time at fourteen days' notice.

**France.**

The duration of the agreements is not as a rule fixed; but they are subject to denunciation at anything up to six months' notice, and certain agreements have already been revised several times (*e.g.*, the Hungarian and German agreements).

**Greece.**

The duration of the majority of compensation agreements is for six months; but there is generally a clause providing for tacit renewal, except in certain cases where the agreement is for "partial" compensation (Roumania, Turkey and Yugoslavia), in which case there are facilities for temporary extension by common agreement between the two parties, with a view to new negotiations for an improvement of the Greek trade balance.

**Hungary.**

The agreements with Switzerland and Italy expire on January 31st and August 31st, 1935, respectively.

The other agreements have no time-limit, but are liable to termination at one month's notice, except the agreement with Greece, which provides, for notice of eight days. The agreements with Belgium, France and Turkey postulate a quarter's notice. The majority of the agreements provide for immediate termination in the event of modification of the legal gold parity of one of the contracting countries.

**Italy.**

Agreements are usually concluded for a limited period of a few months, but may be prolonged indefinitely by tacit agreement, subject to later denunciation on notice being given.

**Latvia.**

The agreement with France was concluded for an indefinite period, but it may be denounced at any time at one month's notice. The agreement also provides that the two contracting States are obliged to enter into negotiations immediately should any change take place in the rate of calculating parity fixed in the agreement.

**Netherlands.**

The agreement with Turkey was concluded for a period of six months.

The agreement with Chile was concluded for a period of one year.

The agreement with Germany concluded on December 5th, 1934, is to continue in force until December 31st, 1936.

**Norway.**

The agreement with Greece was in the first place concluded for a period of four months. Failing denunciation before the expiry of that period, it was to remain in force for a further period of four months, and so on until denunciation before the end of the third month of the current period.

The agreement with Turkey contains similar provisions.

That concluded with Germany may be denounced on the 1st and 15th of each month; in which case, it expires on the 15th or last day respectively of the month in question.

**Roumania.**

The duration of the Roumanian agreements is, in general, three to six months (with one exception — *i.e.*, twelve months).

Renewal is by tacit agreement.

Revision is provided for in two cases only and relates in particular to technical questions or to the quotas mutually granted. It is entrusted to committees which meet every three months.

In other cases, revision can only take place on the expiry of the agreements, or as a result of denunciation.

**Sweden.**

The agreement with Turkey was valid until the end of 1934 and it may be renewed by tacit agreement for periods of six months unless denounced (notice : thirty days).

The agreement with Germany was valid until the end of 1934 (it was replaced by a new agreement concluded on December 22nd, 1934).

No provision is made for the revision of these agreements.

**Switzerland.**

The clearing agreements are concluded for short periods or contain revision clauses to permit of their being rapidly adapted to any fresh situation. The majority of the agreements contain a liquidation clause under the terms of which exporters of a country in whose favour there is a balance with the national bank of the other country when the agreement terminates must continue to pay the equivalent of their imports to their national bank until the claims corresponding to such balance have been fully met.

**Yugoslavia.**

All clearing agreements provide for a duration of one to six months, with the possibility of renewal for a further similar period if the agreement is not denounced within the prescribed time-limit. Ordinarily, when an agreement is denounced, a new agreement is negotiated with the changes required.



12. *Do your clearing agreements apply exclusively to transactions in connection with goods originating in and/or coming from the contracting parties ?*

**Austria.**

The clearing agreements apply solely to goods originating in the other contracting State.

**Belgium.**

The clearing agreements concluded by the Economic Union of Belgium and Luxemburg may only apply to transactions in commodities harvested, manufactured or extracted from the soil of the Economic Union.

**Bulgaria.**

On the whole, the tendency among European countries is to allow articles of foreign origin or those with a world (exchange) price to be exported only in exchange for foreign currencies that can be freely arbitrated, which the National Bank of Bulgaria does not possess.

**Chile.**

In view of the commercial rivalry which led to the acceptance by Chile of these agreements, it is only natural that the European nations should have refused to admit goods other than those produced in, and consigned from, contracting countries, and should even have carried their nationalism so far as to refuse to allow payment for goods already paid for by their own forwarding agents on the ground that such goods had been produced in other countries, or for national goods on the ground that they were stocked in foreign ports, or for goods produced in factories situated a few yards beyond the frontier, even where such factories belong to industrial concerns of the contracting country.

**Czechoslovakia.**

The clearing agreements signed by Czechoslovakia are in principle applicable to goods imported from another country, where it is not stipulated that they are to be limited to articles manufactured in that country or subjected therein to any considerable transforming or finishing treatment.

**Denmark.**

The agreement only applies to Danish and German goods.

**Estonia.**

The agreement with France applies exclusively to the exchange of goods originating in and coming from the territories of the contracting parties (in practice, the clearing agreement

applies also to goods originating in and coming from countries other than France but which are sold by firms established there).

**Finland.**

Yes.

**France.**

The agreements apply exclusively to transactions in connection with goods originating in the contracting parties.

**Greece.**

In principle, compensation is applicable to goods originating in and coming from the countries concerned. Exceptionally, the compensation agreement with Switzerland also covers claims in respect of the export from Switzerland of goods coming from a third country. A similar exception is implicitly involved in the tax of the agreement between the Reichsbank and the Bank of Greece.

**Hungary.**

Only the purchase price of goods originating in the other contracting country can be paid into the clearing organisation. The purchase price of such goods must be paid into that organisation, even when they are imported into the other contracting country after transit through a third country.

Certain clearing agreements allow notwithstanding, within certain limits, payment into the clearing of the purchase price of goods originating in third countries (goods in transit).

**Italy.**

Yes.

**Latvia.**

The text of the agreement with France merely mentions commercial claims resulting from the purchase of Latvian goods imported into France and commercial claims resulting from the purchase of French goods imported into Latvia. In view, however, of the provisions of Article 1 of the Commercial Treaty between Latvia and France of October 30th, 1934, which places certain foodstuffs or colonial products for which France has created special markets on the same footing as French products in respect of their importation into Latvia, these products (cocoa beans, vegetable fibre, etc.) have also been paid for by clearing arrangements.

**Netherlands.**

The clearing agreements apply exclusively to goods originating in one of the contracting countries.

**Norway.**

All clearing agreements apply exclusively to transactions relating to goods originating in or coming from the territory of the contracting parties.

**Roumania.**

Generally speaking, the goods to which the agreements relate are goods originating in and coming from the parties to the agreements.

In the case of Switzerland, a small quota of 3 per cent has been allowed for goods of other origin.

**Sweden.**

The agreements apply exclusively to the exchange of goods originating in and coming from the territories of the contracting parties.

**Switzerland.**

The first clearing agreements concerned only products of Swiss origin. For centuries, however, there has been an intensive stream of international transit traffic through Switzerland, which had also to be taken into consideration when new agreements were concluded. Nevertheless, the debts in question could not be placed in the same category as those relating to the Swiss export industry, since such purchases as might be made in the clearing countries were often not sufficient to cover the arrears in respect of Swiss exports. Among the agreements in force, those concluded with the following countries take account of debts in respect of non-Swiss goods : Bulgaria, Germany, Greece, Hungary, Roumania.

**Yugoslavia.**

All clearing agreements relate exclusively to payments for goods originating in the contracting countries.



**13. Do the agreements contain any provisions concerning transit and the finishing trade ?**

**Austria.**

Goods in transit are not covered by clearing arrangements ; goods which have undergone finishing or conversion processes are included if they can thereby be regarded as nationalised.

**Belgium.**

Transit goods may never be paid for by clearing arrangements, but costs arising out of work in connection with the finishing trade may come under the clearing agreements.

**Chile.**

None of Chile's clearing agreements contain any provisions on this point, and it is the Chilean clearing authorities who decide as to the nationality of goods.

**Czechoslovakia.**

In exceptional cases, agreements have been concluded under which it is stipulated that goods in transit are to pay a certain percentage into the clearing account, the greater part of the purchase price being freely paid in foreign exchange outside the clearing. The object of this provision is to enable goods from overseas to be paid for freely in foreign exchange, leaving the profits of middlemen, shippers, etc. (derived from intermediary transactions which are entirely for the benefit of the country acting as intermediary), to be paid out of the clearing account.

**Denmark.**

The agreement with Germany contains no provision regarding transit and the finishing trade.

**Estonia.**

There are no provisions concerning transit or the finishing trade.

**Finland.**

There are no provisions concerning transit or the finishing trade.

**France.**

Transit is excluded from the agreements. The Franco-Turkish agreement stipulated that it should only apply to goods actually brought into consumption, and that the sums due in purchase of goods consigned in transit should be paid direct without passing through the Office de compensation.

The Customs authorities were instructed on October 31st, 1933, to apply this arrangement in the case of all agreements.

The German Agreement of July 28th, 1924, also excluded transit traffic. Considerable difficulties have arisen in connection with this provision, owing to the special character of Franco-German trade, and the question came up for consideration in the Franco-German negotiations in 1934. The new agreement contains certain provisions with regard to the payment of transport and commission charges, but it makes no change in the clauses relating to the origin of goods.

The finishing trade is also excluded from the agreements.

**Greece.**

In principle, the compensation agreements concluded by Greece do not contain any provisions with regard to transit or the



finishing trade, except the agreement with the « Brazil-Orient » Company referred to above and the agreement with Finland, which covers all goods purchased by Finland in transit through Germany, Belgium and the Netherlands as part of the compensable total of Greek goods.

**Hungary.**

See No. 12.

**Italy.**

There are no agreements dealing with the settlement of claims relating to transit trade, but some agreements cover the finishing trade.

**Latvia.**

The clearing agreement with France does not contain any provisions concerning, in particular, transit and the finishing trade.

**Netherlands.**

Transit is provided for and also the finishing trade, on condition that the goods have undergone transformation on a considerable scale.

**Norway.**

The agreements contain no provisions regarding transit or the finishing trade.

**Roumania.**

Goods in transit are, with few exceptions, excluded from the clearing agreements. In cases where they are admitted (Switzerland), a fixed percentage has been reserved in advance for the payment of these goods.

**Sweden.**

There are no provisions concerning transit or the finishing trade.

**Switzerland.**

See No. 12. In principle, Switzerland does not require importers to pay through the clearing account if the goods merely pass in transit through Switzerland (without being cleared through the Swiss Customs).

**Yugoslavia.**

There is no question of transit goods in the clearing agreements. In practice, payment for goods in transit is as a general rule excluded.

14. *Do the agreements contain any provisions concerning the colonies ?*

**Austria.**

No.

**Belgium.**

All the compensation agreements concluded by the Economic Union apply also to the Belgian Congo and territories under Belgian mandate..

**Bulgaria.**

The agreement with Belgium provides for the settlement of debts arising out of trade in goods of Bulgarian, Belgian and Luxemburg as well as *Belgian Congo* origin.

**Chile.**

None of Chile's clearing agreements contain any provisions on this point, but it has been assumed — and the assumption has never been contested — that the agreements in their present form are fully applicable to certain colonies.

**Czechoslovakia.**

The question of colonies does not arise in the case of Czechoslovakia.

**Denmark.**

The agreement with Germany does not contain any provisions relating to the colonies.

**Estonia.**

No.

**Finland.**

No.

**France.**

The German agreement covers the French colonies, protectorates and mandated territories. The Roumanian agreement is applicable to French North Africa, but the terms of the agreement in this case are not the same as those relating to the home country.

**Greece.**

The compensation agreements concluded by Greece do not contain any provisions with regard to colonies. The only case where the question might arise is that of France ; and the agreement with France contains no provisions in this connection. It was, however, understood, by common agreement between the Bank of Greece and the Office de compensation at Paris, that the

provisions of this agreement should be extended to all the French colonies, protectorates and countries under mandate.

**Hungary.**

Yes.

**Italy.**

No.

**Latvia.**

The agreement with France contains no provisions concerning the colonies.

**Netherlands.**

The agreements apply equally to the Netherlands oversea territories.

**Norway.**

None of the agreements contain provisions regarding the colonies.

**Roumania.**

Colonies are covered only in the agreement with France.

**Sweden.**

No.

**Yugoslavia.**

The clearing agreements concluded by Yugoslavia contain no provisions with regard to colonies. In practice, goods originating in colonies are not paid for through the clearing. The clearing agreement with France includes Algeria; but Algeria is, for administrative purposes, a part of France.

\* \* \*

15. *Is the present structure of your agreements the same as at the outset, or has it undergone modifications? In the latter case, what were the reasons for these modifications?*

**Austria.**

The agreements can be divided into two groups (see also No. 1) :

(a) The first group comprises the agreements concluded with France, Italy, Switzerland and Yugoslavia on a gold parity basis. However, in view of the depreciation of the schilling on foreign markets, it was necessary to abandon the gold parity, as the transfer machinery was not working properly; exporters tried to evade the clearing, and large

balances accumulated at Vienna in favour of foreign countries. Thus, the intentions of those countries in concluding clearing agreements were also being frustrated. All these agreements have been terminated.

(b) The agreements in the second group are those concluded with Bulgaria, Greece, Turkey and later with Germany. In these agreements, the gold parity basis was dropped. The great advantage of the agreements concluded with the Balkan States was that the bulk of the imports consisted of tobacco, which was purchased by the Austrian Tobacco Monopoly, thus giving a guarantee for the regular operation of the agreement. The agreements in this group are still in force, as is also the clearing agreement concluded with Hungary, which occupies an intermediate position between the two groups. Although it was concluded on a gold basis, it has worked more satisfactorily than the other agreements concluded on that basis, owing to the fact that the Hungarian and Austrian currencies depreciated at the same rate up to 1934.

#### **Bulgaria.**

Most of the agreements have been amended.

Certain partial agreements have become general (Austria, Italy, Switzerland). The German clearing agreement entitles Bulgaria to use a part of the free foreign exchange for the purchase in Germany of articles of foreign origin.

The agreement with Belgium has been modified ; Bulgarian exports to Belgium are now paid for in foreign currency that can be freely arbitrated.

#### **Chile.**

As already stated in reply to Question 11, the agreements have been modified as a result of the desire of the European nations to secure payment of other claims after the claims to which the agreements originally related had been paid off.

#### **Czechoslovakia.**

Czechoslovakia's clearing agreements were concluded at different times, with the result that they are not uniform in character. The modifications made in them have sometimes been modifications of form and sometimes modifications of substance. Modifications of form relate, for example, to the transformation of agreements between banks of issue into agreements between Governments. Modifications of substance are very varied both in respect of subject and of motive, since

they have been governed, not only by Czechoslovak economic interests, but also by events in other countries. It is worth noting, however, that the agreements and the measures to which they have given rise show an increasing tendency to uniformity due to the measures on which they are based and the increase in their number.

**Denmark.**

Originally (May 1932) the agreement with Germany was only to apply to the additional Germano-Danish exports which it was hoped might thus be developed. The situation has, however, gradually changed, with the result that, at the present day, the clearing system applies to almost all goods exchanged between the two countries. This is partly due to developments in Germany, more particularly as regards the available quantities of foreign exchange, but also, naturally, to the need for guaranteeing to Danish exporters the possibility of withdrawing the sums standing to their credit in Germany. Negotiations are, moreover, now in progress with regard to certain modifications to the present text of the agreement.

**Estonia.**

The agreement with France has undergone no modification.

**France.**

The essential provisions of the compensation agreements remain as they were at the outset. But their application gave rise to practical difficulties which could not have been foreseen, and the contracting parties were in some cases compelled to make certain adjustments of detail where the operation of the agreements proved exceptionally difficult in practice.

The most pressing of the problems that have arisen is the question of the release of blocked arrears. The Hungarian agreement was twice revised in this connection, and the matter was one of the factors that led to the revision of the German agreement.

The transformation of the clearing situation to the detriment of France places the latter in presence of a dilemma : either she must speed up the liquidation of the arrears by increasing the percentage of the funds in the hands of the Office de compensation earmarked for this purpose — which she can only do at the expense of current transactions ; or she must treat the arrears as a secondary consideration and concentrate on the payment of current transactions — which she can only do at the expense of the interests of the holders of old claims.

It is, unfortunately, to be feared that overmuch haste to liquidate past arrears may mean the creation of new arrears,

owing to the impossibility of making sufficient funds available to finance the payment of current exports.

**Greece.**

The present structure of the compensation agreements concluded by Greece is not quite what it was at the outset. It has been subject to certain modifications indicated by experience, the chief of which is in connection with the restrictive measures to be imposed by either party in the event of an adverse balance on the clearing account. The insertion of this provision was found necessary, owing to the fact that, even with the clearing, the equilibrium of the trade balance was not automatically assured.

**Hungary.**

The majority of the agreements have been modified, chiefly because their operation was unsatisfactory. The principal modifications relate to :

(a) The introduction of the system of private compensation ;

(b) The establishment of the system of compensation indemnity ;

(c) The conclusion of certain arrangements, in connection with these agreements, for the liquidation of arrears of Hungarian debts ;

(d) The introduction in clearing practice of the system of making the pengő payment dependent on the condition that the corresponding amounts in foreign exchange be placed at the disposal of the National Bank of Hungary ;

(e) Payments to be made to Hungarian importers, which are dependent on the visa of their invoices by the National Bank of Hungary before the importation of the goods concerned ;

(f) The provisions regarding " free percentages " (proportion of Hungarian foreign claims placed at the disposal of the National Bank).

**Latvia.**

The text of the agreement with France has not been changed.

**Netherlands.**

The structure of the present agreements has not been modified.

**Norway.**

The agreements concluded with Greece and Turkey have not been modified. That concluded with Germany was modified in certain respects by the additional agreement of December 31st,

1934, more particularly on account of the experience gained with regard to the ratio between Norwegian exports and German exports and the resultant modifications in the balances shown by the clearing accounts.

**Roumania.**

All the Roumanian agreements have undergone modifications with a view to their amendment or adaptation to changed circumstances.

**Sweden.**

The agreements have not been modified.

**Yugoslavia.**

A certain number of Yugoslavia's clearing agreements have remained in operation without change of any kind (agreements with Czechoslovakia, France and Italy); but the majority have undergone various changes in order to adapt them to altered circumstances or to obtain more favourable terms.

---

#### IV. RESULTS OF CLEARING AGREEMENTS.

16. *What has been the effect of each of your clearing agreements on the volume of your trade in each direction with the other contracting party? (Please give figures indicating increase, stabilisation or decrease.) To what extent have modifications in the volume of trade in each direction influenced the effective execution of payments?*

**Austria.**

The first group of clearing agreements (see Nos. 1 and 15) have been in force for such a short time that no changes have been observed. The fact that the clearing agreements in the second group have also failed to produce any noticeable changes as compared with normal trade can be taken to mean that the unfavourable effects which might have resulted from exchange restrictions were neutralised by the provisions of the clearing agreement.

**Bulgaria.**

The agreements have greatly influenced the decrease in the credit balance shown by Bulgarian foreign trade :

(a) Austria : Bulgarian exports have decreased, to some extent also as the result of Austrian import quotas.

(b) Germany : The commercial balance is always in favour of Bulgaria. The surplus is used for the purchase of articles of foreign origin or for transfers on other clearing agreements concluded with third countries.

(c) Czechoslovakia : Bulgarian exports have decreased (to some extent also as the result of agricultural protectionism in Czechoslovakia).

(d) Switzerland : Imports from Switzerland have increased (this was insisted on by Switzerland).

(e) France : Exports to France have fallen off (partly also as the result of the French quota policy) ; imports from France have also fallen off (to a lesser extent), as commercial debts owing to that country have remained unpaid.

(f) Italy : Similar developments in trade with Italy.

#### **Chile.**

Any such examination of the statistics would, at present, be premature. Chile's agreements did not come into force until 1933 and 1934 and, while some have only been in force four months, others have been in operation for almost two years, so that no comparison is possible.

Other effects of these agreements, more particularly in the sense of an increase in Chilean exports under the stimulus of the stipulation that the proceeds are to be applied to payments in the other contracting country (either in the form of new purchases or in settlement of outstanding debts), have been neutralised by the unexpected maintenance by the European countries of import licences, quotas, etc., in spite of the agreements. These restrictions have prevented the sale of Chilean goods, and in consequence the purchase of goods of the other contracting parties or the payment of their claims.

On the other hand, the statistics make no allowance for maritime freights, etc., which, in the case of products like those of Chile, represent 30 to 60 per cent of the total value as shown by the statistics. The system by which the trade in saltpetre is distributed between the various markets of the world prevents the Chilean Customs authorities from ascertaining the real consignees of saltpetre exports, particularly consignees in non-maritime countries.

Chile, moreover, has suffered more than any other country from the shrinkage of trade as a result of the depression and the new European policy of producing the materials which were the basis of Chilean trade. Chilean exports have fallen to a tenth of what they were, and imports have had to be reduced



correspondingly. Since 1932, there has been as low recovery in both ; but, for the reasons already stated, no great influence can be attributed to the clearing agreements in either connection.

A much more substantial recovery in Chilean exports is observable in the case of trade with the United Kingdom and the United States of America, with which countries Chile has no clearing agreements, while on the other hand they do not have the system of import licences, quotas or other restrictions, such as at present constitute the keynote of European trade, even — strange as it may seem — between countries which have clearing agreements with one another.

#### **Czechoslovakia.**

The following information relates to the effects of clearing agreements on trade relations with specific countries :

(a) Germany : Czechoslovakia had a considerable adverse trade balance with Germany in recent years ; but since the year 1931 the amount has been reduced.

In 1934, on the other hand, Czechoslovak trade with Germany showed a large credit balance.

The extraordinary increase of Czechoslovak exports to Germany was due to the shortage of raw materials in Germany and to their increase in price.

On September 24th, 1934, Germany made all German imports subject to authorisation. It was plain from her economic programme that her aim was primarily to import raw materials and semi-manufactured products, and that she would protect herself against imports of superfluous articles.

Under these circumstances, it was necessary to come to a new agreement with Germany for the regulation of trade between the two countries. Czechoslovakia had to take steps gradually to liquidate the active Czechoslovak balance (which to-day totals 26 million marks) by reducing exports to Germany.

At the same time, Czechoslovakia had to induce Germany to agree to Czechoslovak exports not being confined to raw materials and semi-manufactured products, and to take a reasonable quantity of Czechoslovak manufactured articles.

Two Protocols signed on November 20th, 1934, embodied a settlement in the matter.

(b) Latvia : Czechoslovak exports to Latvia have appreciably decreased.

(c) Greece : The clearing system has unfavourably affected trade relations between Czechoslovakia and Greece ; without it, these relations would have developed much more extensively and rapidly than they have hitherto done.

(d) Turkey: The results of the clearing system with Turkey have not been satisfactory and the balance is constantly increasing. In this case, the danger of an increasing credit balance is to some extent nullified by the present quota system, which limits imports of foreign goods. Although the clearing system has only been in force since March 1934, the credit balance has already reached a sum of more than 20 million Czechoslovak crowns.

**Estonia.**

France : The commercial balance has remained favourable to Estonia, but the clearing balance, which at first (1932) was also favourable to Estonia, was subsequently (1933 and 1934) reversed in favour of France. This must be attributed to the fact that France has used the clearing system for the service of loans as well as for payments for her exports.

**Finland.**

See No. 17.

**France.**

The clearing agreements have had a psychological effect of a marked character on the attitude of exporters, who have been induced to extend their operations under the protection of the agreements, without further apprehensions as to the inability of their debtors to pay.

At the outset, it was felt to be difficult to discourage exporters applying to the competent organisations for advice.

Later, in presence of the accumulation of arrears, it became necessary to draw the exporters' attention to the risks of delay which they were incurring in exporting to countries with clearing agreements.

The French Government has not, however, any official means of putting pressure on French nationals in the sense of controlling the direction of their activities or diverting it from trade with these countries.

In the case of Hungary and Roumania, a clearing control stamp was introduced with the object of affording French exporters a guarantee of the payment of their consignments to these two countries. The clearing control stamp is affixed by the offices in the foreign countries only to the extent to which they can reckon upon having transferable funds at their disposal as a result of their own exports to France.

On the other hand, the Governments of the other contracting countries have been led to look more favourably on imports to their nationals of French products, being no longer in danger of finding themselves compelled to transfer foreign exchange in such a measure as to compromise the stability of their currencies.

Accordingly, at the outset, they gave extensive permits for imports of French products.

Certain of these Governments, having means of exercising a relatively close control of their foreign trade, subsequently made urgent representations to their exporters to cut down their sales to France, on the ground that the corresponding imports were so large as no longer to yield a foreign-exchange balance.

These two influences have combined to stultify the normal operation of the agreements and to accumulate arrears.

#### **Greece.**

It would be difficult to express an opinion as to the results of all the several compensation agreements concluded by Greece. The experience available is not at present adequate for the purpose. But a statistical table attached to the present report shows the trade movements with countries having clearing agreements with Greece. It is clear that definite conclusions cannot be drawn from this table, since the fluctuations recorded may be due to influences unconnected with the compensation machinery.

#### **Hungary.**

It is not possible to indicate in figures the effect of these agreements on the movements of goods, which are also influenced by numerous other and more important factors.

In three cases only was there an increase in trade during the year following the introduction of the clearing system, while in eight other cases a decrease was recorded. It must not, however, be inferred that the clearing agreements have had a paralysing effect on the trade balance. The latter followed a downward trend until the end of 1932, since when, however, there has been an improvement. But, of the eight clearing agreements concluded before the end of 1932, seven have resulted in a decrease in exports in the year following their entry into force, while seven also have resulted in a decrease in imports as compared with the previous year. On the other hand, as regards the four clearing agreements concluded after the end of 1932, imports and exports have increased in three cases during the year following the entry into force of the clearing agreement.

As regards the effect on balances, Hungary's considerable credit balances in relation to Austria, France, Italy and Switzerland before the conclusion of the clearing agreements have since been very greatly reduced.

On the other hand, Hungary's debit balance in relation to Germany and Roumania has appreciably decreased since the conclusion of the clearing agreements with those countries. This would appear to prove that clearing agreements tend to operate towards the balancing of trade movements.

In certain cases, it has been observed that the clearing agreements stimulate imports to Hungary. There can be no doubt that they have also influenced exports, but their influence cuts both ways and the two tendencies counteract one another to some extent.

As regards the effects of clearing agreements upon the movements of payments, it has been observed that the decrease in the Hungarian credit balances in relation to Austria, France and Italy has led to a marked accumulation of Hungarian trade debts. As regards Belgium, Czechoslovakia and Switzerland, the position has remained more or less unchanged, whereas Hungarian debts in Germany were greatly reduced in the course of 1934. At the present time, Hungary has outstanding commercial debts in all the countries with which she has concluded clearing agreements, though the latter cannot be held entirely responsible for this state of things.

**Italy.**

It is hardly possible to give a very definite reply to the question regarding the results obtained from the application of these agreements, which (it must be remembered) were introduced and are operating amid the most varied manifestations of protection, direct or indirect, and of currency chaos. It is only possible to suggest the best technical basis for the conclusion and execution of such agreements.

**Netherlands.**

The clearing system has not been in force long enough to permit of a final opinion as to its effects. The three accounts, however, have hitherto remained more or less *liquid*.

**Norway.**

The agreements have not been in force long enough for it to have been possible to establish with any degree of certainty what their effect will be upon commercial exchanges between Norway and the other countries concerned.

Certain information is, however, available.

Exports to Germany greatly increased during November 1934, with the result that Norway's normally adverse trade balance is now in equilibrium. In point of fact, the value of the exports exceeds that of the imports, as the figures for the former do not include the large quantities of whale-oil which are forwarded direct from the fishing-grounds and do not touch Norwegian Customs territory. Payments for such oil are spread out over several months. To judge by the figures, the value of imports is tending to decline.

In consequence of the reversal of the balance, the sums paid into the pooled account at the Bank of Norway have been

insufficient to offset those paid into the Reich Compensation Office, the result being a balance in favour of the Bank of Norway.

Norwegian exporters are therefore at present unable to obtain immediate payment and are obliged to wait until sufficient funds are available in the pooled account of the Bank of Norway.

Under Article VIII of the agreement, the competent German authorities in foreign exchange matters are bringing about a reduction of the balance by means of restrictions upon extraordinary imports from Norway.

The figures of the trade between Norway and Greece show a tendency to decline, but it should be noted that, in the case of imports, the commercial statistics only include goods purchased in Greece. Part, however, of the goods imported are purchased in other countries although of Greek origin. As, however, trade with that country is relatively small, the agreement has not yet been in force long enough to permit of definite conclusions.

As there is comparatively little trade between Norway and Turkey, the figures for the short period of time which has so far elapsed are not sufficiently informative to make it possible to appraise the development of commercial relations between the two countries. Trade is indeed somewhat irregularly distributed over the various months of the year.

#### **Roumania.**

Agreements which aim merely at regulating trade are not in accordance either with the necessities or interests of the contracting parties; and they further create discontent and difficulty in respect of commercial agreements, which must be brought into line with the clearing agreements.

As regards the results of agreements relating to claims of all kinds, it must be admitted that, in almost all cases, the effect of such an agreement, as soon as it has been put into force, has generally been to reduce considerably the commercial relations of the two countries concerned, and even to restrict substantially the exports from creditor countries to debtor countries. This fact was noted especially in the first year in which the agreement between Roumania and Italy was applied, and is at present being noted in the relations with France.

It would, nevertheless, appear that after some time, during which the parties concerned maintain a certain reserve in their commercial relations, the movement of trade receives a fresh impetus, and even the Governments of the creditor countries concerned subsequently endeavour to promote their imports of goods from debtor countries in order to increase their own

exports and to bring about a more rapid settlement of debts arising either out of commercial arrears or due to other causes and remaining outstanding for a longer period. The fact was noted in the application and amendment of payment agreements with Italy and Switzerland.

**Sweden.**

The agreements have not been in force long enough to permit of reliable conclusions.

**Yugoslavia.**

Yugoslavia applies the system of agreements on payments differently in different countries. With certain countries, the agreements have been working long enough to enable their effect on the foreign trade of Yugoslavia to be measured. In the case of other countries, where there is a possibility of compensations of a special character (private clearing), these compensations have also been in operation long enough to allow of an estimate of their effect on foreign trade. In a third class of countries, with which clearing agreements have only recently been concluded, it is impossible to estimate their effect. In the first and second classes of countries with which a clearing or compensation system has been in operation for a relatively long period — these include Czechoslovakia, France, Germany, Italy and Switzerland in the first class and Austria, Greece, Hungary and Poland in the second class — the clearing agreements will be found to have had the effect, at a time when foreign trade was on the decline, of increasing Yugoslav exports (from 2,071 million dinars in 1932 to 2,888 million dinars in 1933) and swelling the whole volume of foreign trade (from 4,818 million dinars in 1932 to 4,958 million dinars in 1933) with the ten countries mentioned.

\* \* \*

17. *To what extent do your exporters obtain payment?*

**Austria.**

Austrian exporters have been paid in full.

**Chile.**

Chilian exporters are all fully paid in cash. A non-capitalist country like Chile could not do business on any other basis.

**Czechoslovakia.**

Germany : Exports to Germany have not been paid in full (the credit balance at the Reichsbank amounts to some 26 million marks).

Turkey : The clearing account between Czechoslovakia and Turkey shows a credit balance reaching a sum of more than 20 million Czech crowns.

Greece : The clearing surplus in favour of Czechoslovakia had, by the end of November, reached the amount of 32 million Czech crowns. The Bank of Greece has refused to accept payments for Czechoslovak goods, which would raise that surplus above 32 millions.

**Estonia.**

Estonian exporters have been paid in full.

**Finland.**

The clearing agreement concluded with Germany has been especially clumsy to work, and has on many occasions given rise to differences of opinion as to its interpretation, and even to serious disagreement. The settlement of debts and payments between Finland and Germany has, moreover, not proved to be as easy as had been hoped when the agreement was signed, as the debts owing to Finnish exporters have constantly been "frozen" in the clearing account. This appears to be all the more unreasonable as German exports to Finland are still considerably in excess of our own exports to Germany, although the difference is no longer as large as it was in former years.

**France.**

The following are the necessary preliminaries to the receipt by French exporters of payment for their consignments :

(1) The foreign debtor must have paid the sums owing to him to the corresponding organisation in his own country, and the French office must have been informed of such payment by its foreign correspondent ;

(2) The French office must have the funds at its disposal ; and it derives such funds solely from the payments made by French importers, who only pay when their accounts fall due.

One initial cause of delay is the fact that French exporters mostly deal on a cash basis, whereas the importers are allowed time-limits for payment which are sometimes very long.

But the main reason is the fact that French imports have been curtailed partly by the effect of the French policy of quotas and partly by the tendency of countries with controlled currencies to export to countries with which they have no clearing agreement.

Further, the compensation agreements were in general concluded at a time when there was already a considerable amount of blocked claims in the other contracting countries. These claims were at once registered at the foreign offices, without any corresponding entries in the books of the French office. The result from the beginning has been a delay in operation of the agreements, which, in certain cases, has rapidly increased to many months.

As the blocked accounts carry no interest under the compensation system, the French creditors are subject to a very considerable loss on these accounts.

To meet this difficulty, the French office in agreement with the Banque de France set itself to arrange for the "mobilisation" of these claims.

On December 31st, 1934, the difference between the amount of sums paid to the foreign offices and the total of French exporters' claims settled was 260 millions, excluding Germany.

This considerable delay is a source of serious anxiety to creditors who are holders of receipts; and only too frequently it acts as an inducement to them to resort to private firms, which discount the receipts at a usurious rate and do not hesitate on occasion to spread panic amongst the holders of the receipts.

The French Government is at present concerned to seek a remedy of this difficult situation. It is also engaged at the moment on the study of means of ensuring the liquidation and "mobilisation" of claims in arrear.

#### **Greece.**

Greek exporters obtain payment immediately owing to the practice of the Bank of Greece, which takes over the obligations of the parties concerned for its own account and makes payment of their claims in drachmæ on submission of the relevant documents in proof.

#### **Hungary.**

Hungarian exporters have as a general rule recovered without any difficulty the sums owing to them. This is due partly to the fact that, in the case of the majority of clearing agreements, Hungary had a debit balance, mainly as a result of including arrears of trade debts under the clearing system.



**Latvia.**

Since the imports of countries which have concluded clearing agreements with Latvia have hitherto exceeded the exports, it has been possible to settle all the claims of the exporters without any complications in this respect.

**Netherlands.**

Netherlands exporters have been paid in full.

**Norway.**

Norwegian exporters receive payment of the full amounts of their claims when the necessary sums have been paid in to the competent clearing authority in the other country and when that country's account at the Bank of Norway contains sufficient funds for such sums to be paid out (see No. 16).

**Sweden.**

Swedish exporters to Turkey have been paid without undue delay, and exporters to Germany have received payment in full also without delay.

**Yugoslavia.**

Generally speaking, exporters from a country whose clearing account is active have to wait their turn for payment, while exporters from a country whose clearing account is passive are paid as soon as the notice of payment arrives. As Yugoslavia at the outset had an active balance in relation to Austria, Yugoslav exporters to Austria had to wait a number of months before recovering their claims. By the second half of 1932, the situation had changed, and all the Yugoslav clearing accounts showed a passive balance, so that our exporters were able to recover their claims without any delay. Exporters, on the other hand, from countries with which Yugoslavia had clearing agreements had to wait their turn over a number of months before receiving the equivalent value of their exports to Yugoslavia. During the current year (1934) the situation changed considerably, and a number of Yugoslav clearing accounts were *again active* in relation to foreign countries; in particular, Germany. The only passive balance — and this had been reduced to something like 60 per cent of its former total — was with Czechoslovakia. If the whole of the active Yugoslav clearing balances are deducted from the whole of the passive balances, there remains the small amount of approximately 50 million dinars in favour of the foreign countries. The maximum figure previously recorded for Yugoslav adverse balances to foreign countries was over 450 million dinars. The clearing agreements have enabled Yugoslavia to pay off almost the whole of the commercial debts to foreign countries contracted in the

second quarter of 1932, when the shortage of foreign exchange was at its most acute point in Yugoslavia.

\* \* \*

18. *Can you mention any other characteristic modifications of your trade with the contracting parties as a consequence of the execution of clearing agreements ?*

**Chile.**

As already stated (see No. 16), it is as yet impossible to appraise the results of the clearing agreements. They are bound up inextricably with the general consequences of the severe depression of 1932, as also with the effects of the restrictive measure applied by European countries, including those with which Chile has concluded clearing agreements.

All that can be said is that the countries which have derived the greatest benefit from the agreements are those which have allowed the greatest liberty in regard to the importation of saltpetre. In the case of Sweden, Denmark and Czechoslovakia, for example, Chile's commercial debts have been settled in full, and payments have also been made in respect of the interest due on private Spanish investments in Chile.

**France.**

See Nos. 16 and 17.

**Greece.**

The trade currents may perhaps have been affected to some extent by the compensation agreements, inasmuch as imports into Greece from countries with which the latter has an active trade balance have been systematically encouraged. But the results of such encouragement are very dubious, since it is found that Greece, while unable to reduce seriously her continued favourable balance *vis-à-vis* Germany, has at the same time increased her purchases from the United Kingdom, with which she has no compensation agreement.

**Hungary.**

See No. 16.

**Netherlands.**

See No. 16.

**Norway.**

The agreements have not been in force long enough to afford any experience on this point.

**Sweden.**

See No. 16.

**Yugoslavia.**

In consequence of the execution of the clearing agreements, certain countries with which Yugoslavia has a passive balance have endeavoured to give us certain preferential tariff treatment in order to enable their exporters to recover their claims sooner. This is the case with Czechoslovakia and to a certain extent with France.

Yugoslavia has herself been compelled to take the same action in the case of Greece.



**19. *To what extent have your clearing agreements affected your trade with other countries?***

**Austria.**

There have been some cases of international trade being transferred. In countries where importers are, under the foreign-exchange regulations, generally restricted as regards payment of their debts to foreign countries, there is a tendency to import the goods of third countries also through the clearing country. This is especially true when settlement by clearing confers advantages. Nevertheless, such one-sided advantages soon lead to the clogging of the clearing machinery, and this in turn makes the conclusion of transactions of this kind impossible.

**Bulgaria.**

Clearing agreements have forced Bulgaria to direct her foreign trade to countries with which she had concluded conventions and with which her trade balance was favourable, so as to be able to use her free assets. This often necessitated the purchase of goods at higher prices and led to a decrease in the imports from other countries. (Another cause which contributed to this decrease was the decline in Bulgarian purchasing power as the result of the fall of agricultural prices.)

**Chile.**

As already stated in reply to several previous questions, the redistribution of Chilean purchases desired by the European countries with which Chile has clearing agreements has been frustrated by the countries in question themselves, through their import prohibitions and quotas. Not being herself permitted to sell to these countries the quantities of her own products which she was in a position to supply, Chile has had no occasion to purchase the products of these countries

within the rigid limits of the clearing system, particularly as she was under obligation at the same time to pay off outstanding debts to those countries.

Such being the case, third countries have been unaffected by the clearing agreements, the effects of which have been nullified by the very countries concerned in their conclusion.

In the United Kingdom and the United States of America, on the other hand, where Chile has been able to dispose of her products unhampered by official restrictions, sales have increased by 50 to 70 per cent, and Chile as a result has been able to purchase much more in return, and indeed to make larger payments to these two countries than to all the European countries combined.

#### **Czechoslovakia.**

It may be said, generally speaking, that the effect of clearing agreements on the trade of any contracting State with a third State is frequently plain to view — that is to say :

(1) If an economically weak State has concluded a clearing agreement with an economically strong State, the resultant reaction in certain cases is that the State which is weak economically and for the purpose of the clearing is compelled to purchase from the other contracting State a larger quantity of *superfluous* goods, which means a loss on the sale of such goods for the third State ;

(2) On the other hand, it may happen that one of the contracting States finds itself compelled, in virtue of the clearing agreements, to purchase from the other contracting State a larger quantity of goods — the effect of which is to eliminate the economic pressure on the third State which has hitherto taken these goods, so that its economic position is made easier.

In a word, it may be said that clearing agreements tend to foster the substitution of new — and frequently artificial — channels for old and habitual channels for the exchange of goods.

#### **Estonia.**

Trade with third countries would not appear to have been greatly affected by clearing agreements.

#### **France.**

The trade of France with countries with which she has clearing agreements does not amount to as much as 20 per cent of her total trade. This gives the measure of the effect which the clearing agreements have had on French trade with other countries.

**Greece.**

In any case, there is unquestionably a comparative stimulation of Greek exports, which must be due largely to the compensation agreements.

**Hungary.**

See No. 16.

**Latvia.**

Latvia has always avoided any discrimination in her commercial policy. On the other hand, she has favoured imports from all countries which have not interfered with Latvian exports and has thus helped to increase the general volume of trade.

**Netherlands.**

See No. 16.

**Norway.**

See No. 18.

**Roumania.**

There is little doubt that the increase in imports of Austria (the only industrial country in Central Europe with a depreciated currency until 1934) took place to the detriment of the imports of other industrial countries.

**Sweden.**

See No. 16.

**Yugoslavia.**

The Yugoslav clearing agreements have not made much change in Yugoslav commercial relations with the countries with which there is no clearing agreement. The movements of Yugoslav foreign trade with these countries have been on similar lines to the movements of Yugoslav foreign trade as a whole—that is to say, exports to these countries have diminished when exports in general diminished, and imports from these countries have increased when imports in general increased. Slight changes have occurred in certain cases (*e.g.*, imports from Brazil have fallen off). That cannot, however, be attributed to the clearing agreements with third countries, but merely to the natural development of trade relations or to special measures in particular cases.

20. *Have the clearing agreements had any effect on the restrictions imposed on imports or exports; or, on the other hand, has the operation of these agreements been affected by autonomous measures of commercial policy taken while they were in force (prohibitions, Customs quotas, tariff increases, etc.) ?*

**Austria.**

Clearing agreements have not been found to affect other trade agreements. On the other hand, the operation of the clearing system has made it possible to forgo other measures of commercial policy the purpose of which would have been to overcome the obstacles arising out of exchange restrictions. In other respects, the clearing agreement with Bulgaria could not operate owing to the fact that it was in force at a time when Austria was not purchasing Bulgarian wheat and when, therefore, one of the chief mainstays of the clearing system was lacking.

**Bulgaria.**

See No. 16.

**Chile.**

As stated under No. 19, administrative restrictions on imports (licences, quotas, etc.) have almost entirely nullified the effects of such agreements, while the latter have had not the least influence on the restrictions.

Only a very few countries have accepted the true view which treats a clearing authorisation as tantamount to an import permit.

**Czechoslovakia.**

The different forms of restrictions on the import or export of goods were mostly in existence before the conclusion of the clearing agreements, and, in our opinion, the latter in their initial stage have not made any very considerable changes in the restrictive measures in question. But it is obvious that, in the event of a large balance subsequently accruing, the two parties have a greater interest in controlling — and, it may be, restricting — in various ways the imports or exports of particular articles. This case arises where it is desired to “compensate” an excessive balance. But, where clearing agreements are not concluded until the moment when large quantities of claims resulting from the sale of products have been frozen, the movement of goods is controlled from the time the agreements begin to operate. In general, it may be said that the influence of clearing agreements on the selection of articles is intensified in

proportion as the need for reducing an adverse trade balance is more urgent and more imperative.

**Estonia.**

The restrictive measures have been more liberally applied in respect of goods paid for through the clearing system.

**France.**

The operation of the clearing agreements illustrates the truth that one must buy in order to be able to sell. Nothing is so well adapted to show that money is only a medium of exchange and that international trade is in reality only the exchange of goods for other goods.

From this standpoint, the question of Customs quotas assumes primary importance.

The clearing agreements, evolved while the economic depression was in full course, have always suffered from the unilateral quotas which have made equilibrium impossible.

France, a country in which almost all forms of production are represented, has never been in a position, throughout the depression, to concede any supplementary quota for the import of any product, whether agricultural or industrial. But almost all the countries with which France has clearing agreements are mainly agricultural producers, and the goods which they are able to supply to France in effective payment of French exports cannot be admitted to the French market except at the expense of French agriculturists.

The interests of the French peasant and the interests of French exporters are thus in open conflict. If it is difficult to increase imports, there is no other way of arriving at equilibrium in the clearing agreements, except to restrict exports. But the arbitrary control and restriction of foreign trade, which are the direct consequences of any such attempt, are regarded by many as a dangerous form of "managed economy". They regard it as regrettable that the legitimate desire to protect creditors should compel recourse to such brutal measures. Unfortunately, the present situation appears to be such as to render them necessary.

The clearing system in itself involves an intervention by the State in international trade to which exception might be taken. Such intervention, the immediate effect of which is to create, for a time at any rate, an atmosphere of confidence in which exports are stimulated, results also in the unpaid creditors gradually coming to believe themselves entitled to claim the guarantee of the State for their blocked assets.

**Greece.**

The clearing agreements have operated within the framework of the current import quota system; but where Greece

has a favourable clearing balance, the Greek Government is always prepared to give supplementary quotas to the countries with which there is such a balance.

**Hungary.**

The clearing agreements have had an effect on import restrictions; but, on the other hand, restrictive measures have also had a powerful effect on the operation of such agreements.

Where the other contracting party has shown appreciation for the measures adopted by Hungary in matters of commercial policy, the clearing system has operated more or less satisfactorily. Where such understanding was lacking, the result was imperfect operation of the clearing system.

**Latvia.**

Clearing agreements have not had any particular effect on Latvia's system of foreign trade. A special body — the Foreign Exchange Committee — has been created, in accordance with the provisions of Latvian autonomous legislation, for the control of international payments. This Foreign Exchange Committee must give its authorisation for all payments to be made in foreign exchange. This procedure has been maintained, especially for purposes of record, for settlements with countries which have concluded clearing agreements with Latvia.

**Norway.**

In Norway, the agreements have not given rise to any kinds of restrictions on imports or exports.

**Sweden.**

The agreements have had no effect on the restrictions imposed on imports and exports.

**Yugoslavia.**

The clearing agreements have had a *favourable effect* on the maintenance of foreign trade with a whole series of countries with which trade would otherwise have been very difficult, if not impossible. The fundamental features of Yugoslav foreign trade have not been greatly modified by the existence of the clearing agreements. It is only in the case of Yugoslav trade with Czechoslovakia that certain changes have been apparent since the clearing system was set up, in particular the reduction of the large adverse trade balance of Yugoslavia *vis-à-vis* Czechoslovakia, which was a feature of the past. But here again the reduction of the Yugoslav adverse trade balance may be put down to the effect of the commercial treaty quite as much as to the operation of the clearing agreement. All that can be said is that the large adverse balance enabled Yugoslavia to



obtain certain facilities from Czechoslovakia in the matter of commercial policy.

\* \* \*

21. *Should your clearing agreements contain stipulations regarding other items in the balance of payments (service of loans, tourist traffic, etc.), to what extent have these stipulations been carried out, and how have the respective positions of the beneficiaries of these stipulations and of exporters been affected? What effect have they had on the volume of trade?*

**Austria.**

The use of funds diverted from the goods clearing system to make other payments has inevitably aggravated the position of the creditors who sold the goods. This was noticeable during the operation of the agreement between Austria and Switzerland, since 30 per cent of the proceeds was earmarked for the debt service and Swiss creditors had consequently to wait longer for settlement of their claims. In the other clearing agreements concluded by Austria, however, the proceeds of the clearing funds have been diverted to purposes other than the payment of goods to a much smaller extent.

**Bulgaria.**

The service of loans is not provided for in the clearing agreements.

**Chile.**

Hitherto such matters have not been covered by the compensation agreements concluded by Chile.

**Czechoslovakia.**

Provisions with regard to clearing payments in respect of transactions other than trade in goods — for example, payments in connection with visits to watering-places or tourist traffic, or payments arising out of the investment of capital — have now been tested and studied. A distinction must be made between clearing agreements which allow of such payments in connection with capital investment and payments exclusively in respect of trade in goods. Under some of the agreements there are separate accounts for payments in connection with investment of capital and financial payments. Nor is the policy of both parties to the agreements the same, since Czechoslovakia allows, in principle, all financial payments and, in general, all payments which do not involve flight of capital, whereas other

countries concluding clearing agreements for the most part impose restrictions on transfers in connection with capital investments.

**Estonia.**

As France uses the clearing system for the service of loans contracted by Estonia, the clearing balance is in her favour. As, however, Estonia is only required to pay off this balance by the export of goods, it follows that delay in the payment of French exporters is inevitable.

On the other hand, France, with her import quota policy, does not appear to desire to improve the position of Estonian exports, which is the only way in which the above-mentioned credit balance could be paid off.

**France.**

The calculation of the sums placed at the disposal of the national banks of foreign countries for the settlement of political and other claims was made at the beginning in such a manner as to ensure the normal operation of such settlement.

But the changes in trade movements, which have followed on the institution of the clearing agreements, have had their effects on the payment of non-commercial claims, and have not failed to bring their beneficiaries into conflict with the exporters, who are compelled to wait longer and longer for payment of their claims.

The clearing agreements concluded by France contain no provisions with regard to tourist traffic.

**Greece.**

The stipulations of the compensation agreements regarding other items in the balance of payments, such as freights and the income derived from tourist traffic, have operated without difficulties. The simplest and most appropriate method of compensation in the case of a number of freights has proved to be the fixing of a lump percentage to be deducted from the aggregate total of the transactions concerned. Accordingly, where the agreements are on the basis of "partial" compensation, the percentage of foreign exchange to be allowed to the countries concerned is increased by the special percentage representing that part of the income from freights which is effectively imported into Greece in foreign exchange. The income from tourist traffic has only recently been included under the compensation system, and that only for a relatively small sum and only in relations with the Balkan countries. The system has operated well enough up to the present, but the experience available to date is quite insufficient.

**Hungary.**

Under clearing agreements providing for payments other than those in respect of goods, Hungary has been able to make payments to foreign countries up to the total of the amount of foreign exchange obtained within the framework of these agreements. Where these amounts of foreign exchange had to be produced by Hungarian exports, the result has been dependent on the openings for export conceded in this connection.

Only in certain cases have tourist traffic agreements produced all the foreign exchange required to satisfy the demands of Hungarian tourists.

The arrangements made with a view to the transfer of financial claims through the export of wheat and rye have been utilised to the full extent by Swiss creditors, and in part only by French and Netherlands creditors.

The transfer of the claims of parties to the " pengő transfer agreements " concluded with the British and American creditors was only possible in part.

Generally speaking, goods exported under tourist traffic agreements or pengő transfer agreements have been goods which would not have been exported in the ordinary way.

**Netherlands.**

See No. 16.

**Norway.**

Experience to date is insufficient to warrant any expression of opinion on the points dealt with under Nos. 21 to 26.

**Sweden.**

As the agreements have only been in force for a very short time, it is impossible to reply to this question.

**Yugoslavia.**

Where the clearing agreements contain stipulations regarding payments other than for trade debts (*e.g.*, in connection with tourist traffic, consular fees, emigrants' remittances), the operation of the system of payments is as regular and as satisfactory as in the case of trade debts, and frequently even more so, since the amounts involved are not very high and can therefore be dealt with without much difficulty outside their chronological order. Under the Yugoslav clearing agreements, financial payments are not made through the clearing. Yugoslavia has merely obtained *free percentages* from certain countries — *i.e.*, *Devisen* which have been placed at the disposal of the Yugoslav National Bank. The free percentages accorded under the clearing agreements with France and Switzerland have to be used by Yugoslavia for financial payments in these countries.

22. *What consequences have the clearing agreements had on the internal economic situation? What difficulties of all kinds (complaints, delays in payment, etc.) have been met with in your country?*

**Austria.**

Keen criticism has been expressed of the agreements in the first group (see Nos. 1 and 15) because the system of compensation on a gold parity basis provided for in those agreements was disadvantageous to exporters. As regards the agreements now in force, a few complaints have been made concerning the agreement with Hungary because transfers from Hungary to Austria were rather slow. No complaint has hitherto been made of the manner in which the system has been worked by the two national banks.

**Bulgaria.**

Rise in the price of imported goods. Other difficulties have made themselves felt in trade with countries having an active commercial balance in relation to Bulgaria. The latter's inability to pay off the adverse balance led to a decrease in imports from these countries (France, Italy). The clearing agreements cause difficulties for the import of raw materials not produced in the countries with which Bulgaria has concluded agreements. This results in an increase in the prices of same.

**Chile.**

All Chile's clearing agreements have been concluded with industrial countries supplying her with manufactured articles produced under conditions in which such countries compete with one another, as well as with other foreign countries and, in certain cases, with Chilean producers themselves. Under these circumstances, the economic disadvantages from which Chile has suffered have not been due to the clearing agreements themselves, but to the permit systems, etc., by which clearing transactions are restricted or prevented, and Chilean importers are compelled (for lack of the necessary permits) to break off transactions already initiated, and to transfer their custom to countries where such restrictions do not prevail and open up new and unfamiliar sources of supply.

These restrictions have also considerably delayed the payment in Europe of the equivalent of the sums paid in by Chilean debtors to meet their frozen debts in Chile; and it is to

be feared that, if Chilean sales in the countries concerned continue at the present slow rate, the creditors will have to wait ten years or more for their money, and lose the interest on the debtors' payments in Chile into the bargain.

**Czechoslovakia.**

The effects of clearing agreements on the internal economic situation are, generally speaking, of two kinds. In the case of countries to which Czechoslovakia exports more than she takes from them in imports, there is inevitably a slowing-down of transfers, which involves financial difficulties for the exporters and a limitation of exports. On the other hand, in countries which have an active trade balance with Czechoslovakia, Czechoslovak goods have increased market openings. The general tendency is to the increase of imports from countries with which there are clearing agreements, except in so far as general economic policy puts obstacles in the way.

**Estonia.**

The clearing agreements would not appear to have had much effect on the internal economic situation.

**France.**

The clearing system being only a palliative of an economic situation already compromised, it would be unfair to blame it for the difficulties which arise out of its operation. Compensation agreements are only concluded with countries which have ceased to make normal transfers of foreign exchange — countries the nationals of which may be regarded as defaulters, so far, at any rate, as other countries are concerned. It is not therefore surprising that the problem of finding a remedy for such serious evils should present some difficulties.

The unblocking of claims in arrear for example, can only take place at the expense of current transactions. But the clearing system cannot operate satisfactorily without the earmarking of special "liquidation" percentages for arrears. Under present circumstances, payments under the French clearing agreements are being made with increasing delay, to which the firms affected take increasing exception as they find themselves little by little deprived of their working capital.

Another criticism which is made in the case of certain clearing agreements is that their effect has been to increase the price of goods originating in the countries concerned by establishing a fictitious rate of exchange out of all relation to the internal prices of these countries.

For their part, the banks, which cease to benefit by their transfers to foreign countries, show little sympathy as a rule for

clearing agreements. They are apprehensive of the system becoming general; in which case, they would be compelled to forgo a great part of their international activities.

The public, again, frequently objects to the formalities to which it is compelled to conform. The formalities are indispensable; but they are not always well adapted to certain special branches of trade, however much effort is made to smooth the path of the inevitable procedure.

Lastly, the clearing agreements have been accused of fostering fraud in certain connections. The most frequent form of fraud consists in the drawing-up of fictitious invoices or increasing the figures of genuine invoices, with a view to setting free sums blocked in countries which prohibit the export of foreign exchange. It is very difficult for the Customs authorities to bring such frauds to light.

#### **Greece.**

There can be no question that, by rendering the operation of commercial transactions slow and complicated, compensation agreements increase the effect of the general measures adopted as a result of the crisis, in the sense of discouraging trade. It may, however, be said that Greek trade is tending gradually to adjust itself to the new state of things, in spite of the not infrequent complaints which are heard in this connection. So far as the internal economic situation is concerned, the most serious effect of the compensation system is the rise of prices, especially in the case of certain products, partly as a result of the diversion of trade channels in accordance with the active or passive position of the clearing accounts, partly in consequence of the effect on prices of the compensation agreements as a whole — an effect which is especially marked in the case of private clearing. It is in any case indisputable that the conception of "international prices" under existing conditions cannot be the same as under a system of — even highly relative — freedom of trade movements, for the simple reason that it is and must be inevitable that a preference should be given, regularly and unhesitatingly, to the import of products against compensation and products from countries with which there is an adverse clearing balance, even where the same products might be obtained elsewhere at lower prices.

#### **Hungary.**

The effect of the clearing agreements on the internal economic situation has mainly taken the form of increasing difficulty in procuring raw materials from countries with which Hungary has no agreements. This difficulty has had an

unfavourable effect on industrial production and exports and has at the same time increased the cost of raw materials.

See also Nos. 16, 18, 19 and 23.

**Latvia.**

The clearing system practised by Latvia has not given rise to any particular difficulties in connection with the internal economic situation. Similarly, no complaints have been received from exporters regarding delays in payments. But experience in Latvia has shown that the clearing system for payments must be based on a balance of trade that is as far as possible in equilibrium. This object might be obtained by supplementing the clearing agreements with agreements aiming at compensation in goods. For, while Latvian exporters have had no reason to complain of delays in payment on account of the Latvian debit trade balance, it is only natural that complaints might be made by the other contracting party if the debit trade balance were greatly increased. It is indispensable for the proper working of the clearing agreement that the merchants of the two contracting parties should be satisfied.

**Netherlands.**

See No. 16.

**Norway.**

See No. 21.

**Sweden.**

See No. 21.

**Switzerland.**

(1) When goods arrived in Switzerland by rail, the various clearing accounts lost large sums by reason of the fact that foreign supplies charged the transport costs to the Swiss consignee. The latter settled that account with the Federal Railways, which, on their side, credited the railway company concerned direct — that is to say, independently of the clearing agreement — with the amount in respect of the railage in foreign territory. Hence the rule now in force that goods arriving in Switzerland by rail must be sent carriage paid to the Swiss frontier.

(2) Certain difficulties are encountered in endeavouring to check the value of imports and exports, particularly when the goods in question are not goods entering into world trade and are not loaded in complete wagon-loads — for these, it is possible to refer to the prices quoted on the Stock Exchange and on the market — but are, on the contrary, goods of a very divergent character, constantly varying in both quality and quantity and forming the subject of very varied traffic. It

would be well if the compensation offices in countries parties to a clearing agreement gave one another mutual assistance when there is any enquiry into declarations of value. It is desirable that the deduction of value should be made compulsory on consignment sheets.

(3) The fixing of certain time-limits for payment for the transfer of sums governed by the clearing agreement has been found a useful means of avoiding the drawbacks attaching to unusually long credit-periods, which might have meant the loss of certain sums for the clearing account.

**Yugoslavia.**

It may be said that the consequences of the clearing agreements have been favourable to the internal economic situation. No difficulty of any magnitude arose in the application of the agreements at the outset, when Yugoslav exporters were able to recover their claims without delay, Yugoslavia having an adverse balance to all countries. That is no longer the position, particularly in the case of Germany and Greece; Yugoslav exporters to these countries have to wait for months before they can get in their money. Means have therefore been found of making advances to them on the strength of their claims through the intermediary of the National Bank at rates fixed by the latter.

\* \* \*

23. *Have the clearing agreements had any influence on the position of the currencies of the contracting countries? What has been the effect of these agreements on the position of the foreign currency reserves?*

**Austria.**

Clearing agreements do not appear to have had any particular effect upon the currency situation of Austria.

**Bulgaria.**

The clearing agreements have led to a decrease in the foreign exchange reserves in the country, and have prevented, in particular, the regular payment of the foreign debt of the State and the other financial engagements of the country.

**Chile.**

Although numerous, the clearing agreements to which Chile is a party have all been concluded with countries with which Chile never did much business or with which her trade has been more or less killed by the administrative restrictions introduced against Chilean exports, with the result that the volume of trade



has been so small as compared with the unrestricted countries that no useful purpose can be served by considering the influence which, in other circumstances, these systems might have exercised over the currency and foreign exchange reserves of Chile. It may, indeed, be said that the latter have remained quite unaffected by the agreements.

**Czechoslovakia.**

The clearing agreements have not had in the past, and generally speaking have not in the present, any effect on the currency situation of Czechoslovakia, apart from the effects on the supply of foreign exchange which are inherent in the nature of clearing agreements as such. That is to say, foreign exchange which would otherwise be used to pay for imports from the other country is saved and used to pay for goods exported to the other country — an arrangement which would be difficult of attainment in the existing conditions in regard to foreign exchange.

As the surplus of the trade balance is an important item in the balance of payments, it is plain that clearing agreements, by their tendency to promote equilibrium of the trade balance, exercise a direct influence on the total of monetary reserves. In so far as clearing agreements concluded with countries where the service of payments is not normal have succeeded in liquidating frozen credits or preventing the accumulation of new frozen credits, they have served as a support of currency policy; for claims on other countries which cannot be liquidated are not, in reality, anything but an illusory backing to the national exchange.

**Estonia.**

The agreement with France has had a favourable influence on the volume of foreign exchange held by the Eesti Pank, and consequently upon the cover of the Estonian crown.

**France.**

This question does not arise in the case of France.

**Greece.**

It may be said that the compensation agreements have had a favourable effect on the currency position of the country, inasmuch as they have increased Greek exports to a certain extent. In the case of countries with which Greece has an active trade balance, all necessary steps have been taken to prevent depreciation of the currencies of such countries from having an unfavourable effect on the drachma.

**Hungary.**

The clearing agreements have not made it possible to meet Hungary's financial debts, and have hindered the import of

goods, more especially of raw materials. They have exercised an unfavourable influence on the rate of the pengö abroad and have been a contributory factor in increasing the compensation indemnities granted to exporters.

At one time, these agreements also led to a considerable accumulation of pengö at the National Bank of Hungary, and thus exercised a deflationary influence.

**Latvia.**

One of Latvia's objects in concluding clearing agreements with various countries was to eliminate as far as possible the direct transfer of foreign exchange to foreign countries, since the export of foreign exchange as a means of payment diminished the reserves used as cover for the Latvian monetary system. The clearing agreements cannot exercise a direct influence on the reserves of foreign exchange; they can only to some extent make them less liquid, and this is done in the following manner: When payments are made in foreign exchange, the incoming and outgoing amounts of such foreign exchange cause the reserves to fluctuate; this fluctuation is much smaller when payments are effected on the basis of a clearing agreement, as in this case part of the debts can be cleared off without the necessity of drawing on the reserves of foreign exchange. During the year 1933, about 40 per cent of international payments for goods were made in Latvia by means of clearing arrangements, the balance being settled by direct transfers of exchange. The payment clearing arrangements therefore do not directly raise the question of the extent of foreign exchange reserves, but solely that of the method applied for settling international payments.

Under these circumstances, the question naturally arises as to what advantages are obtained by the settlement of international payments by clearing arrangements as compared with direct payments. The clearing method is more convenient, and the settlement of international payments was in fact effected almost entirely by clearing arrangements even before the economic crisis. The change made in this method of settlement as a result of the economic crisis consists of the introduction of a certain system and certain principles which are defined in clearing transactions. This systematisation relates, for instance, to the creation of a certain scale in the amortisation of stocks of goods, other debts, etc. Efforts are also made to introduce the principle of reciprocity into international commercial transactions by means of clearing agreements.

**Netherlands.**

See No. 16.

**Norway.**

See No. 21.

**Sweden.**

See No. 21.

**Yugoslavia.**

The clearing agreements have had a favourable influence on the stability of the currencies of the contracting countries. It is true that the foreign exchange reserves have been largely reduced by the conclusion of a large number of clearing agreements; but it should at once be added that, as a result of these agreements, all demand for *individual requirements* has ceased. The National Bank concentrates in its hands the *Devisen* derived from export to countries with which Yugoslavia has no clearing agreement, together with the free percentages obtained under the clearing agreements; and all the *Devisen* thus obtained are used exclusively for financial payments by the Yugoslav State and State institutions. Payments by individuals to foreign countries are scarcely ever authorised except for imports of goods from countries with which Yugoslavia has no clearing agreement. Such payments are made out of that part (40 per cent) of the *Devisen* derived from exports to countries where there is no clearing agreement, in respect of which there is no obligation to hand over the *Devisen* to the National Bank.

\* \* \*

24. *Have the purposes which you aimed at in concluding your clearing agreements been achieved?*

**Austria.**

The clearing agreements in the first group (see Nos. 1 and 15) concluded on the initiative of other countries were rescinded as soon as it proved possible to make transfers from Austria to foreign countries without resorting to that system. As regards clearing agreements still in force, the results so far observed in the matter of the settlement of accounts are not unfavourable.

**Belgium.**

Clearing agreements have to some extent enabled trade to be restarted and frozen commercial debts to be recovered.

**Bulgaria.**

The clearing agreements have achieved their purpose of averting a still greater evil — that is to say, embargoes or quotas on Bulgarian exports, the blocking of Bulgarian assets, etc.

**Chile.**

Chile's purpose was to export large quantities of Chilean goods to the other contracting parties, buying from them in

return and paying off outstanding Chilean debts. Import restrictions have made the achievement of these ends impossible.

**Czechoslovakia.**

Clearing agreements are measures of necessity, protective weapons under existing circumstances; and they should be treated as such. They afford traders in the States concerned an assurance of obtaining payment, though possibly not till after a long interval and only with difficulty. There can be no question, however, that they have an influence on commercial policy; and it may be taken as certain that, if they continue long enough in operation, trade relations between peoples will be modified in a sense not in accordance with their natural trend.

**Denmark.**

The Danish-German clearing agreement has yielded satisfactory results. It has helped to keep trade between the two countries at a level which it would probably have been difficult to maintain in the absence of such an agreement.

**Estonia.**

The agreement with France has resulted in an improvement in the method of settling accounts.

**France.**

Generally speaking, the clearing agreements were concluded as the lesser of two evils, and it is fair to say that they have brought — at any rate, momentary — relief to French foreign trade. France can also claim to have been satisfied with the results in the case of certain countries — in particular Austria, where the clearing (which incidentally has been under notice of denunciation for some months past) has proved highly effective.

In a number of cases, however, the operation of the clearing has brought to light so many defects, and trade has been reduced to such an extent, as a result of measures taken, whether by France or by the other contracting parties, that the French Government has been led to wonder whether it was desirable to maintain the agreements, at any rate in their present form, and whether it would not be preferable to restrict them to the liquidation of claims in arrear irrespective of the effect on current exports.

Before expressing an opinion as to the consequences of the clearing policy on French foreign trade, it is essential carefully to distinguish the reasons for failure which are inherent in their institution and operation on the one hand and the general causes (such as trade restrictions, quotas, etc.) on the other hand, which would in any case have reduced the volume of French trade without any question of clearing agreements.

**Greece.**

The objects which the Greek Government had in view in introducing the system of compensation agreements have been attained to a certain extent, because (1) the agreements have considerably eased the position in respect of foreign exchange, and to that extent have contributed to the stability of the national currency, and (2) they have facilitated the reduction of the adverse trade balance, even though this result has been achieved in the majority of cases by reducing trade with the countries concerned to the level of the lower figure in the balance. One of the most important factors in the satisfactory operation of the system of compensation agreements, in the Greek Government's opinion, is the fact that the Bank of Greece itself assumes the exchange risks, in the first place, by making immediate payment to the exporter in drachmæ of the sum corresponding to the amount of his claim and, in the second place, by discharging the importer of his debt as soon as he has paid the amount due from him to the foreign exporter in drachmæ converted at the parity of the day of payment.

**Hungary.**

Trade relations have been maintained in the case of each of the clearing agreements, though they have not in general developed as satisfactorily in the case of countries with which Hungary has clearing agreements as in that of countries with which she has none. The clearing agreements have made possible the payment for current imports and to a certain extent the liquidation of trade debt arrears in addition, but they have not made it possible to pay off the whole of such arrears.

It should also be noted that, for various reasons, payments for trade debts have not always been effected through the clearing system.

The development of free percentages has been distinctly unfavourable.

The clearing agreements have, in general, helped to make the foreign exchange control more effective.

**Latvia.**

The question whether the objects at which Latvia aimed in concluding her clearing agreements have been achieved must be answered in the affirmative.

**Norway.**

See No. 21.

**Sweden.**

See No. 21.

**Yugoslavia.**

By the conclusion of the clearing agreements and agreements regarding payments, Yugoslavia has achieved the purposes at which she aimed in concluding the agreements.

\* \* \*

25. *Does the extension of the clearing system to the sphere of multilateral agreements appear to you possible and desirable? If so, in what form?*

**Austria.**

The extension of the clearing system to several countries would certainly seem to be a possibility, but would only be of practical importance in a few cases dependent upon special circumstances. The operation of a clearing system between two countries is closely bound up with a number of economic factors, and any alteration even of a single one of these factors jeopardises a bilateral clearing system. The danger would necessarily be even greater when, as in a multilateral system, the relations between at least three countries play a decisive part and any change in one of the factors governing the relations between two of the States concerned affects the operation of the clearing system as a whole. It would, therefore, hardly appear possible to set up permanently a general clearing system covering several countries.

**Chile.**

In theory, such an extension would be valuable, provided always that the strict application of the clearing system were insisted upon and that no other systems of restriction were introduced to neutralise its effects.

The only case in which such a system would appear practically possible is the case of trilateral agreements between countries whose geographical situation, etc., makes them economically complementary; for there are countries which other countries would find it impossible to admit to a multilateral agreement.

**Czechoslovakia.**

Multilateral clearing agreements are suited to certain circumstances and are desirable. Czechoslovakia herself has on occasion handed over her active clearing balance *vis-à-vis* a particular country to a third State whose clearing balance *vis-à-vis* the second country was adverse. The case shows the practical possibility of a tripartite clearing where circumstances are favourable. The institutions entrusted with the operation of clearing agreements between States can and should

develop their functions, and reduce to a minimum the unfavourable effects which are otherwise the inevitable accompaniment of clearing agreements by recourse to multilateral agreements, particularly between States which are economically and financially interdependent, so as to enable active balances to be used for payment to other States. In other words, any bilateral clearing agreement which leads, directly or at the end of a considerable period, to an active balance in favour of one of the parties ought to be transformed into a multilateral agreement. The ideal (approximately speaking) would be the conclusion of multilateral agreements between a group of countries whose balances of payments were so well arranged that each one of the countries in the group had an equilibrium of payments in relation to the whole of the rest of the group. But it is essential not to shut one's eyes to the fact that the realisation of multilateral agreements will, in practice, encounter obstacles of an all but insurmountable character. It would therefore be better to consider ways and means of promoting a wider resort to *tripartite agreements*. A commission of properly chosen experts might study the concrete possibilities of agreements of this kind and examine such proposals as may be made in this connection. But such agreements, though they represent an advance on purely bilateral agreements, should not be regarded as arrangements of more than a transitory character. They should be regarded rather as a stage in the transition to monetary and economic freedom, and not as permanent arrangements. Lastly, the conclusion of such agreements further presupposes greater mutual comprehension between States than is commonly required for the conclusion of commercial treaties, and that the objects of the present enquiry are not attainable (in our opinion) without the stabilisation of political conditions, in default of which collaboration in this field becomes impossible.

**Estonia.**

The Eesti Pank has not yet considered this question.

**Finland.**

See No. 26.

**France.**

*A priori*, multilateral clearings would appear to be a normal extension of bilateral clearings, and experiments have been attempted in this connection with certain countries which are worth watching.

There are, however, certain considerations which would appear to limit the application of multilateral clearings to special cases.

(a) *Tripartite compensation.*

The practical application of such tripartite compensation is inconceivable except for limited periods and for a group of specified transactions, and its successful operation presupposes a close understanding between the three contracting parties, which will no doubt imply control by the respective States of their foreign trade.

(b) *Universal compensation.*

As to universal compensation, it would appear essential at the outset to exclude countries which are bound throughout to be in the position of debtors incapable of coping with their adverse balances, or at any rate of exercising sufficient control to limit their purchases to their effective potentialities of payment in goods or in foreign exchange.

**Greece.**

The lack of elasticity which the present system of compensation evinces is, in the Greek Government's opinion, an argument in favour of the expansion of bilateral into plurilateral agreements. But the successful operation of a system of plurilateral compensation would depend largely on the extent of its application. The Greek Government has already taken certain steps in this direction by successfully insisting on its recent agreements with Yugoslavia (April 1st, 1934), Roumania (October 17th, 1934) and Turkey (November 10th, 1934) being concluded on a tripartite clearing basis.

**Hungary.**

As the preliminary conditions indispensable to the regular operation of a general multilateral clearing agreement can only be fulfilled with difficulty, it remains to be seen whether there is not a possibility of stimulating international trade by the extension of existing bilateral clearing agreements to a number of countries. But this system also entails serious drawbacks, which make it doubtful whether several countries would be willing to adopt it. On the other hand, the system of private compensation arrangements between several countries, as adopted by Hungary on several occasions, might be recommended to the attention of Governments by the League of Nations, and in appropriate circumstances such multilateral compensation arrangements might be linked up with the official clearing systems.

**Italy.**

There does not seem any justification for regarding it as possible to make clearing agreements multilateral. Other general or special considerations apart, a compensation agree-



ment can only be bilateral, since economic and monetary disorder tends to lead to a system of balanced exchanges and to reduce trade relations to the elementary and primitive form of barter. Only by stabilising currencies and reducing them to a fixed and universally accepted standard, such as gold, will it be possible to conclude multilateral compensation agreements. In such circumstances, however, there would be no more need for such agreements.

Nor can the conclusion of uniform agreements be regarded as possible, although there are a few principles which must always be observed if an agreement is to work. The first of these is the necessity for basing an agreement on the actual and not on a legal or conventional rate of exchange.

In present circumstances, and with only bilateral agreements in mind, it might be possible as an experiment to adopt eventually a super-compensation system for clearing balances. The debts and credits resulting from the clearing balances concluded between the various countries might *periodically* be compensated when occasion offered. Such compensation, however, could be effected only by *joint agreement*, as it is obviously impossible to compel a creditor country to replace one claim by another that is more difficult to settle.

**Latvia.**

Latvia has not had sufficient experience to reach any conclusions on this subject. Since, however, reciprocity is in the very nature of clearing agreements, it would appear extremely difficult to generalise this system in the form of multilateral agreements.

**Norway.**

See No. 21.

**Poland.**

The Polish Government does not think it either desirable or even possible to expand existing bilateral clearing arrangements into a system of multilateral clearing. The difficulties which attend the execution, not only of all clearing agreements, but even of the "semi-clearing" arrangements practised by Poland are the clearest proof of this.

**Sweden.**

See No. 21.

**Switzerland.**

For Switzerland, the question of multilateral clearing agreements has arisen hitherto only in theory. Although she has several clearing balances in her favour, which she would like to wipe out, she has not yet found any countries that would

be prepared to give her a corresponding passive balance. Nor would she be in a position at present to effect an exchange of balances, since, at the moment, she has only a single balance — in relation to Hungary — and it is necessary for her to retain this in order to maintain Swiss exports to that country.

It would, however, appear desirable that this question of multilateral clearings should be thoroughly studied.

**Yugoslavia.**

The system of multilateral clearing agreements would appear to be possible and desirable, though there are practical difficulties in the way of realising all the conditions precedent to the application of such a system.

In the agreement with Greece, Yugoslavia consented to take a part (30 per cent) of her commercial claims in so-called blocked *Devisen* — *i.e.*, in claims of Greece on third countries under Greek compensation agreements with those countries. Unfortunately, it has not proved possible up to the present to recover any part of the Yugoslav claims on Greece through this indirect channel. But the theoretical possibility is there, and would seem to have a good chance of being translated from theory into practice. The difficulty at present in the way is the existence of large Yugoslav claims against the country in relation to which Greece is a creditor (Germany).

It is desirable to point out in this connection that the Yugoslav agreement with Germany contains a clause introduced after the conclusion of the agreement, prohibiting the cession to a third country of the active clearing balance — that is to say, excluding multilateral clearing. (Yugoslavia agreed to this clause at a time when she had an adverse trade balance in relation to Germany; at the present time, there is a considerable balance in favour of Yugoslavia.)

\* \* \*

26. *What conclusions does your experience of clearing agreements enable you to draw from the point of view of international economic policy?*

**Austria.**

Clearing agreements are devices resorted to when the usual methods normally employed for international settlements and money transfers have ceased to operate as a result of circumstances the causes of which are to be found in monetary policy and, in a wider sense, in general economic policy. Clearing agreements would always have the drawback of being

rather more rigid and less adaptable than the normal methods of payment. In an economic system such as existed before the depression, the conclusion of clearing agreements seemed unnecessary. We will have to wait and see whether any features — and if so, which features — of the new economic system that has developed during the depression will continue to exist even after the depression ends and the prosperity curves are rising. The form of the future economic system would also decide the fate of the clearing system.

**Bulgaria.**

Clearing agreements have increased the barriers to international commerce and decreased the trade in goods. International credit and the normal flow of payments have also been effected.

**Chile.**

Such agreements can only be of benefit in special cases, and provided they are applied without other administrative restrictions in contradiction with the principles they embody.

It is also necessary that they should take careful account of the relative economic positions of the contracting countries (debtor and creditor relations, capital investments of either country in the other, relative positions as producers of raw materials, consumers of manufactured articles, etc.) and should aim at equilibrium of the balance of payments and not merely of the balance of trade. Furthermore, they should have regard to existing habits of life in the countries concerned and, where modifications in such habits are required, should not seek to introduce such modifications in other than a slow and gradual manner.

**Estonia.**

Clearing agreements are in the nature of provisional measures applied because of the abnormal situation prevailing in international trade. It would be preferable to bring about conditions permitting of the re-establishment of free dealings in foreign exchange.

**Finland.**

Clearing agreements cannot be to the advantage of international trade. On the contrary, they actually hinder trade between the countries concerned, while, at the same time, showing a tendency to lead, in the long run, to the compensation system of trade. Such a tendency cannot be regarded as desirable, at least in so far as Finland is concerned, whose interests require that international trade should be as free as possible. Clearing agreements should therefore be regarded as an evil which can only be defended when circumstances render

•

it unavoidable. It would therefore be inappropriate to adopt international measures to develop the mechanism of such agreement, and still more inappropriate to endeavour to secure their general application. Attempts should, on the contrary, be made to render the economic conditions of each country such that clearing agreements lose their justification and that the world can be freed from those already in force.

**France.**

The French Government is of opinion that it is difficult to draw from the operation of the clearing agreements any general conclusion sufficiently positive to form the basis of international economic policy.

The practice of compensation agreements is, in the case of France, the result of circumstance; a necessity imposed and not of her own seeking. Conceived as a purely defensive measure, the compensation agreements have only been retained in so far as they were required for the protection of French exporters to certain countries where they were exposed to an increasing risk of failing to obtain payment.

From the standpoint of general international policy, the French Government is inclined to regard clearing agreements as exercising a fatal influence in the direction of universal monetary disequilibrium.

Advocating as it does the prompt restoration of monetary equilibrium, the French Government is inclined to believe that clearing agreements will become objectless as soon as definitive monetary stabilisation is achieved.

In any case, compensation, whether bilateral, tripartite or multilateral, cannot affect the fundamental nature of international trade, which is the exchange of goods for goods. This expedient, capable, no doubt, of limiting the losses of exporters with dangerous commitments in countries with controlled currencies, cannot be expected to enable States with pretensions incompatible with their economic potentialities to maintain permanent economic equilibrium.

**Greece.**

The Greek Government will not be in a hurry to express an opinion as to the lasting value of the compensation system as a permanent part of the machinery of foreign trade. At the same time, it is of opinion that the system has operated from the end of 1931 onwards as a palliative, which has contributed to some extent to moderate the effects of certain phenomena — mainly monetary phenomena — of the world economic crisis.

**Hungary.**

Clearing agreements are not indispensable, especially in the case of relations between a country which has established foreign exchange control and a country which has not. The worse drawbacks of clearing agreements appear in connection with, or as a result of, foreign exchange control. The most serious effect, in so far as foreign trade is concerned, is, in our opinion, the unfavourable influence which such agreements have on the purchase of raw materials. The clearing system demonstrates the truth of the principle that debtor countries cannot, in the ordinary way, make their payments to creditor countries except by the export of goods.

The greatest drawbacks of clearing agreements might be eliminated if countries unprovided with foreign exchange were permitted to draw freely upon the proceeds of their exports to the extent necessary to cover their requirements.

In any case, the importance of clearing agreements should not be exaggerated, as the part they play in world economic activities is of less moment than that played by measures of commercial policy. Nevertheless, the so-called "general" clearing agreements, which provide, not only for commercial payments, but for financial payments also, are particularly dangerous and are therefore to be avoided.

**Italy.**

In the world economic situation, which has been aggravated, if not created, by the collapse and the instability of so many currencies, clearing agreements are a necessary evil which experience shows can hardly be dispensed with if trade is to be kept up within certain limits, by providing, so far as compensation makes it possible, the necessary means of payment.

**Latvia.**

Payment clearing arrangements are closely connected with structural changes which are at present taking place in world economic affairs. The creation of payment clearing arrangements with a view to settling international commitments is due (1) to the disturbances resulting from the failure of the monetary system based on the gold standard, which cannot function except under the liberal system of world economic affairs or foreign trade, and (2) to the destruction of the sound foundations of the principle of most-favoured-nation treatment. The monetary system based on the gold standard which was renewed after the war and adopted in the most important countries in the world provided a method of settlement which was well suited to the highly developed international economy. The fate of this monetary system based on the gold standard was dependent on the very existence of international economy,

and *vice versa*. The collapse of international economy (free movement of capital, circulation of commodities) as a result of the autonomous commercial policy of certain countries (Customs, quotas) was bound to disorganise the working of the gold standard, which, in its former and unchanged form, is the only possible monetary system and method of settlement of liberal international economy.

Similarly, the most-favoured-nation clause in commercial agreements is a characteristic sign of liberal international economy and even its essential element. With the development of the policy of self-sufficiency, certain countries remained faithful, rather by tradition, to the most-favoured-nation clause, but this principle of the most liberal possible international economic system has, in fact, been destroyed. Moreover, this principle cannot even be applied under present conditions, in which economic systems are isolated and commercial policy is based on very special measures (quotas, licences, etc.). The principle of reciprocity is beginning to be introduced into the policy of commercial agreements.

Payment clearing agreements are to be regarded, on the one hand, as a corrective of and substitute for the gold standard system in times of crisis. But, on the other hand, the principle of reciprocity inherent in the new commercial policy is also based on such agreements, the main object of which is to facilitate the working of the monetary system based on the gold standard.

**Netherlands.**

See No. 16.

**Norway.**

See No. 21.

**Poland.**

Poland regards clearing agreements and all private compensation arrangements and the like as a makeshift in the field of international economic relations, and as a system which must necessarily disappear when once the conditions of general recovery throughout the world permit.

**Roumania.**

Without maintaining that payment agreements create a position favourable to other commercial relations in a period of depression such as the present, it must nevertheless be admitted that, by making the structure of such arrangements as complete as possible and by entering into parallel commercial agreements which enable the clauses of such agreements to be executed, the latter are certainly to be preferred to the

position created by the difficulty of making payments in respect of commercial transactions under an unregulated system.

The important point is that, according to our experience hitherto, payment agreements can only give results if they include in particular the regularisation of the service of the public debt, which, in the case of countries like Roumania, should be carried out exclusively by means of the credit balance of exports, and, consequently, if any regulation of foreign payments between different countries is to satisfy commercial and private interests of all kinds, it can only do so if it provides means by which the credit of the State is placed outside the discussion and is brought into line with regulated commercial and private interests.

**Sweden.**

See No. 21.

**Yugoslavia.**

The system of clearing and other agreements on payments appears to be indispensable under the economic and financial conditions at present prevailing in the world. In the first place, it makes possible trade relations between a number of countries which would be more or less unable, in consequence of existing circumstances, to trade together in any other way. A second advantage which the clearing system affords is the restriction of the foreign exchange market and the fact that it creates a possibility of maintaining the stability of the national currency by what may be called technical means, with very little recourse to material means.

The experience of Yugoslavia over nearly three years justifies the National Bank in saying that the clearing system is of great economic value from the international standpoint, though the need is felt of determining and improving the general principles which should govern agreements on payments and, at the same time, finding a means of putting an end to the prohibitive trade restrictions, which do more harm to international trade relations than either foreign exchange restrictions or clearing agreements.

---

**ANNEX III.**

**COUNTRIES WITH CLEARING AGREEMENTS.<sup>1</sup>**

*Austria.*

Bulgaria	Greece	Turkey
Germany	Hungary	

*The Belgo-Luxemburg Union.*

Bulgaria	Greece	Turkey
Chile	Hungary	Yugoslavia
Germany	Roumania	

*Bulgaria.*

Austria	France	Switzerland
The Belgo-Luxem- burg Union	Germany	Turkey
Czechoslovakia	Italy	Yugoslavia
	Spain	

*Chile.*

The Belgo-Luxem- burg Union	France	Netherlands
	Germany	Switzerland

*Czechoslovakia.*

Bulgaria	Greece	Turkey
Estonia	Roumania	Yugoslavia
Germany		

*Denmark.*

Germany

*Ecuador.*

France

---

<sup>1</sup> This list gives under the heading of each country the names of the other countries with which it has concluded clearing agreements still in force.

This list is based on the information received by the Secretariat up to March 1st, 1935.



*Estonia.*

Czechoslovakia

France

Latvia

*Finland.*

Germany

*France.*

Bulgaria  
Chile  
Ecuador  
Estonia

Germany  
Greece  
Hungary  
Latvia

Roumania  
Turkey  
Yugoslavia

*Germany.*

Austria  
The Belgo-Luxem-  
burg Union  
Bulgaria  
Chile  
Czechoslovakia  
Denmark

Finland  
France  
Greece  
Hungary  
Italy  
Latvia  
Netherlands

Norway  
Roumania  
Spain  
Sweden  
Switzerland  
Yugoslavia

*Greece.*

Austria  
The Belgo-Luxem-  
burg Union  
Czechoslovakia

France  
Germany  
Hungary  
Norway

Roumania  
Switzerland  
Turkey  
Yugoslavia

*Hungary.*

Austria  
The Belgo-Luxem-  
burg Union

France  
Germany  
Greece

Italy  
Switzerland  
Turkey

*Italy.*

Bulgaria  
Germany

Hungary  
Roumania

Turkey  
Yugoslavia

*Latvia.*

Estonia

France

Germany

	<i>Netherlands.</i>	
Chile	Germany	Turkey
	<i>Norway.</i>	
Germany	Greece	Turkey
	<i>Roumania.</i>	
The Belgo-Luxem- burg Union Czechoslovakia	France Germany Greece	Italy Switzerland
	<i>Spain.</i>	
Bulgaria	Germany	Yugoslavia
	<i>Sweden.</i>	
Germany	Turkey	
	<i>Switzerland.</i>	
Bulgaria Chile Germany	Greece Hungary Roumania	Turkey Yugoslavia
	<i>Turkey.</i>	
Austria The Belgo-Luxem- burg Union Bulgaria Czechoslovakia	France Greece Hungary Italy Netherlands	Norway Sweden Switzerland Yugoslavia
	<i>Yugoslavia.</i>	
The Belgo-Luxem- burg Union Bulgaria Czechoslovakia	France Germany Greece Italy	Spain Switzerland Turkey

---

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

Official No.: **C. 178. M. 97.** 1935. II.B.

Geneva, May 20th, 1935.

**LEAGUE OF NATIONS**

**ECONOMIC COMMITTEE**

**Considerations  
on the Present Evolution**

**OF**

**AGRICULTURAL  
PROTECTIONISM**

Series of League of Nations Publications

II. ECONOMIC AND FINANCIAL ✓

1935. II.B. 7.

## CONTENTS

---

	Page
<i>Introduction:</i>	
The Economic Committee's Enquiry and Discussions . . . . .	5
I. Origin and Development of Agricultural Protectionism in its Present Forms . . . . .	6
II. Necessity of Agricultural Protection . . . . .	7
III. The " Scissors " Question . . . . .	8
IV. The " National Defence " Argument . . . . .	10
V. Direct Dangers to the Agricultural Producer from Excessive Agricultural Protectionism . . . . .	10
VI. Indirect Dangers to the National Economic System and to International Relations from the Same Cause . . . . .	12
VII. Need for a Return to Moderate Forms of Agricultural Protection . . .	13
 <i>Annexes:</i>	
I. Agricultural Protectionism in Europe in the Post-war Period, by Sir Frederick Leith Ross . . . . .	15
II. The General Evolution of Agriculture at the End of the Nineteenth Century and before the World War, in relation to the Growth of Agricultural Protection — Note by the Secretariat . . . . .	36

---

## CONSIDERATIONS ON THE PRESENT EVOLUTION OF AGRICULTURAL PROTECTIONISM

---

### INTRODUCTION.

1. At its session of July 1934, the Economic Committee of the League of Nations asked the Secretariat to make "a study of the consequences in industrial countries of increased agricultural protectionism and the effects of this policy in countries engaged mainly in agriculture".

Moreover, in the course of the discussions of the Assembly of the League of Nations in September 1934, "stress was laid on the extent to which the demand of agricultural countries for industrial goods is limited by their inability to sell their products in industrial countries, which have increased their agricultural protection".

The Second Committee's report observed that, in the opinion of several delegations, "an investigation of this problem would contribute towards elucidating the reasons for certain of the difficulties the world was encountering at the present moment and would possibly point to some methods of initiating a revival of international exchanges of goods".

The attention which was thus directed to the question of agricultural protectionism emphasised its international importance.

2. Thanks to the active co-operation of its members, the Economic Committee has been able to collect interesting documentary material which facilitates an impartial examination of the problem of agricultural protectionism.

A personal note by Sir Frederick Leith Ross, which is reproduced as an Annex, served as a basis of discussion. This note provides a collection of highly instructive information; it attempts to determine, with the help of statistics, the extent to which excessively rigorous agricultural protectionism is responsible for the collapse of international trade, and arrives at objective conclusions of the greatest interest.

It was supplemented by a number of observations submitted by the members of the Economic Committee and by the agricultural organisations of the different countries.

These documents have enabled the Committee to form an idea of the different points of view adopted by the Governments, by public opinion, and by the circles concerned in the different countries, according to whether they attach most importance to the export of agricultural products or the defence of the home agricultural market; according to the more or less preponderating influence of the agricultural factor in their national economic systems; and, lastly, according to whether, by tradition or necessity, they follow a more or less pronounced policy of protection.

It has been thought desirable to attach to Sir Frederick Leith Ross's note a study which relates how agricultural protectionism developed in Europe in the last third of the 19th century. It is indeed not without interest to follow the simultaneous evolution of agriculture and protectionism during the depression in the agricultural world which

covered the twenty years from 1875 to 1895. The history of the still recent past permits of instructive comparisons with the present, and provides useful lessons.

On the basis of this documentary material, the Economic Committee held a long discussion. The facts of the situation being described in Sir Frederick Leith Ross's note, we shall here confine ourselves to making a few observations of a general character.

## I.

The attached description of the evolution which has occurred since oversea production began to make its appearance on the European market shows what were the origins of agricultural protectionism as practised before the war.

It is unnecessary to recall here how the war, by taking millions of workers from the fields in the belligerent countries just when the armies were demanding more and more foodstuffs, gave an impetus to oversea agricultural production—particularly cereals—the effect of which is still apparent to-day.

For several years indeed after the close of hostilities, Europe continued to import considerable quantities of agricultural products—particularly cereals and meat—her return to her former productive capacity having been retarded by a series of concomitant causes, such as the Russian revolution and numerous agrarian reforms.

But directly her producing capacity was again restored, about 1925, the balance between supply and demand was broken; prices were already on the downgrade, and the full force of the collapse was felt from 1930 onwards.

Exporting countries with a surplus of goods had to bear the full shock of this catastrophe, against which they possessed only one means of defence—a useful means at first, but one which was later to constitute an additional danger—namely, to slow down the marketing of their crops by accumulating stocks.

On the other hand, agricultural producers in the importing countries with a shortage of crops were obliged to appeal to their Governments and to national solidarity in order to escape the contagion. This means they have used, and abused: the introduction of duties two or three times higher than world prices, ever stricter rationing, the progressive reduction to close upon vanishing-point of the proportion of foreign products admitted in the various preparations, bounties for production, export bounties, "schemes", monopolies and various other forms of planned economy.

These Draconian measures, which, quite apart from the disorder which they caused in the delicate and complex mechanism of the balance of international accounts, tend to create as many different price regimes as there are protectionist countries and thus delay a return to the essential system of non-watertight compartments, were followed by a whole series of difficulties, perhaps less serious but almost as irksome. Quotas have to be allocated as between the countries; hence the danger of discrimination. Quotas have to be allocated as between the traders, and allocation is necessarily synonymous with delay, confusion, error, abuse, *de facto* monopoly and sometimes corruption. The whole body of sanitary measures, applied with the utmost severity, creates a suspicion that those measures have economic objects, and one cannot understand why international co-operation, which is making such strides in the matter of human hygiene, should remain powerless in regard to animal hygiene.

The consequence of all these measures, applied more particularly by the big industrial countries, was naturally a big-scale reduction, amounting in some cases to the total exclusion, of agricultural imports, and that more particularly in the case of products—

such as wheat, meat and butter—playing a fundamental part in the economic life of the producing countries.

That, roughly, is a picture of the present situation, which is a matter of common knowledge and which, consequently, it is unnecessary to describe in any detail. This situation, taken as a whole, represents a defensive reaction, often violent and incoherent, but in the main comprehensible, against the dangers of an unprecedented economic depression.

Had it achieved its object, it would be difficult indeed to criticise it; but facts are to hand which prove that this exaggerated policy of protectionism, spreading from one country to another, is tending to prolong the depression which it was designed to combat and to prejudice the interests of the classes that it aimed at protecting. In its present extreme form, it no longer has anything in common with a moderate protectionism, which is quite compatible with the normal functioning of international trade.

## II.

Kept within reasonable limits, as practised before the war, agricultural protectionism represents indeed only one form—possibly the most important—of voluntary redistribution of national wealth to which it is hardly fair to apply the abstract standards of pure economic criticism.

Even admitting that Customs duties, by making production dearer, result in the relative impoverishment of the population, it is quite conceivable that a country may prefer to make sure of a strong agriculture and rather less prosperity than seek its wealth in what it regards as over-industrialisation—a conception which the economic depression has strengthened by showing up the vulnerability of over-organised systems of economy.

Nor must it be forgotten that the agricultural system of the older countries already existed, practically in its present distribution, at a time when the world movement of agricultural products was non-existent and when consequently the particular development of that agriculture corresponded to essentially local requirements. The peasant class in those countries still retains this former character, as regards both distribution and manner of living—a fact which places it in a position of relative inferiority in relation to oversea countries and often even in relation to certain Eastern European countries, especially for big-scale production.

True, the moment is in sight when, thanks to the increasing extension of technical progress, half the agricultural population of any given country will be amply sufficient to supply a demand which, unlike the demand for industrial products, can after all only increase at the same rate as the population itself.

But it is clear that no country in which the peasant class plays a fundamental part—and that is the case in almost all countries—can agree to allow this evolution to proceed so rapidly as to produce highly dangerous upheavals. One has, moreover, to reckon with the idea, somewhat obscure but not devoid of foundation, that the farmer, for a series of reasons independent of his will, such as atmospheric disturbances or diseases of animals and plants, is exposed to more sudden and dangerous risks than other classes of producers. It will seem natural, then, in the main, that in countries in which the historical development and dominant conceptions in the life of the people demand such an effort, the population as a whole should be prepared to afford special assistance to the agricultural classes—generally in the form of protective duties—and that such help should be considered more and more imperative in proportion as agricultural prices collapse and the depression continues to exercise its effects.

For social, historical and psychological reasons, the preservation of agriculture appears to the majority of countries as an absolutely vital question, and one which cannot be considered as a purely economic problem. The peasant class, which is an element of order and stability and an admirable reserve of energy, forms, at any rate in the countries of the Old World, the basis of the social edifice, and plays an essential part in reconstituting and rejuvenating the physical strength of generations worn out by life in industrial and large urban centres.

All countries indeed, even the most strongly industrialised, consider it necessary to support their agriculture, which, moreover, in every case occupies a great part of the population. Even when, as in England, it represents a small minority, it nevertheless constitutes one of the chief categories of producers, and that is why, provided that no excesses are indulged in, which would defeat their own ends, a Government can hardly be criticised for endeavouring to maintain the rural classes at a reasonable level of prosperity in order that they may continue to exercise the important part which they play in the national life.

Even the agricultural exporting countries cannot but regard such an aim with sympathy.

Furthermore, it would be impossible in practice to neglect the special interests of agriculture out of regard for principles of pure economics, in view of the enormous political force which it represents in every country, irrespective of climate, development or system of government.

It would therefore show little sense of reality to endeavour to apply free-trade principles to agricultural problems and to plead in favour of the abolition of any form of protection.

The only practical aim which we can set before us is to determine what are the limits which should be placed on this form of mutual social aid in order to prevent it from becoming harmful to the normal development of international economic relations and to ensure that it shall not involve any loss for the nation which practises it or, ultimately, for the farmer himself.

### III.

One of the most cogent economic arguments, and one frequently adduced, in favour of agricultural protectionism is that of the "scissors"—that is to say, the disparity at any given moment between agricultural and industrial prices. While recognising the force of this argument, it must not be forgotten that a certain disparity between these two categories of prices may be regarded as normal. It would only be possible to lay down that the two price regimes must be absolutely equal if either the agricultural producer were forced to purchase on the market all that he required to feed his family and to pay a rent such as is paid for a house in an urban settlement, or if the industrial worker were able to obtain both these requirements on the same conditions as apply to the farmer.

But this, notwithstanding the disparity between agricultural and industrial prices, is the mark of a very serious state of disequilibrium which operates to the detriment of the agricultural producer when unduly accentuated, as it is at present. On the one hand, the expenses of the agricultural producer are greater than they were before the war. On the other hand, the exchange value of agricultural products has fallen in a few years by more than half, and the fall in prices has been infinitely greater in the case of agriculture than in that of industry.



This state of affairs is due to several causes:

(a) In industry, the workers' and employers' organisations have often succeeded in arresting the fall in industrial prices. In an eminently variable economic system, they have introduced a fixed element which does not exist to the same degree in agriculture.

(b) In industry, "marginal" producers who cannot work at a profit are eliminated and supply can be adjusted to a diminishing demand by reducing production and exercising strict control over sales. In agriculture, on the other hand, it is not possible to regulate competition between producers by means of combined and organised efforts. Having to live on the produce of their land, the bulk of the small peasants continue to produce, whatever their financial situation, and the total production remains unchanged. Often, indeed, the unorganised agricultural producer, guided simply by his individual interests, will tend to increase the volume of his output, in order to compensate the losses resulting from the fall in prices.

(c) Moreover, the farmer, disposing as he does of his more important products to middlemen who distribute them in succession until they reach the consumer, does not, like the manufacturer, feel the drawbacks of a production which no longer answers to the needs of consumption until the situation thus created has already become difficult.

These various facts tend to show how difficult it is for the agricultural producer to adapt himself to new and unexpected situations, and are consequently an argument in favour of protection.

One might wonder whether the remedy for this excessive disparity is to be sought in the reduction of industrial prices or in an increase in agricultural prices. Were it not for the fear of being misunderstood, one would not hesitate to say that the elimination of the "scissors" must be brought about by raising the exchange value of agricultural products.

Unfortunately, as we have said, even for a commodity such as wheat, which can be grown in almost any climate, it is difficult as yet to speak of a world price; as this notion now applies only to such quantities—very small compared with the world production—as still form the object of international trade.

The highly protected importing countries have succeeded by various means (exclusion of imports, fixing of a minimum price, monopoly of sales and purchases, etc.) in creating, each for itself, a national price for wheat (as indeed for other agricultural products) which is more or less independent of external prices. The exporting countries themselves, in order to cope to a certain extent with the catastrophic drop in prices aggravated by the growth of protectionism in importing countries, have been obliged, whether they would or not, to employ various measures of co-operation to raise prices on the home market.

Hence there is the danger to-day of misunderstanding if one speaks of an increase or decline in agricultural prices without stating at the same time what prices and what countries are referred to.

Reverting, subject to this reservation, to the desirability of raising world prices for agricultural products, this notion must be understood as applying to foodstuffs the prices for which are not the result of strict artificial measures.

As regards agricultural prices in countries which apply such measures, in all probability when—by the gradual demobilisation of economic nationalism and the re-establishment of monetary order—the necessary equilibrium is restored between prices on the home and on foreign markets, an absolute increase in agricultural prices can hardly be expected. But, none the less, the "scissors" rectification will be brought about in the form of a simultaneous drop in industrial prices and in the expenses of the agricultural producer in general.

#### IV.

Before dealing with the purely commonsense reasons in favour of moderation in agricultural protectionism, it is important to examine more closely one other argument which is often adduced and which never fails to produce its effect by appealing to patriotic feeling. We refer to what may be summed up as *the interests of national defence*.

The country must be in a position, by its own means, to supply its own agricultural commodities in time of war. This is a most praiseworthy desire in itself, but the practical truth underlying it is rather less sound.

To take only the chief forms of agricultural production, such as cereals and meat, one need but remember what happened during the last war. Not one of the belligerent countries was able to keep on the land the labour, men in particular, necessary to produce the quantity of foodstuffs which it had produced in time of peace.

If that was the case in 1914, how could the countries in question hope to be able to maintain their agricultural production at the much higher level that it has attained under the "hothouse" system of intensive protectionism?

Undoubtedly those countries would soon be forced to have recourse to imports from abroad. Since, however, other belligerents would be in the same situation at the same moment, there would certainly occur on the world market an increase of demand and probably a stupendous rise in the prices of the agricultural commodities in question. Again, it is no easy matter to organise enormous deliveries rapidly when for years, as the result of the policy of the importing countries, commercial relations between the latter and the exporting countries have been interrupted or strained.

It may be added, further, that a country which, in order to remain independent in case of conflict, has long pursued a strict policy of economic isolation will probably thereby have endangered the development of its external economic relations and will consequently find itself with but few resources just when it is obliged to make large purchases at very high prices.

This is not the place to express an opinion on the probable results of such a policy applied on a big scale, but, as regards supplies of cereals, sugar, meat, etc., the idea of self-sufficiency in case of war may prove to be a dangerous illusion.

It is, however, only right to add that since the war certain countries with a high birth-rate may have been obliged, by means of strict Customs protection, to over-develop certain agricultural productions simply because, owing to the closing of emigration territories and the stifling of international trade, they saw no other possibility of feeding or providing work for a growing population.

#### V.

It must not be forgotten that an agricultural producer living in an adequately protected country remains indifferent to the fate of the farmers in the exporting countries. Even if it is pointed out to him that the reduction in their purchasing power will prevent them from purchasing the industrial products of his own country and from paying their debts, that will not disturb him unduly.

It is important, then, to lay special stress on such arguments as are likely to appeal directly to the reason and personal interest of the agricultural producer himself. For this purpose, he must be made to understand that *agricultural protection far more than industrial protection must be moderate if it is to be really effective*.

Its essential purpose, indeed, is to keep home prices at a minimum level regarded as remunerative. Directly, however, the restrictive measures imposed on the import of the agricultural commodity in question become so severe as to ensure the agricultural producer (for example, for his wheat) a price two, three or even four times as high as the price obtaining on the world market, the inevitable consequence—despite all the costly and complicated systems of supervision over and limitation of production—will be to make the majority of agricultural producers, even those who find themselves in the most unfavourable conditions, intensify their production of the commodity in question.

Over-protection inevitably leads to over-production. Recent experience shows beyond all shadow of doubt the inevitable character of these consequences. Directly over-production takes root in a country, the whole machinery of protection, set up and maintained at such cost, ceases to function. Prices drop and it becomes necessary to have recourse to increasingly burdensome and increasingly artificial methods (creation of stocks, carrying forward, fixing of minimum prices, various more or less highly developed forms of planned economy, etc.) which, as a rule, simply aggravate the situation and increase the discontent of the agricultural producer.

It may be noted, further, that even a very small excess of production over consumption is sufficient to bring about a drop in prices out of all proportion to the actual excess.

In the case of production on so large and important a scale, for example, as that of wheat and other cereals, a country which, even quite recently, imported considerable quantities is exposed to a serious danger when, by intensifying its production, it manages to produce a quantity equal, or almost equal, to its consumption. From that moment onward it has entered the danger zone; it is no longer master of events, and is at the mercy of atmospheric conditions. Only a good harvest is needed for its whole defensive system to become a fresh source of calamity for the agricultural producer whom that system was designed to protect.

With the advent of the economic depression which set in in 1929, the majority of countries, threatened by the complete breakdown of international economic equilibrium, sought a remedy in the application of methods which were useful only when they did not exceed certain limits. There thus ensued, first, a progressive increase of duties, followed by the establishment of a system of restrictions practically excluding all imports of certain important agricultural commodities.

The inevitable consequences of these methods were not slow in making themselves felt. Several important countries which in previous years had still imported large quantities of wheat and other cereals increased their production so as fully to cover their requirements. Often, indeed, they found themselves with large excess amounts which led to the collapse of prices and obliged the Government to dip into State funds again in order to constitute stocks, give bonuses for denaturation, export, etc. Billiards are being spent in this way because, having benefited for a long time by artificially increased prices, the farmers have naturally been led to increase by every possible means a production thus privileged.

Is it necessary to add that the farmers, having lost their bearings in the face of the collapse of the defensive system which they thought infallible, and being obliged to purchase industrial products which they require at equally high prices, have forgotten that for years they obtained prices representing twice or three times those paid on the world market? More dissatisfied than ever, they reproach Governments with being lacking in energy in the defence of their interests and insist on the complete closing of the frontiers. Thus the vicious circle is complete.

But these direct consequences are not apparent in all the protectionist countries. Many industrial countries are still obliged, notwithstanding the very close protectionism which they have instituted, to obtain their supplies to a large extent from abroad. For

them the problem of internal over-production does not arise, but their policy none the less involves all the drawbacks of a system of very high prices.

On the basis of post-war experience, it is safe to affirm, without fear of contradiction, that an industrial country, which always requires to maintain the closest relations with other countries, will never be in a better position than if it succeeds, by means of moderate protection, in keeping the prices of the chief agricultural commodities, and particularly wheat, at a reasonable level which will prevent over-production and enable it to retain the ample possibilities in regard to agricultural imports. This policy is undoubtedly the wisest, both in time of peace and in anticipation of possible conflicts.

These possibilities in regard to import will, moreover, constitute the best guarantee of the efficiency of the protection system, which will thereby escape the dangers inherent in its exaggeration.

Further, such moderation will carry with it the benefits of a moderate price level, promoting exports, thanks to the moderate cost of production and to the possibility of marketing industrial articles without difficulty in countries which export agricultural products.

Lastly, if the prices of agricultural products are kept within reasonable limits, this will also prevent an excessive increase in the value of land, which would involve correspondingly heavy mortgage charges and would raise farm rents. The day will come when these prices, which are out of all proportion to external prices, will give place to lower prices; the farmer—or his children—will then be glad not to be weighed down by an excessive burden of debt, and the State will avoid the painful necessity of arbitrarily reducing farm rents by exceptional legislation.

## VI.

Apart from the direct consequences described above, excessive agricultural protectionism involves other effects which, though indirect, are no less serious.

How can one explain the fact that in certain industrial countries, where it is practically impossible to import a ton of foreign meat, the prices for meat on the home market fall rapidly as the economic depression becomes more acute? Is it a question of over-production or of under-consumption? These expressions, which have been so loosely used in speaking of the economic depression, obviously correspond to purely relative notions. The fact that to-day, in the countries of Europe as a whole, more meat or more butter is produced than was being produced before the war, does not prove that this increased production could not be absorbed if the mass of the population, which has also increased, found itself in a normal economic situation. One need only think of the millions of people who are unemployed or under-fed to realise that the disparity between supply and demand must to a large extent be attributed to the falling-off in the number of persons possessing the wherewithal to purchase the commodities in question at the high prices kept up by the protectionist system.

The fact is too easily forgotten that the policy of scarcity adopted to-day by a large number of countries—this is merely a statement, not a criticism, for a policy of expansion and recovery can hardly be enforced by one country without simultaneous co-operation on the part of others—in the long run reduces the number of consumers of agricultural products and at the same time involves certain forms of over-production.

Town-dwellers and industrial workers in particular, whose income is daily declining, are gradually forced to reduce their consumption of meat, butter, eggs, etc. Then, protection notwithstanding, there is a weakening of prices which is not, however,

accompanied by an increase of consumption. It will simply be the sign of the progressive decline of the national economic system.

In order to realise the relationship that exists between this general weakness of the home market and an extreme agricultural protectionist policy, one need only consider the part that is played by the prices of foodstuffs in the daily expenditure of industrial workers. The higher these prices are, the higher wages will be, and industry cannot cope with foreign competition except by obtaining in its turn a form of protection as effective as that enjoyed by agriculture; thus prohibitive duties, quotas and prohibitions will extend from agricultural products to the products of industry.

From that moment onwards the export possibilities of industry will decline. Everything will be done to maintain them, even selling at a loss, but this will only be possible by further raising industrial prices on the home market.

The agricultural producer will thus be obliged in future to pay high prices for the industrial products which he requires, just as the worker will have to pay high prices for his foodstuffs. Despite the rise in their nominal income, both will feel the effects of the depression more than ever under a system of national economy which is gradually declining as its exchanges of all kinds with the outer world diminish.

Under these conditions, commercial negotiations become more and more difficult, the industrial countries being unable to offer any very considerable advantages in exchange for the concessions which they demand from the agricultural countries. Exaggerated agricultural protectionism thus contributes to the loss of industrial markets.

The ultimate consequences of this state of affairs are brought out in the note, annexed hereto, of Sir Frederick Leith Ross, and are summed up in his conclusions, which, however, apply more particularly to the relations between the industrial countries of Europe and the oversea agricultural countries.

It need hardly be added that a similar situation exists on the Continent of Europe and that the relations between the different European countries are affected in a similar way by the operation of an excessive agricultural protectionism.

The difficulty in Europe lies not only in the conflicting interests of the typically agricultural and the highly industrialised countries, but in the almost insurmountable obstacles which at present stand in the way of the development of commercial exchanges between the industrial countries themselves. These are, in point of fact, large agricultural producers in their turn. They were in the habit until quite recently of exchanging with one another considerable quantities of specific commodities (butter, cheese, citrous and other fruits, wine, etc.) in the production of which they were severally specialised. The present state of depression of this important branch of European trade is a matter of common knowledge.

## VII.

An analysis of the situation permits of the conclusion that the maintenance of a normal current of agricultural imports on the part of the industrial countries is in keeping with the true interests of the nation as a whole and of the agricultural producers in particular. Such a conclusion is obviously incompatible with the existence of unduly restrictive quotas, but it does not in any sense exclude the maintenance of reasonable protectionist duties. Certain countries which import large quantities of agricultural products prefer to afford their agriculture what appears to them equitable assistance by means of direct subsidies, the funds for which are provided by duties sufficiently moderate in themselves not to cause any undesirable rise in the cost of foodstuffs within the country.

There are certain signs, moreover, which point to an improvement in world prices, and this will not fail to facilitate a gradual return to the moderate form of protection which was the rule in the past and which achieved its purpose without involving, for the national systems of economy or for international relations, the dangers briefly described above.

It may not perhaps be unduly optimistic to hold that the agricultural producers, having learned wisdom from the cruel experience to which they have just been subjected, will realise the necessity of reducing agricultural protection to reasonable proportions and thus gradually re-establishing the pre-war situation.

The necessary transition might be more easily engineered if exporters could manage to organise themselves so as to avoid unco-ordinated and ruinous competition, which, by flooding the market with products offered at depreciated prices, tends to strengthen the protectionist policy of the industrial countries.

The solution of the agricultural problem can, of course, only be sought in an evolution tending towards the resumption of regular economic relations—an evolution which must occur simultaneously in the sphere of industry, commerce, currency and finance. But such an evolution cannot be the outcome of the individual policy of any one isolated country; it can be brought about only by new tendencies adopted simultaneously by a number of countries.

---

**ANNEX I.**

**AGRARIAN PROTECTION IN EUROPE IN THE POST-WAR PERIOD.**

**SIR FREDERICK LEITH ROSS' PERSONAL OPINION ON THE QUESTION.**

**I. The Period prior to 1929.**

1. The post-war period has witnessed a progressive movement towards agricultural protection on the part of virtually every country in Europe. The origin of this movement is to be sought less in the direct effects of the war itself than in the process of recovery from the economic disorder produced by the war.

The years immediately following the close of the war were years in which international trade in general was hampered by the prevalence of high tariffs and other restrictions of a severity and comprehensiveness to which there was no previous parallel, but, broadly speaking, *the main incidence of these restrictions was on manufactured goods and not on agricultural products.*

The following table gives a comparison of the levels of duty to which United States exports of wheat were subject in twenty<sup>1</sup> leading importing countries in 1913 and in 1922. These twenty countries took 97% of United States exports of wheat in 1910-1914.

Table 1.

**TARIFF LEVELS ON UNITED STATES WHEAT EXPORTS IN LEADING WHEAT-IMPORTING COUNTRIES.<sup>2</sup>**

Rate category	1913		1922	
	Number of countries	Percentage of total U.S. wheat exports	Number of countries	Percentage of total U.S. wheat exports
Duty free . . . . .	8	69	10	66
Up to 15 cents per bushel . . . . .	5	3	6	20
15 to 35 cents per bushel . . . . .	2	4	3	13
Over 35 cents per bushel . . . . .	5	24	2	1

1. It will be seen that, in 1913, 24% of United States wheat exports to these countries was subject to a duty in excess of 35 cents a bushel, but that, in 1922, although

<sup>1</sup> The number of countries in 1922 was twenty-one, owing to the creation of Poland as an independent State after the war.

<sup>2</sup> From "World Trade Barriers in Relation to American Agriculture", Washington, Seventy-third Congress, First Session, Senate Document No. 70 (1933), page 42.

the United States export balance of wheat was about 170% larger than the average of 1909 to 1913, the proportion subject to a duty of this magnitude was virtually *nil*.

A similar enquiry into the level of tariffs on meat and lard revealed that in ten of the twelve principal foreign markets American products were receiving in June 1923 treatment at least as favourable as in 1913.<sup>1</sup>

The relatively liberal policy followed by importing countries was mainly due to the impairment of production in Europe consequent upon the war. The economic problems relating to agricultural products in these years were problems of scarcity and not of over-production. Thus the area under wheat in Europe (excluding Russia) had fallen from an average of 29,340 million hectares in 1909-1913 to an average of 26,720 in 1921-1925. The Russian area had fallen from 29,950 million hectares in 1909-1913 to 24,878 in 1925. Similarly, the number of hogs in Europe (excluding Russia) was 57 millions in 1920-1922 compared with 68 millions in 1909-1913; the number of cattle, 99 millions in the latter period compared with 100 millions in the former.

In consequence, the volume of world trade in some of the chief foodstuffs was considerably greater after the war than before it. World exports of wheat and wheat-flour, for example, increased by about 18% in volume between 1909-1913 and 1922-1925, the European import balance rising by more than 20% if Russia is excluded, and by about 90% if Russia is included. The total of the import balances of beef and veal into five of the leading European importing countries was considerably more than twice as large in 1925 as in 1909-1913. (See *Table 16* below.)

2. This phase of post-war economic history, however, came to an end at about the year 1925. During the succeeding period, up to the commencement of the world depression in 1929, the evolution of policy affecting trade in agricultural products and in manufactured goods again followed contrasting lines.

By 1925, the most disastrous of the post-war currency disturbances were over. As regards *manufactured goods*, the gradual restoration of more normal conditions encouraged the stabilisation, if not the lowering, of tariffs, the abolition of direct restrictions, and a return to the policy of regulating trade by means of commercial treaties and the most-favoured-nation clause. The ideals of the period are reflected in the recommendations of the World Economic Conference of 1927. Though actual achievement fell far short of the aspirations expressed in these recommendations and though the general level of tariffs remained high, trade in manufactured products between 1925 and 1929 was subject to considerably less restriction than in the preceding years. But this was not true of *agricultural products*; several facts combine to make 1925 a significant date in the post-war history of agriculture, particularly as regards wheat. It was the first year in which the production of wheat in Europe (excluding Russia) exceeded the average of the five years preceding the war. It was the year in which Germany recovered her freedom, under the terms of the peace treaties, to impose Customs duties, and took advantage of it to re-enact high tariffs on food imports. Sliding-scale duties on wheat imported into Austria and Czechoslovakia likewise came into force in 1925. And, finally, 1925 was the year in which the Fascist Government in Italy re-imposed the duty on wheat, which had been abolished in 1921, and inaugurated its wheat-growing campaign known as the "battle of the grain", with the declared intention of minimising Italy's dependence on foreign food-supplies.

Thus the growth of protectionist policy in the interests of European agriculture is by no means wholly the result of the depression commencing in 1929. The rise of Customs barriers in the period prior to 1929 is illustrated in *Table 2*, in which the duties on wheat

---

<sup>1</sup> From "World Trade Barriers in Relation to American Agriculture", Washington, Seventy-third Congress, First Session, Senate Document No. 70 (1933), page 43.



in force in various European countries at certain dates are compared. The countries covered by this table are the major wheat-importing countries of Europe; the total of their import-balances over the years 1924-1928 amounted to approximately 94% of the total for all European *wheat*-importing countries and to approximately 76% of the total for the world.

The table shows that importation was free at the beginning of 1924 in eight out of the twelve countries included; but that, by the beginning of 1929, the number of free markets had shrunk to four. On the basis of their average import-balances during 1924-1928, the eight countries which permitted free importation in 1924 constituted 64% of the world import market for wheat and wheat-flour; the four which continued to permit free importation in 1929 constituted on the same basis only 39%.

Wheat was not the only commodity affected by the growth of trade barriers. In many countries, the protection given to wheat was part of a general protectionist policy for cereal products. Duties on *meats* also showed a rising tendency during this period; the German duty on fresh and chilled meat, for example, being raised in August 1927 from RM.21 per 100 kg. to RM.32, while the French duties on beef were raised during the later months of 1927 and earlier months of 1928 from 50 to 350 francs per 100 kg. in the case of fresh and chilled beef and from 50 to 180 francs in the case of frozen beef.

## II. The Period since 1929.

I. The third and most critical phase in the development of European protectionist policy since the war is the period of world depression since 1929. As world prices fell, so European Customs barriers rose, each country attempting by this means to shield its own agricultural industry from depression or even to encourage its expansion in order to provide employment for some of those thrown out of work by the decline of industrial activity. In the earlier years of the depression, the foodstuffs most affected by the fall of prices were *wheat* and other cereal crops, the price of Canadian wheat in London and Liverpool falling from an average of 48s. 6d. per quarter in 1929 to 35s. 10d. in 1930 and 23s. 7d. in 1931.

These commodities accordingly provide the first conspicuous examples of increased protection.

*German duties* on wheat were changed six times in the course of the year 1930, the total effect of the revisions being to increase the general rate from RM.7.50 per 100 kg. to RM.25 per 100 kg., the latter figure being equivalent (at par) to 12s. 6d. per cwt., or about 150% of the English price of Canadian wheat during 1930. At the same time, the lower conventional rate of duty applicable to imports from countries enjoying most-favoured-nation treatment was abolished. The duty was further revised in October 1934 to RM.35 per 100 kg.

*In France*, the duty was raised in May 1929 from 35 francs per 100 kg. to 50 francs, and in May 1930 to 80 francs, at which rate it was equivalent to 6s. 8d. per cwt. In July 1931, the maximum rates of duty, hitherto equal to the above minimum rates, were doubled.

*The Italian duty*, which was 14 gold lire per 100 kg. after May 1929, was raised to 16.50 gold lire in 1930 and to 75 paper lire in August 1931, the effect of the latter change being to raise the rate from 6s. 9d. per cwt. to 8s. 3d. (at par). Since the average English price of Canadian wheat during 1931 fell to 5s. 6d. per cwt., the latest Italian duty was also equivalent to about 150% *ad valorem* at the time of its imposition.

In the *United Kingdom*, under the provisions of the Wheat Act which came into force in May 1932, a levy has been charged on flour, both imported and home-produced, out of the proceeds of which payments have been made to British farmers, designed to make up the difference between the prices at which their wheat has been sold and a "guaranteed price" of 10s. per cwt. This guaranteed price, however, is only payable on a maximum home crop of 27 million cwt. of millable quality, and the subsidy is proportionately reduced if the quantity exceeds this figure. The average price of British wheat during the crop year 1932-33 was 5s. 7d. per cwt.; the guaranteed price therefore represented during that year an addition of about 79% to the market price.

At the same time, tariff-protection was supplemented in many countries by other means of control, notably by measures requiring the milling industry to use a *specified percentage of domestic grain* in the manufacture of flour for home consumption, in some cases with the stipulation that this domestic grain must be purchased at an officially determined price. Milling quota regulations of this sort were initiated in Germany in July 1929; they are now in force in at least eight <sup>1</sup> of the countries included in *Table 2*. In addition, several countries have established official or semi-official *import monopolies* for wheat, while importation is also controlled in a number of countries by means of import *licences or quotas*.

2. In the case of *meats*, the major part of the price-fall during the depression has occurred since 1930; generally speaking, therefore, the adoption of extreme protectionist measures has been more recent than in the case of wheat. During 1930, the *German duty* on fresh and chilled meats (other than bacon) was increased by 20% (40% in the case of ham) and thus brought level with the duty on frozen meat. The duty-free quota of imports of frozen meat was also abolished in that year. During 1931, further increases of about 22% occurred in the duties on fresh, chilled and frozen meats; the rates then established remained in force until February 1933. At this date they were drastically revised, the duty on fresh, chilled and frozen meats rising from RM.55 to RM.100 per 100 kg.; and duties on prepared meats (except canned meat) in a similar proportion. The new duty on fresh, chilled and frozen meat was equivalent at the time of its imposition to £3 10s. 4d. per cwt., which is about 124% of the price of Argentine chilled beef in London for the month in question. In addition to these duties, import regulations now exist which virtually prohibit the import of frozen meat.

In *France*, the import duties on beef, mutton and lamb were unchanged between 1929 and 1933, except for the imposition of an "Exchange Compensation" surtax on imports from countries with depreciated currencies. In May 1933, however, "licence taxes" were imposed on all imports of meat. The present rates of duty on beef, mutton and lamb, including the licence tax, are 275 francs per 100 kg. for fresh and chilled meat and 190 francs for frozen meat. Duties on pork were raised in 1930 and 1931. The present inclusive duty on fresh and chilled pork is 375 francs per 100 kg.; that on frozen pork is 230 francs. In October 1931, the importation of meat was subjected to regulation by quota and, since April 1934, quotas have been allotted for mutton only, so that the importation of other meats is now in practice prohibited.

In *Italy*, the duties on unprepared meats were increased by about 400% in September 1932, the rate applicable to fresh, chilled and frozen meat since that date being 140 lire per 100 kg. Since January 1st, 1932, a regulation has been in force providing that municipal slaughterhouses must regulate their weekly output of slaughtered animals so that at least 85% of the total is of domestic origin.

---

<sup>1</sup> Germany, France, Italy, Sweden, Belgium, Czechoslovakia, the Netherlands, Greece.

Table 2.

## CUSTOMS DUTIES ON WHEAT IN EUROPEAN IMPORTING COUNTRIES.

Date	United Kingdom	Italy	Germany	France	Belgium	Netherlands	Czechoslovakia	Greece	Irish Free State	Switzerland	Austria	Sweden
January 1st, 1924 : (a) Duty in currency per 100 kg. (b) English equivalent per cwt. *	Free	Free	Free	14 fr.	Free	Free	Free	42 dr. <sup>b</sup> (paper) 2s.	Free	(State Import Monopoly)	Free	3.70 kr.
	Free	Free	Free	1s. 7½d.	Free	Free	Free		Free		Free	2s. 1d.
January 1st, 1929 : (a) Duty in currency per 100 kg. (b) English equivalent per cwt. *	Free	11L.(gold)	RM. 5 <sup>c</sup>	35 fr.	Free	Free	30 Cz. Kr.	109.20 dr. <sup>b</sup> (paper)	Free	(State Import Monopoly)	2 kr. (gold)	3.70 kr.
	Free	4s. 6d.	2s. 6d.	2s. 11d.	Free	Free	1s. 10d.	2s. 11½d. <sup>b</sup>	Free		10¼d.	2s. 1d.
January 1st, 1934 : (a) Duty in currency per 100 kg. (b) English equivalent per cwt. *	<sup>d</sup>	75. L. <sup>e</sup>	RM. 25 <sup>e</sup>	80 fr. <sup>e</sup>	Free <sup>e</sup>	Free <sup>e</sup>	55 Cz. Kr. <sup>e f</sup>	210 dr. <sup>b e</sup> (paper)	Free	(State Import Monopoly)	8.80 kr. (gold)	3.70 kr. <sup>e f</sup>
	<sup>d</sup>	12s. 4d.	18s. 11d.	10s. 1d.	Free	Free	5s. 1d.	3s. 9½d.	Free		5s. 8d.	2s. 1d.

\* Calculated at rate of exchange ruling at the times in question.

<sup>b</sup> Approximate level of Customs duty plus surtax.

<sup>c</sup> Reduced General Rate. The general duty was RM.7.50 per 100 kg., equivalent to 3s. 9d. per cwt.

<sup>d</sup> "Ottawa" duty of 5s. 6d. per cwt. on foreign wheat.

<sup>e</sup> Countries in which milling regulations are in force.

<sup>f</sup> State or other official monopoly of import trade.

General Note. — The duties above quoted are, so far as can be ascertained, the minimum rates in force at the various dates. In most cases, they are the rates leviable on imports from countries with which there is a commercial treaty embodying the most-favoured-nation clause. In some cases, lower rates are chargeable on specified quantities of wheat imported from particular countries.

*Belgium* abolished free importation of meats in November 1931. Since March 1932, the duty on fresh and chilled meats (except bacon, which is still free) has been 120.75 francs per 100 kg. and on frozen meat 86.25 francs. From May 1932, meat and cattle have been among the commodities whose importation into Belgium has been controlled by licence. The Austrian rates of duty on bacon and lard were materially raised in July 1931.

3. With regard to *butter*, the *German duty* prior to November 1930 was RM.27.50 per 100 kg. It was raised to RM. 50 at that date; and, since November 1932, it has been at the rate of RM.75 per 100 kg., total annual imports at the same time being limited by quota. The quota for 1934 is 45,000 metric tons, or about 47% of the average annual import balance for the years 1924 to 1928. Since the end of 1933, butter has been under the control of the official fats monopoly. A surcharge in addition to the Customs duty has been charged since early in 1934, in order to bring the price of imported butter up to the internal level. The duty of RM.75 per 100 kg. is equivalent to about £3 2s. per cwt. at the present time (about £1 17s. 3½d. at par), and is approximately 93% of the London price of New Zealand butter during the first eleven months of 1934.

The *French minimum duty* on butter was increased in September 1932, and January 1933, the present rate (including "licence duty") being 900 francs per 100 kg. (£6 2s. 6d. per cwt., about 184% of the London price), as compared with 200 francs prior to September 1932 and 100 francs prior to June 1930. Butter importation is also regulated by quota.

The *Italian duty* was increased in March 1932 and January 1934, and is now 500 lire per 100 kg. for fresh butter and 540 for salt, plus 15% *ad valorem*. Before March 1932, the duty was 66.10 lire per 100 kg.

In *Belgium*, the tariff was revised in November 1931 and a surtax added in March 1932, the result being a total increase in the duty from 20 to 161.1 francs per 100 kg. In addition, a quota system was applied to imports of butter in April 1932.

4. The desire to protect the dairy industry has also led a number of countries to place restrictions on the trade in other *oils and fats* which compete with butter through their use in the manufacture of *margarine*. The most prominent examples are the measures adopted in *Germany*, where, in April 1933, the supply of all raw materials used in the manufacture of margarine was brought under the control of a Government monopoly with powers to regulate production and prices. At the same time, the duties on imported margarine and margarine cheese were increased by 150% and those on artificial edible fats by 500%. The quarterly production of margarine was restricted from the date at which the monopoly commenced its operation to 50% of the quantity produced in the last quarter of 1932, the Minister of Food and Agriculture being allowed to increase this percentage in certain cases. Since then the production quota has more than once been raised, but the figure at which it now stands appears not to have been published.

In *Italy*, where the competition of imported oils has been felt by the native olive-growers as well as by the dairy farmers, the duties on oils and oilseeds have been increased on several occasions since December 1929. From July 1934, the duty on ground-nuts has been at the rate of 56.70 lire per 100 kg. and that on ground-nut oil 198 lire, those rates being equivalent to about 10s. and £1 14s. 6d. per cwt. respectively. The latter rate is about 174% of the average price of ground-nut oil in Hull for the first eleven months of 1934. In addition to the import duty, there is a tax on the manufacture of edible oil from oilseeds (other than olives) which was raised in September 1934 from 65 to 120 lire per 100 kg.; while, since April 1934, the sale of margarine and other butter substitutes in Italy has been prohibited.

In *France*, ground-nuts were free of duty until August 1933. Duties of 8 francs per 100 kg. on undecorticated nuts and 11 francs on decorticated were then imposed, but imports from French Colonies and Protectorates, which form the bulk of the supply, continued to be free. In August and October 1933, the duties on ground-nut oil were

raised, but the present rate charged on oil imported for the manufacture of edible fats is relatively moderate, being only 47 francs per 100 kg. or 6s. 5d. per cwt. Import licence and quota regulations, however, were introduced in December 1933, imports of pure fixed vegetable oils for edible use or for the manufacture of edible fats being restricted during the first half of 1934 to 5,800 metric tons or about half of the imports during the corresponding period of 1933 and 1932. For the second half of 1934, no quota was allocated to ground-nut oil; and the quota for other vegetable oils for edible use or for the manufacture of edible fats was reduced to 4,000 metric tons.

### III. Some Effects of These Policies.

#### (a) Prices and Consumption.

The above instances provide a few striking examples of the extreme agricultural protection which is now maintained by almost every continental European country. Rates of duty by themselves, however, do not give an accurate measure of the degree of protection enjoyed by the domestic producers of different countries, particularly when they are supplemented by the other more direct forms of restriction which are now prevalent.

The actual protective effect of a given country's policy is best indicated, where the necessary figures are obtainable, by the divergence of prices inside that country from prices on a free market for the same commodity. Such data as are available for the chief commodities affected are presented in *Tables 3 to 6*.

It has to be remembered, of course, that an exact correspondence between prices in different countries is not to be expected even under conditions of completely free trade, particularly where (as in most cases) there is some difference between the qualities of the products to which the different quotations relate. However, it is clear that the divergences actually recorded, especially in the cases of wheat and butter, are greatly in excess of any which could be explained by such considerations as this.

Table 3.

GOLD PRICES OF HOME-GROWN WHEAT IN GERMANY, FRANCE AND ITALY, EXPRESSED AS PERCENTAGES OF THE GOLD PRICE ON IMPORTED WHEAT IN ENGLAND.

Average	Germany (Berlin)	France (Paris)	Italy (Milan)
1928	104	118	132
1929	106	116	135
1930	155	148	169
1931	253	291	226
1932	261	276	270
1933	250	243	269
1934 <sup>a</sup>	276	300	268

<sup>a</sup> Nine months.

(Gold price quotations from *International Agricultural Institute Year-Book*. The English price of imported wheat taken as 100 is the average of the London and Liverpool prices of Canadian, Argentine and Australian wheat).

Table 4.

AVERAGE MONTHLY PRICES OF BUTTER AT BERLIN, PARIS AND HASSELT, CONVERTED TO STERLING AT CURRENT RATES AND EXPRESSED AS PERCENTAGES OF THE PRICE IN LONDON OF NEW ZEALAND SALTED BUTTER.

Average	Berlin	Paris	Hasselt
1931	117	143	115
1932	150	206	150
1933	194	260	207
1934 <sup>a</sup>	271	283	233

<sup>a</sup> Eleven months.

(Price quotations from *Dairy Produce Supplies*, 1932 and 1933.)

Table 5.

AVERAGE MONTHLY PRICES OF BEEF IN GERMANY, FRANCE AND THE NETHERLANDS, CONVERTED TO STERLING AT CURRENT RATES AND EXPRESSED AS PERCENTAGES OF THE AVERAGE PRICE OF HOME-PRODUCED BEEF AT FOUR MARKETS IN ENGLAND AND WALES.

Average	Germany (Berlin)	France (Paris)	Netherlands
1929	123	93	113
1930	120	106	114
1931	113	113	109
1932	120	111	109
1933	134	107	107
1934 <sup>a</sup>	144	111	155

<sup>a</sup> Six months.

(Price quotations for Germany from *Statistisches Jahrbuch für das Deutsche Reich*; for France, from publications of International Institute of Agriculture; for the Netherlands, from *Maandschrift van het Centraal Bureau voor de Statistiek*; for England and Wales, from figures published by the Ministry of Agriculture and Fisheries.)

Table 6.

AVERAGE MONTHLY PRICES OF PORK IN GERMANY, CONVERTED TO STERLING AT CURRENT RATES AND EXPRESSED AS PERCENTAGES OF THE AVERAGE PRICE OF HOME-PRODUCED PORK AT FOUR MARKETS IN ENGLAND AND WALES.

Average 1929 . . . 100	Average 1932 . . . 123
" 1930 . . . 81	" 1933 . . . 121
" 1931 . . . 85	" 1934 (six months) 115

(Price quotations for Germany (Berlin) from *Statistisches Jahrbuch für das Deutsche Reich*; for England and Wales, from figures published by the Ministry of Agriculture and Fisheries.)

The comprehensiveness of the German protective system is illustrated by *Table 7* which gives a comparison of German and world prices for a representative list of agricultural commodities in December 1934. Similar figures for other countries would no doubt in some cases show an equally complete divorce between domestic and world prices.

Table 7.

PRICES OF AGRICULTURAL COMMODITIES IN GERMANY AND ON WORLD MARKETS, DECEMBER 1934.

Commodity	Price in Reichsmarks per 100 kg.	
	Germany	World market
Wheat . . . . .	20.55	10.41
Rye . . . . .	16.55	6.58
Oats . . . . .	14.88	5.29
Fodder barley . . . . .	15.45	8.17
Maize (Piata) . . . . .	15.50	5.84
Cattle . . . . .	82.00	23.87
Pigs . . . . .	96.00	28.37
Butter . . . . .	260.00	121.77
Lard . . . . .	181.00	66.86
Eggs (per 100) . . . . .	11.50	4.97
Sugar . . . . .	44.00	9.17

(Quoted by *The Economist*, January 5th, 1935, from the *Frankfurter Zeitung*.)

The available information regarding recent changes in the consumption of various foodstuffs in different European countries is summarised in *Tables 8 to 10*. Consumption of meats is probably too greatly affected by differing national habits to enable definite conclusions to be drawn from the figures given, but the recent fall in German consumption deserves notice. In the case of butter, the contrast between recent changes in the United Kingdom and Germany is both striking and significant. In both countries there was a substantial increase in consumption between 1924-1927 and 1930. Since 1930, the British consumer has taken advantage of the fall in the price of butter to increase his consumption by a further 27%, at the same time markedly reducing his consumption of margarine; but German consumption fell off by 8% between 1930 and 1934. It is clear that the operation of the German monopoly has resulted in a considerable all-round decline in the consumption of fats.

**Table 8.**  
**PER CAPUT CONSUMPTION OF FATS IN THE UNITED KINGDOM, GERMANY AND THE NETHERLANDS.**  
(Lb. per head.)

	United Kingdom				Germany				Netherlands	
	Butter	Margarine	Lard	Total	Butter	Margarine	Lard	Total	Butter	Margarine
<b>Average</b>										
1905-1909 . . . . .	<sup>a</sup> 15.8	<sup>a</sup> 5.0								
1913 . . . . .					15.0	6.6				
<b>Average</b>										
1924-1927 . . . . .	<sup>a</sup> 15.4	<sup>a</sup> 12.4	<sup>b</sup> 8.1	35.9	<sup>c</sup> 13.4	<sup>c</sup> 15.2		36.7	<sup>b</sup> 12.5	<sup>b</sup> 17.7
1928 . . . . .	17.0	13.2	8.1	38.3	15.7	16.4		40.2	12.8	18.3
1929 . . . . .	17.8	12.9	8.6	39.3	15.9	17.3	} 8.1 }	41.3	12.8	20.1
1930 . . . . .	18.5	11.8	8.3	38.6	16.7	17.5		42.3	14.0	19.1
1931 . . . . .	20.9	10.3	8.3	39.5	16.3	16.2		40.5	15.9	17.6
1932 . . . . .	21.8	9.2	8.2	39.2	16.3	17.6		41.4	18.9	13.3
1933 <sup>d</sup> . . . . .	23.5	8.4	9.1	41.0	17.6	13.0	7.6	38.2	16.6	11.1
1934 <sup>d</sup> . . . . .			9.1		15.3	12.3	6.7	34.3		

<sup>a</sup> Great Britain.   <sup>b</sup> 1927.   <sup>c</sup> 1925-1927.   <sup>d</sup> Provisional.

- Sources:* (i) United Kingdom, butter and margarine figures for 1905-1909 and 1924-1927, *The Agricultural Output and Food Supplies of Great Britain*, Ministry of Agriculture and Fisheries, 1929; for later years, estimates of the Imperial Economic Committee. Lard consumption computed on the basis of the import balance in each year plus the recorded production in 1930.
- (ii) Germany, butter and margarine consumption 1913-1930, *Survey of Oilseeds and Vegetable Oils, Vol. III, Ground-nut Products*, Imperial Economic Committee, 1934; 1931 and 1932, *Dairy Produce Supplies in 1933*, Imperial Economic Committee; 1933 and 1934 calculated from data regarding supplies in *Foreign Crops and Markets*, October 8th, 1934. Lard consumption from *Foreign Crops and Markets*, October 8th, 1934.
- (iii) Netherlands: figures calculated from data published in *Jaarcijfers voor Nederland* and *Maandschrift van het Centraal Bureau voor de Statistiek*.

**Table 9.**  
**PER CAPUT CONSUMPTION OF EGGS IN THE UNITED KINGDOM AND GERMANY.**  
(Numbers.)

	United Kingdom	Germany
1924 . . . . .	116	117
1931 . . . . .	160	130
1932 . . . . .	150	120
1933 . . . . .	152	101

*(Figures supplied by the Imperial Economic Committee.)*

Table 10.  
PER CAPUT CONSUMPTION OF MEATS IN CERTAIN COUNTRIES.  
(Lb. per head.)

	United Kingdom				Germany				
	Beef and veal <sup>c</sup>	Mutton and lamb <sup>c</sup>	Pig-meat	Total	Beef and veal	Mutton and lamb	Pork	Other meats	Total
1927	71	27	40	138	38.1	1.5	68.8	1.8	110.2
1928	71	28	43	142	40.1	1.5	73.2	1.5	116.3
1929	70	28	40	138	43.0	1.5	67.5	1.8	113.8
1930	70	29	41	140	39.0	1.5	69.0	1.8	111.3
1931	67	29	47	143	36.5	1.5	72.6	1.4	112.0
1932	64	31	49	144	37.2	1.4	68.1	1.2	107.9 <sup>b</sup>
1933	63	34	48	145	36.1	1.5	70.1	1.3	109.0 <sup>b</sup>

	France					Netherlands	Italy
	Beef and veal	Pork	Mutton and lamb	Horse	Total	Beef and veal <sup>c</sup>	Beef and veal
1927	46	16	6.0	2	70	41	22
1928	48	17	6.0	2	73	40	23
1929	49	17	5.7	3	75	43	21
1930	45	18	6.3	3	72	39	19
1931	41	20	5.6	3	70	35	18
1932	42	19	5.6	3	70	39	18
1933	45	9	5.6	3	72		

<sup>a</sup> Twelve months ending May 31st of year stated. <sup>b</sup> Provisional. <sup>c</sup> Including fat and sausages.

(From *Cattle and Beef Survey*, Imperial Economic Committee, 1934.)

Figures of average per caput consumption of course do not disclose the full effects of high food prices on the economic welfare of the population, since the burden of high prices is necessarily borne to a disproportionate extent by the poorer classes. Detailed statistical information regarding changes in consumption in different social classes is not available, but there can be little doubt that protection has seriously aggravated the effects of economic depression on the standards of living of the industrial population of European countries.

At the same time, the artificially high level at which prices have often been maintained tends to encourage production, and to necessitate either the abandonment of price control or the adoption of elaborate and sometimes expensive measures for the disposal of surplus stocks. Such difficulties have been a conspicuous feature of the French wheat situation in several successive years. They have resulted in a surplus which has had to be denatured or disposed of in the world markets at prices far lower than the domestic price. It should be added that the present French Government has taken steps to prevent a recurrence of these difficulties by moderating the protection accorded to wheat.

A somewhat similar situation has recently arisen with regard to dairy products in Switzerland, according to an article in the *Frankfurter Zeitung* of December 7th, 1934. In spite of the steps taken by the Federal Government to encourage consumption—for example, by compulsory admixture of butter with margarine—this article reports the existence of nearly 250 wagon loads of unsaleable butter in the cold stores. Agricultural relief policies have already accounted, it is stated, for the expenditure of nearly 100 million francs, or about a quarter of the Federal budget, from public funds.



(b) *European and World Production.*

The course of agricultural production in Europe and the world as a whole is indicated by the following index numbers published by the League of Nations:

Table 11.  
INDEX NUMBERS OF PRODUCTION.  
(1925-1929 = 100.)

	1925	1926	1927	1928	1929	1930	1931	1932	1933 <sup>a</sup>
World: Crude foodstuffs . . . . .	98	97	100	103	103	104	102	104	103
„ Raw materials of agricultural origin . . . . .	97	99	97	101	105	103	103	96	100
„ All agricultural products . . . . .	98	97	99	103	103	104	102	103	102
Europe: <sup>b</sup> Crude foodstuffs . . . . .	98	92	98	103	109	104	106	112	110
„ Raw materials of agricultural origin . . . . .	94	88	109	88	121	84	92	88	86
„ All agricultural products . . . . .	98	92	99	102	110	103	105	110	109

<sup>a</sup> Partly estimated. <sup>b</sup> Excluding U.S.S.R.

These figures demonstrate that agricultural production in Europe since 1928 has been tending to increase faster than in the world as a whole. This tendency, as the raw materials and foodstuffs indices show, cannot be attributed to the decline in the production of agricultural raw materials in extra-European countries consequent on the depression since 1929.

Changes in the estimated production of beef and veal in European importing countries are shown in *Table 12*. The figures show that European beef production reached a peak in 1929; and part of the increase prior to that date is probably to be attributed, particularly in Germany, to spontaneous recovery from the abnormal pre-war situation. World production, on the other hand, has been falling since 1926. It is common knowledge that beef and veal are tending to be replaced by other meats in the diet of many countries, and European production has evidently been affected by this factor.

Table 12.  
ESTIMATED PRODUCTION OF BEEF AND VEAL.  
(Thousands of tons.)

	1909-13 average	1925	1926	1927	1928	1929	1930	1931	1932
Germany . . . . .	963 <sup>a</sup>	886	924	931	1,038	1,141	1,066	1,047	1,074
France . . . . .		<sup>b</sup>	<sup>b</sup>	786	889	894	810	705	755
Italy . . . . .		269	302	349	366	323	298	281	292
Belgium . . . . .	165 <sup>c</sup>	95	132	109	119	126	114	107	126
Netherlands . . . . .		103	117	127	130	147	117	106	130
Austria . . . . .		86	91	91	89	89	77	79	76
Total of above . . . . .		2,225	2,352	2,393	2,631	2,720	2,482	2,325	2,453
Great Britain . . . . .	571	544	540	577	579	588	551	524	519
Total, all <sup>d</sup> principal producing countries (excl. U.S.S.R.) . . . . .		9,679	9,838	9,619	9,275	9,212	8,863	8,537	8,840

<sup>a</sup> Year 1913; present frontiers.  
<sup>b</sup> Not available; assumed same as 1927 in total.  
<sup>c</sup> Year 1912.  
<sup>d</sup> Includes others not shown separately.

(From *Cattle and Beef Survey*, Imperial Economic Committee, pages 323 and 324.)

Table 13.  
NUMBERS OF PIGS AND CATTLE IN EUROPE.

Number of pigs in Europe		Number of cattle in principal European beef-producing countries *	
	(Millions)		(Millions)
Average: 1909-1913. . . . .	68	1913 . . . . .	59.3
1920-1922. . . . .	57	1925 . . . . .	59.3
1923-1925. . . . .	65	1930 . . . . .	61.8
1926-1928. . . . .	72	1933 . . . . .	64.9
1929-1931. . . . .	75		
1931 . . . . .	81		
1932 . . . . .	77		
1933 . . . . .	77		

\* Irish Free State, Denmark, Great Britain, Germany, France, Italy, Austria, Netherlands, Belgium.

(Pig statistics, 1909-1913 to 1929-1931, from *World Trade Barriers in relation to American Agriculture*; 1931-1933, *International Yearbook of Agricultural Statistics, 1932-33*. Cattle numbers from *Cattle and Beef Survey*.)

A further illustration of the expansion of the European live-stock industry is given by the figures of *Table 13*.

*Table 14* shows the course of wheat production in Europe and elsewhere since 1925. There has been a marked increase of production in European importing countries since 1929, the totals for 1932 and 1933 being 25 and 36% respectively above the average for 1925 to 1928. At the same time, production in the overseas exporting countries has been tending steadily downward from the high point reached in 1930. Production in European importing countries represented 25% of world production in 1925-1928; it represented 28% in 1932 and 29% in 1933. As regards individual countries, French production, compared with the average of 1925-1928, had increased by 19% in 1932 and 29% in 1933; Italian production by 25% and 34% in the same two years, and German production by 55% and 73%. Similar large increases occurred in some of the smaller countries such as Sweden, the Netherlands, and Switzerland. The reduction recorded for most countries in 1934 was, of course, a result of the severe drought experienced during that season.

(c) *European Imports of Foodstuffs.*

European trade in some of the leading foodstuffs has undergone drastic changes in the last few years as a result of the growth of restrictive policies and the reduction of purchasing power consequent upon trade depression. Imports of beef and veal into the six chief Continental importing countries amounted during 1932 and 1933 to about a third of the average quantity imported in the years 1925 to 1928, while imports of cattle have been reduced in about the same proportion (see *Tables 16 and 17*). Imports of wheat and wheat-flour into European importing countries other than the United Kingdom have over the same period dropped to half their former total (see *Table 15*). The decline of the trade in beef and veal is partly the result of a general shift of demand away from these meats which cannot be attributed either to depression or to protectionist policies. But the influence of protection has nevertheless been of great importance and there can be little doubt that it has been almost solely responsible for the fall of European wheat imports.

Table 14.

**WHEAT PRODUCTION.**  
(Thousands of quintals.)

	1909-1913 average <sup>a</sup>	1925	1926	1927	1928	1929	1930	1931	1932	1933 <sup>b</sup>	1934 <sup>b</sup>
Germany . . . . .	37,650 <sup>c</sup>	32,173	25,972	32,801	38,536	33,492	37,889	42,333	50,031	56,044	45,326
France . . . . .	88,627	89,905	63,077	75,150	76,544	91,786	62,080	71,882	90,771	96,613	90,002
Italy . . . . .	49,896 <sup>d</sup>	65,548	60,050	53,291	62,215	70,795	57,173	66,520	75,367	81,100	63,329
Sweden . . . . .	2,205	3,636	3,307	4,169	4,989	5,174	5,666	4,636	7,212	7,948	8,050
Belgium . . . . .	4,054	3,940	3,484	4,430	4,685	3,599	3,602	3,761	4,185	4,101	3,898
Netherlands . . . . .	1,313	1,563	1,495	1,676	1,996	1,488	1,648	1,837	3,494	4,171	4,680
Switzerland . . . . .	938	957	1,096	1,121	1,156	1,145	981	1,101	1,470	1,803	1,818
Czechoslovakia . . . . .	<sup>e</sup>	/ 10,698	/ 9,289	12,847	14,387	14,398	13,773	11,222	14,625	19,846	13,612
Austria . . . . .	2,707 <sup>f</sup>	2,904	2,569	3,255	3,515	3,146	3,268	2,996	3,318	3,978	3,603
All European import- ing countries . . . . .	370,530	299,525	249,354	272,716	283,779	312,443	274,326	290,022	345,244	375,432	343,382
Danubian exporting countries <sup>g</sup> . . . . .		80,675	79,950	74,124	99,937	82,445	90,005	100,826	60,962	100,011	67,678
Four principal export- ing countries <sup>h</sup> . . . . .	306,121	374,913	440,834	478,603	541,688	385,422	477,982	452,834	448,449	342,704	315,919
World . . . . .	1,028,645	1,111,049	1,156,726	1,194,200	1,284,706	1,171,800	1,328,500	<sup>e</sup>	1,245,900	1,285,729	<sup>e</sup>

<sup>a</sup> Present frontiers. <sup>b</sup> Provisional. <sup>c</sup> 1911-1913. <sup>d</sup> Pre-war frontiers. <sup>e</sup> Not available. <sup>f</sup> Not exactly comparable with later years. <sup>g</sup> Hungary, Roumania, Bulgaria, Yugoslavia.  
<sup>h</sup> U.S.A., Canada, Argentine, Australia.

(From Publications of the International Institute of Agriculture.)

Table 15.

**IMPORT BALANCES OF WHEAT AND WHEAT-FLOUR.**  
(Thousands of quintals.)

	1909-10 to 1913-14 average <sup>a</sup>	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34
Germany . . . . .	18,599	15,506	24,931	24,099	21,166	13,039	8,475	6,311	1,366	<sup>b</sup>
France . . . . .	11,877	7,485	16,946	12,819	14,506	2,982	16,553	20,977	8,667	4,674
Italy . . . . .	14,483	18,507	23,578	23,895	23,917	11,524	22,136	9,052	3,019	2,356
Sweden . . . . .	1,917	1,662	1,632	2,280	2,177	1,979	1,322	1,858	879	327
Netherlands . . . . .	5,980	7,292	7,582	8,261	8,018	8,210	9,461	8,453	7,402	6,128
Switzerland <sup>c</sup> . . . . .	4,606	4,251	4,441	5,010	4,522	4,349	5,032	5,745	5,197	4,786
Belgium . . . . .	13,732	10,681	10,763	11,398	11,430	11,522	13,212	12,670	10,686	11,382
Austria . . . . .	2,871	3,898	4,463	4,331	3,845	5,171	4,238	3,670	3,605	2,807
Czechoslovakia . . . . .		5,623	5,322	5,646	4,572	3,594	4,673	6,694	3,250	47
All European importing countries (excluding U.K.) . . . . .		90,390	117,867	117,979	120,150	82,499	104,879	99,448	57,581	55,982
United Kingdom . . . . .	58,800	51,799	58,793	57,870	54,480	55,753	61,147	65,280	58,575	59,216
Total European importing countries . . . . .	138,396 <sup>d</sup>	142,039	176,465	175,849	174,630	138,252	166,026	164,728	116,156	107,033
World total . . . . .	161,803 <sup>d</sup>	192,675 <sup>e</sup>	207,680 <sup>e</sup>	223,192 <sup>e</sup>	209,508	156,332	184,961	182,260	139,398	115,587

<sup>a</sup> Pre-war frontiers. <sup>b</sup> Export balance. <sup>c</sup> Wheat only. <sup>d</sup> Average of calendar years 1909 to 1913. <sup>e</sup> Average of totals of two calendar years.

(From Publications of the International Institute of Agriculture.)

In each case, the decline is very largely due to the reduction of imports into Germany and Italy. Germany's imports of beef and veal fell to negligible proportions in 1933, whereas until 1930 she was the largest European importer except the United Kingdom. Though she was still importing a small quantity of cattle in 1933, Germany in that year was dependent on foreign supplies for only 1% of her beef and veal requirements as against nearly 20% in 1927.<sup>1</sup> Italy retains the second place, which, according to the figures of *Table 16*, she took from Germany in 1930, among Continental importers of beef and veal, but her imports have declined continuously since 1929 and amounted in 1933 to only 60% of the average for the years 1925 to 1928.<sup>2</sup> Up to the season 1930-31, Germany and Italy were likewise the two largest Continental purchasers of wheat and wheat-flour; but Italy's imports in 1933-34 were little more than a tenth of her average imports for the seasons 1925-26 to 1928-29, and were less than the imports of Switzerland or Austria; while Germany has now actually achieved a small export balance and it is anticipated that an export balance will also be recorded for France during the current season.

Belgium, the Netherlands, and Switzerland appear to be the only important Continental countries which are not rapidly approaching self-sufficiency as regards wheat. The relative stability of British imports is in striking contrast with the fall in Continental imports; it has brought about a rise in the British share of the European total since 1928-29 from under a third to over half.

Table 16.  
IMPORT BALANCES OF BEEF AND VEAL.  
(Thousands of tons.)

	1909-1913 (average)	1925	1926	1927	1928	1929	1930	1931	1932	1933
Germany . . . . .	23.6	160.3	146.3	150.9	104.3	81.5	49.3	2.6	2.5	0.6
Italy (includes other meats) . . . . .	2.4	101.8	51.7	50.6	51.3	60.7	55.1	43.8	40.3	38.3
France . . . . .	(Export)	97.9	70.1	52.9	8.0	11.8	37.8	64.1	30.7	23.0
Belgium . . . . .	7.9	61.1	28.5	41.2	21.5	22.5	32.8	38.0	24.1	26.7
Austria (includes other meats) . . . . .	"	33.4	39.0	34.7	37.4	30.7	30.4	25.1	9.3	6.9
Netherlands . . . . .	(Export)	10.0	7.3		(Export)		14.4	13.2	6.7	6.7
Switzerland (includes other meats, excluding pork) . . . . .	7.4	1.2	1.4	1.3	1.6	1.6	1.6	1.7	1.2	0.8
Czechoslovakia (includes other meats, excluding pork) . . . . .	"	9.1	6.4	1.6	0.1	0.9	2.5	0.7	(Export)	0.1
Principal European importing countries, other than United Kingdom . . . . .	"	475.2	351.0	333.7	224.5	210.5	224.2	189.5	114.9	103.1
United Kingdom . . . . .	407.8 <sup>b</sup>	695.7	726.9	722.3	665.7	634.6	640.9	661.1	613.0	607.7
Principal European importing countries, including United Kingdom . . . . .	"	1,170.9	1,077.9	1,056.0	890.2	845.1	865.1	850.6	727.9	710.8
All principal importing countries <sup>c</sup> . . . . .	"	1,191.7	1,117.2	1,122.4	974.2	936.3	915.4	883.1	751.4	742.6

<sup>a</sup> Not available.  
<sup>b</sup> Includes essences and extracts.  
<sup>c</sup> Includes others not shown separately.

(*Cattle and Beef Survey*, Imperial Economic Committee, page 337.)

<sup>1</sup> *Cattle and Beef Survey*, pages 257 and 258.  
<sup>2</sup> The Italian figures, however, include other meats.

Table 17.  
IMPORT BALANCES OF CATTLE.  
(Thousands of head.)

	1925	1926	1927	1928	1929	1930	1931	1932	1933
Germany . . . . .	168	206	331	319	317	173	54	79	40
Italy . . . . .	41	58	84	189	265	263	98	77	117
Belgium . . . . .	9	5	35	17	26	58	60	44	27
Austria . . . . .	136	132	125	142	98	88	54	11	19
Switzerland . . . . .	36	20	8	3	7	10	22	(Export)	
Czechoslovakia . . . . .	146	67	19	6	93	96	20	1	a
Principal European importing countries, other than United Kingdom . . . . .	536	488	602	676	806	688	308	212	203
Great Britain . . . . .	893	800	721	855	884	972	861	763	761
Total, all principal im- porting countries <sup>b</sup> . . . . .	1,883	1,965	2,178	2,447	2,689	2,355	1,625	1,421	1,370

<sup>a</sup> Negligible.  
<sup>b</sup> Includes others not shown separately.

(Cattle and Beef Survey, page 328.)

Continental European trade in butter has also undergone marked reduction in recent years, although it was steadily increasing until 1930. Germany, whose imports accounted for over 90% of the total net imports of Continental Europe in 1929, took in 1933 less than half the quantity imported in that year. But other Continental countries increased their imports between 1929 and 1931 and, in spite of restrictions imposed since then, France and Belgium were still importing larger quantities in 1933 than in 1930. The great increase of British imports, amounting to 57% between 1928 and 1933, has prevented any serious reduction in the European total from the high point reached in 1931. British imports in 1932 and 1933 reached a figure in excess of the total of world imports in the years prior to 1928.

Table 18.  
IMPORT BALANCES OF BUTTER.  
(Thousands of quintals.)

	1925	1926	1927	1928	1929	1930	1931	1932	1933
Germany . . . . .	965	977	1,082	1,264	1,354	1,329	1,001	693	591
Belgium . . . . .	38	14	a	a	30	91	176	205	121
France . . . . .	a	a	a	a	a	4	135	83	61
Switzerland . . . . .	86	80	84	81	75	85	106	37	5
Italy . . . . .	a	a	a	9	1	6	22	14	7
Czechoslovakia . . . . .	4	4	6	a	1	b	16	12	6
Europe, excl. U.K. . . . .	1,127	1,128	1,219	1,380	1,478	1,538	1,476	1,057	a
United Kingdom . . . . .	2,789	2,833	2,828	3,016	3,183	3,372	3,912	4,131	4,440
Europe, incl. U.K. . . . .	3,916	3,961	4,047	4,396	4,661	4,910	5,388	5,188	a
World . . . . .	4,139	4,219	4,374	4,749	5,087	5,353	5,654	5,445	c

<sup>a</sup> Export balance. <sup>b</sup> Negligible. <sup>c</sup> Not available.

(From publications of the International Institute of Agriculture.)

European trade in cheese has remained rather more stable than the trade in the other commodities here surveyed. The reduction of Germany's imports by nearly 40% between 1929 and 1933 is again the outstanding feature of the period, but her place in the world's import markets has to some extent been taken by other countries; Belgian imports have been tending to grow, and French imports, though falling sharply since 1931, were nevertheless larger in 1933 than in 1929.

Table 19.  
IMPORT BALANCES OF CHEESE.  
(Thousands of quintals.)

	1925	1926	1927	1928	1929	1930	1931	1932	1933
Germany . . . . .	730	631	706	598	643	599	513	474	395
Belgium . . . . .	165	145	161	173	207	228	221	205	218
France . . . . .	22	14	61	8	47	121	220	105	95
United Kingdom . . . . .	1,495	1,498	1,454	1,485	1,476	1,541	1,433	1,495	1,506
World . . . . .	2,973	2,931	3,075	2,964	3,020	3,061	2,931	2,744	<sup>a</sup>

<sup>a</sup> Not available.

(From publications of the International Institute of Agriculture.)

(d) *The Position of Overseas Exporting Countries.*

It would of course be a mistake to attribute the economic difficulties of the agricultural countries outside Europe wholly to the protection of agriculture by industrial countries. The present economic position of many of the overseas exporting countries is also greatly affected by the decline in the demand for industrial raw materials which has been brought about by the general depression, and to some extent also by their status as debtors in a world in which the international movement of capital has virtually come to a standstill. European protection must be named with these other influences as one of the three major causes from whose joint operation there has resulted a significant change in the economic relations between these countries and the rest of the world.

European agricultural production, as the figures given in previous tables show, was expanding before the period of extreme protectionism commencing in 1929. In part, this expansion was due to the encouragement given by the tariffs on agricultural products, which, as has already been pointed out, were becoming increasingly prevalent after 1925; in part, it represents a spontaneous recovery from the abnormal post-war situation. To whatever cause it was due, its effect was to hinder the development of world trade in agricultural products, and to prevent them from sharing fully in the marked general expansion of world trade between 1925 and 1929.

The quantum of world trade, as measured by the League of Nations index numbers, increased by over 20% between these two dates. But the volume of trade in agricultural products, if we may judge from the quantity indices of exports from a number of agricultural countries throughout the world, increased over this period by only about 16%,<sup>1</sup> and virtually the whole of this increase had already been achieved by 1928, whereas the exports of European industrial countries showed continued progress between 1928 and 1929.

<sup>1</sup> V. P. TIMOSHENKO. "World Agriculture and the Depression", pages 112 and 113.

As far as the trading position of the agricultural countries was concerned, of course, changes in the value of trade were of greater importance than changes in its volume. In *Table 20* are presented figures showing the total volume of imports and exports for certain groups of countries. It will be seen that the exports of the group of non-European agricultural countries declined in value after 1925. The value of their imports on the other hand increased steadily until 1929. In that year, the value of their imports was 16% greater, and of their exports 8% less, than in 1925.

Up to 1929, the growth of imports into agricultural countries—to which of course the growth of world trade in manufactured products was itself in great part due—had been largely made possible by international borrowing. Of a total of nearly ten milliards of dollars worth of new foreign securities issued in the years 1924 to 1928 on the four chief capital markets of the world, 5,007 millions, or over 50%, were issued on behalf of agricultural countries outside Europe. The figures are given in *Table 21*.

**Table 20.**  
**EXPORTS AND IMPORTS OF CERTAIN GROUPS OF COUNTRIES.**  
(Millions of gold dollars.)

	Non-European agricultural countries <sup>a</sup>		European industrial countries (excluding U.K.) <sup>b</sup>		United Kingdom		World	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
1925 . . . . .	5,027	3,776	8,034	9,723	3,734	5,633	30,708	32,164
1926 . . . . .	4,426	3,944	7,828	8,753	3,173	5,421	29,770	32,117
1927 . . . . .	4,742	4,181	8,613	10,224	3,451	5,331	31,378	33,764
1928 . . . . .	5,025	4,225	9,180	10,573	3,521	5,233	32,839	34,742
1929 . . . . .	4,604	4,382	9,463	10,762	3,549	5,407	33,040	35,601
1930 . . . . .	3,346	3,293	8,129	9,057	2,778	4,658	26,495	29,087
1931 . . . . .	2,388	1,964	6,282	6,727	1,772	3,585	18,908	20,818
1932 . . . . .	1,869	1,396	3,886	4,632	1,280	2,276	12,926	13,996
1933 . . . . .	1,769	1,212	3,480	4,190	1,213	2,073	11,699	12,483

<sup>a</sup> Argentina, Australia, New Zealand, British India, Union of South Africa, Canada. The figures include the value of South African imports and exports of bullion and specie; and also Canadian exports of bullion and specie of domestic origin.  
<sup>b</sup> Germany, France, Netherlands, Belgium, Italy, Czechoslovakia, Sweden, Switzerland, Austria.

(From *Statistical Year-Books* of the League of Nations.)

**Table 21.**  
**ISSUES OF FOREIGN SECURITIES IN THE UNITED STATES, UNITED KINGDOM, THE NETHERLANDS, AND SWITZERLAND, 1924-1928.**  
(In millions of dollars.)

Countries for which issued:

Non-European agricultural . . . . .	5,007
European agricultural . . . . .	816
All agricultural . . . . .	<u>5,823</u>
European industrial . . . . .	3,233
Germany (included above) . . . . .	1,624
Japan . . . . .	400
United States . . . . .	38
All industrial . . . . .	<u>3,671</u>
Other . . . . .	238
<b>Total . . . . .</b>	<b><u>9,732</u><sup>a</sup></b>

<sup>a</sup> The total excludes issues in Switzerland in 1924 and 1925.

(Source: TIMOSHENKO, *op. cit.*, page 54, compiled from figures published by the Institut für Konjunkturforschung.)



This abundant flow of capital, however, was brought to an end in 1929 by the severe international stringency of credit which resulted from the speculative boom in New York and the continuing import of gold into France. This by itself would have created considerable difficulties for countries which had come to rely upon foreign loans for the balancing of their international accounts. In the absence of fresh borrowings, the charges imposed by the service of the loans they had already raised could in the long run only be met by an increase in their exports of goods and services relatively to their imports, but in fact their trading position had seriously deteriorated.

The increase of agricultural production throughout the world had already produced symptoms of over-production in a number of important commodities. World stocks of wheat rose from 14.4 million metric tons on August 1st, 1925, to 19.2 and 26.4 millions at the same dates in 1928 and 1929. The price of No. 1 Northern Manitoba at Winnipeg fell from an average of 163<sup>7</sup>/<sub>8</sub> cents per bushel in 1925 to 133<sup>3</sup>/<sub>8</sub> cents in 1929. Similar movements occurred in the stocks and prices of a number of other food products and raw materials.

Finally, in 1929 there was a serious contraction in the favourable balance of merchandise trade of the most important non-European agricultural countries, partly in consequence of poor cereal harvests in the extra-European countries, coinciding with exceptionally good harvests in Europe. Thus the agricultural countries were faced with a situation of serious disequilibrium, while the world market for agricultural products was in a condition of instability which made it impossible for prices to withstand the shock of the financial crisis in the agricultural countries and their efforts to increase their exports on a falling world market.

The precipitate fall of prices which ensued intensified the financial problems of these countries and, after experiencing heavy losses of gold (see *Table 22*), a number of them were rapidly forced to abandon the gold standard. The Uruguayan currency was depreciated in terms of gold from the early months of 1929. The conversion office in Argentina was closed in December 1929, Australia left the gold standard early in 1930, and Brazil followed in the summer. The Canadian currency was at a discount during the latter half of 1929, though it returned to parity in 1930. By the end of 1930, the Argentine, Brazilian and Uruguayan currencies were each depreciated by 20% or more; the Australian by 8% and the New Zealand by 4%. By the end of the following year, the depreciation in Argentina was 40%; in Brazil almost 50% and in Uruguay 67%; the Australian pound was at a discount of 20% in terms of sterling, which was equivalent to a discount of about 47% in gold.

The assistance which currency depreciation gave in the task of restoring equilibrium in the balance of payments, however, was lessened by the continuing fall in world prices. In consequence, the agricultural countries sought to limit their imports by higher tariffs. Duties on manufactured goods were drastically increased in many of these countries during 1930 and 1931, beginning with the Australian tariff revision in the later months of 1929.

Table 22.

NET MOVEMENT OF BULLION AND SPECIE: FOUR AGRICULTURAL COUNTRIES OUTSIDE EUROPE. <sup>a</sup>  
(Millions of gold dollars.)

(+ = net export; — = net import.)

1926 . . . . .	+ 91	1930 . . . . .	+ 119
1927 . . . . .	— 42	1931 . . . . .	+ 226
1928 . . . . .	+ 10	1932 . . . . .	+ 97
1929 . . . . .	+ 275		

<sup>a</sup> Australia, New Zealand, Argentina, Canada, Union of South Africa and India are excluded from this table, since their trade in gold is predominantly of a merchandise character. The figures, however, include Canadian exports of bullion and specie of domestic origin, which are also included in *Table 20*.

(From *Accounts relating to the Trade and Commerce of Certain Foreign Countries and British Countries Overseas*, Board of Trade, 1928-1933; *Canada Year-Books*, and *Anuario Comercio Exterior de la Republica Argentina*. Dollar exchange rates from *League of Nations Statistical Year-Book*, 1933-34.)

This, in broad outline, is the situation to which the increasing agrarian protectionism of Europe already described was both the response and the further aggravation. The financial situation of the overseas countries could only be eased by an increase of their exports relatively to their imports, and a reversal of the unhealthy position which up to 1928 was concealed by their abundant imports of capital. But, if world trade were not to suffer in the process of reaching this readjustment, it was necessary that equilibrium should be restored by an increase in the exports of the overseas agricultural countries rather than by a diminution of their imports. This increase in their exports, however, was prevented in part by the deflation and industrial depression which credit restriction had set in motion throughout the world by the end of 1929, with a consequent diminution of the demand for industrial raw materials; and in part by the measures of agricultural protection introduced by European importing countries. Thus the fall in the prices of agricultural products continued without stimulating the necessary increase in the effective international demand for them; and the countries whose export trade was dependent on these products could only balance their accounts by reducing their purchases of manufactured goods from the industrial countries.

By this means, the centre of gravity of the world depression was shifted from the agricultural countries to the industrial countries themselves. The direction in which the depression was moving can be seen by comparing the changes in the gold value of exports from the different groups of countries, for which data are presented in *Table 20*. Exports from the non-European agricultural countries declined considerably faster in the earlier years of the depression than exports from European industrial countries, but after 1931 this tendency was reversed. Similarly, the proportion of the total decline in world exports which was accounted for by the decline of exports from European industrial countries rose from 32% between 1929 and 1930 to 37 and 48% in the two following years. The share of the total decline of exports borne by the group of non-European agricultural countries was 19% between 1929 and 1930, falling to 13.9 and 8% in the succeeding years.

The shrinkage of the market for industrial products in the chief agricultural countries may be studied in the tables regarding the distribution of trade which are given in *International Trade Statistics* (1931 and 1932), published by the League of Nations. From these tables it can be calculated that the gold value of exports from industrial countries to agricultural countries outside Europe declined between 1928 and 1932 by about 70%. More important than the decline in absolute values, however, is the change in the proportion of the exports of industrial countries which were taken by the agricultural countries outside Europe. The industrial countries as a whole were selling a markedly smaller percentage of their exports to the non-European agricultural countries in 1932 than in 1928. Further, the decline of the total imports of the non-European agricultural countries between these two dates appears to have been substantially less than the decline in their imports from the industrial countries. Thus, not only are the industrial countries being forced to rely on other markets for the disposal of an increasing fraction of their exports, but industrial products generally are forming a diminishing proportion of the imports of the overseas agricultural countries.

The counterpart of this development is the growing industrialisation of many of the countries hitherto largely specialised in agriculture. To the stimulus given to the development of local industries by higher tariffs on industrial products has been added the influence of the severe fall in the prices of agricultural products relatively to those of manufactured goods. This has brought about a marked decline in the quantity of imported manufactures obtainable in return for a given quantity of agricultural exports, and has therefore involved a pronounced adverse change in the terms of trade of almost every agricultural country. Thus the depression has served to accelerate the industrial development already evident in a number of agricultural countries for many years.

The industrialisation of Japan, for example, has been quickened, especially as

regards textile manufacture, by the decline in the export trade in raw silk to the United States. China has been similarly affected by the decline of the export of silk and tea and is undergoing extensive industrial development, again most notably in the manufacture of textiles. The wool textile industry in Australia and New Zealand has grown rapidly during the depression, while in certain South-American countries, particularly Chile and Peru, the textile and other industries are becoming increasingly important. Similar developments are occurring in some of the agricultural countries of Europe, such as Denmark and certain Balkan countries. Turkey has followed the Russian example in adopting a five-year plan, in which the cotton industry figures prominently.

Many other such examples could be quoted. They illustrate a widespread tendency which is obviously of the greatest possible significance for the industrial countries. The industrialisation of undeveloped regions is of course to some extent the inevitable result of technical progress and the diffusion of knowledge. But it is also in part the logical answer of the agricultural countries to the agrarian policy of the industrial countries themselves.

#### IV. Conclusions.

In conclusion, the developments which this memorandum attempts to analyse may be summarised as follows:

(1) The principal industrial countries of Europe have been engaged since 1925 in stimulating the domestic production of agricultural commodities at artificially high prices. These high prices prevent consumption from expanding and absorbing the increased production.

(2) In order to maintain high prices, the imports into these countries from the more economic agricultural producers have been restricted. The latter have to force their produce on the restricted world markets, with the result that world prices fall, and, in an effort to recoup themselves for lower prices, they also tend to expand production, thus accentuating the fall of world prices.

(3) In view of the resultant decline in their income from exports, the agricultural countries have rectified their balances of payments by reducing their importation of manufactured products from the industrial countries of Europe (and also in many cases by depreciating their currencies and in some cases by defaulting on their debts).

(4) The shortage of manufactured products in the agricultural countries stimulates the development of local industries in those countries. These local industries then claim protection against the competition from the more efficient industrial producers in Europe and, in the course of time, tend to invade their export markets, thus forcing down the prices of industrial products in the world market.

(5) The distress created for the efficient agricultural producers by the loss of their markets for agricultural products in the main European industrial countries accordingly ends in distress for the efficient *industrial* producers of Europe, owing to the loss of their markets in the agricultural countries, to the general impoverishment of the whole world.

The present world crisis is the composite result of many different causes; but one of the measures which would indubitably promote world recovery would be the gradual relaxation of the present intensive agrarian protectionism of the industrial countries of Europe and its replacement by a system comparable with that which prevailed before the war. No time, however, must be lost; each year that passes creates vested interests which become more and more difficult to uproot and drives more deeply into the economic structure of the world the tendencies summarised above. It is surely in the interests of all countries to promote as rapidly as possible a more economic system of production and interchange of commodities between the industrial and the agricultural countries.

---

## ANNEX II.

### THE GENERAL EVOLUTION OF AGRICULTURE AT THE END OF THE NINETEENTH CENTURY AND BEFORE THE WORLD WAR IN RELATION TO THE GROWTH OF AGRICULTURAL PROTECTION.

#### **The Agricultural Competition of the Overseas Countries.**

Until about 1870, the agricultural market of the old European countries was able to maintain itself in comparatively favourable conditions. It had only to reckon seriously with a certain number of more or less neighbouring markets, whose output capacity remained within known limits, and it had no need to worry about what was happening overseas; a world market, and consequently a world price, in the present meaning of the terms, did not yet exist. But, during the 1870's, an economic revolution took place in Central and Western Europe.

In the course of a few years, the barrier of distance, which had isolated the more distant markets and prevented them from bringing over their foodstuffs, was broken down. For the first time, Europe became an outlet for these products; new and rapid means of communication were established from continent to continent and their utility was considerably increased by the reduction of tariffs. The cost of transport fell considerably; after 1872, it declined in a few years by over half for wheat sent by rail from Chicago to New York.

By the convenient ocean route, American wheat arriving in Europe cost less than the wheat grown in the neighbouring countryside. The enormous decline in sea freights made it possible "to bring a sack of wheat more economically from America to Europe than from Dijon to Paris". The slowness and small capacity of carts made it impossible to sell most of the agricultural products at any distance. The growth of railway transport in the newly colonised overseas areas is in the nature of a prodigy. Previously, railways had only been built when an area was beginning to find markets, but now they were being constructed even before agriculture had a market, and, in order to create outlets, production was anticipated on and extended to wider and wider territories. The more railways multiplied the greater became the danger to the agriculture of Europe, which became the market for the farm products of the whole world: particularly cereals, various vegetable products, and even animal products. All markets became dependent on one another.

The consequences of this economic upheaval were entirely to the advantage of the new countries, possessing a virgin and often fertile soil, not burdened by rents or taxes inherited from the past, where the cost of land was very low and where it gave a crop without arduous toil, without fertilisers and without great cost, much in excess of the requirements of a sparse population. Old Europe was in no position to stand up against such competition from worldwide production, the abundance and cheapness of which precluded any resistance. The tilling of the soil ceased to be remunerative to European farmers and no longer provided the rural populations with a livelihood; they deserted the countryside and crowded into the towns. The same movement took place throughout the whole of industrialised Europe.

### Wheat.

One after the other, when they had equipped themselves and developed land of superlative value, the new countries suddenly stepped upon the stage with their wheat.

The first focus of all eyes was the United States, owing to the immense increase in their agricultural production as a result of the railways built after the War of Secession. The number of farms rose from 2 millions in 1860 to 4 millions in 1880, and to 5.7 millions in 1900. In the same years, the area under cultivation was successively 66, 115 and 168 million hectares. Connected with the continent of Europe by railways and transatlantic lines, the immense prairies of the Far West, which were rapidly becoming populated, were able to pour into Europe millions of quintals of wheat on exceptionally advantageous terms. A simple ploughing of fertile land gave high yields. Accordingly, imports of American wheat, which from 1861 to 1870 had represented only 30% of British imports, constituted 65% in 1881. United States wheat and maize penetrated as far as Bohemia. The surface under wheat rose in the United States from 1870 to 1880 by 7,700,000 hectares and, after the ten years' stoppage caused by the fall in prices, it rose from 1890 to 1900 by 7,020,000 hectares. Altogether, the area sown amounted to 20,000,000 hectares in 1903, and the production of wheat rose from 425 million bushels in 1876-1885 to 477 millions in 1886-1895, and from 633 millions in 1896-1900 to 700 millions in 1901-1905.

The United States were joined by Canada in the 'eighties, by the Argentine in the 'nineties and, with somewhat smaller quantities, by Australia. The areas under wheat in Canada rose from 925,000 hectares in 1881-1885 to 1,307,000 hectares in 1896-1900 and 1,787,000 hectares in 1903. In the Argentine, they amounted to 1,592,000 hectares in 1891-1895, 2,762,000 hectares in 1896-1900 and 3,919,000 in 1901-1905. In Australia, they covered 1,304,000 hectares in 1876-1880, 1,535,000 in 1886-1890 and 2,177,000 in 1896-1900.

But, as regards wheat, all the overseas countries were left behind by the Russian Empire, which, with the development of its railways, became the greatest exporter of cereals in the world and the principal supplier of Europe. In 1903, 21,135,000 hectares of wheat were cultivated in European Russia, which exported 42 million quintals.

### The Agricultural Depression of 1875-1895.

The competition of the new producers caused a fall in prices and a glut on the market. From 1875 onwards, wheat quotations fell continually. During the 'eighties they fell by over a quarter. Chiefly owing to Russian and Argentine competition, they fell in 1894 and 1895 to low levels unprecedented in England for a century and a-half, being then only 43% of the average level of the prices prevailing between 1851 and 1875. The prices of other cereals—barley, oats, rye—although showing a marked decline, remained more profitable than that of wheat.

In the face of such a fall in prices, the value of land declined considerably. In 1895, farm rents in England had fallen by half in twenty-five years. In France, in the middle of the century, every plot of land was eagerly bid for at high prices by numerous buyers; but henceforth capital became gradually diverted from investments in land.

While agriculture was expanding in the overseas countries and Russia, European agriculture went through a period of severe depression which lasted for some twenty years, from 1875 to about 1896. There can be no doubt that this long and intense agricultural depression had numerous causes, and that the currency contraction that occurred in all

countries of the world powerfully contributed to the general fall in prices. But the influence exercised by the competition of the new countries was predominant.

It was at this period that the first International Agricultural Congress was held in Paris, in July 1889, with Jules Méline, of the Vosges, as President. He founded the International Commission of Agriculture, which henceforward organised periodical international congresses, the solemn assizes of the agricultural world. These congresses saw the appearance and discussion of ideas which had, and still have, a long road to go; an international agreement on wheat production, Customs preference for European agriculture, a European Customs Union.

"The agricultural crisis", said a French speaker at the 1889 congress, "is a much more serious matter for us than a successful or an unsuccessful war". In many countries, Parliamentary and other Commissions held enquiries into the state of agriculture.

### Effects of the Agricultural Depression.

#### (1) *Industrialisation of Agriculture.*

The agricultural depression accelerated the transformation of agriculture. Under the influence of this tidal wave, countries found themselves obliged to intensify their production: to produce cheaply you must produce on a large scale. Spurred on by a ruthless competition, farmers abandoned the traditional routine and followed the general current by which industrial progress was being swept along. Strenuous efforts were made to do better. Fallow land disappeared. Processes were perfected; the yield of cultivated land rose: on some big German estates, it has doubled since the middle of the century.

Farming was industrialised gradually; the old methods of reaping with a scythe, threshing with a flail and winnowing by throwing the wheat into the air with a shovel were abandoned. Mechanical mowers, reapers, threshers and corn drills came into use. Improved ploughs and iron harrows took the place of the rudimentary instruments which barely scratched the soil. Agricultural machinery made astonishing progress, stimulated by the dearness and scarcity of labour, which was absorbed by industry. For it was mostly after the departure of the labourers that machinery made its appearance on the farms. Agriculture became closely akin to industry.

The use of chemical fertilisers to rejuvenate old land was intensified and popularised. Imports of guano, which had grown since the middle of the nineteenth century, fell off, but were in large measure counterbalanced by the great increase in saltpetre from Chile. The production of potassium salts rose considerably. The use of phosphates and phosphated slag led to higher yields.

A scientific technique was brought into rural labour side by side with traditional experience. Up-to-date farmers were trained by schools of agriculture. Studies begun in the laboratory were completed on the farm. The big estates gave practical demonstrations of the theories concerning the nourishment of plants and the improvement of the soil by means of special fertilisers.

Cross-breeding with superior strains improved the population of the stables and poultry yards and diminished mortality. Thanks to selection, new varieties of wheat, potatoes and beetroot suitable to the soil and climate, more prolific than those previously harvested, led to greater yields. Testing stations and experimental farms enabled the best seeds to be discovered.

Agricultural exhibitions multiplied, promoted by the State which encouraged the efforts of farmers and steadily increased its subsidies, while agricultural credit institutions grew apace.

The progress of production in the agriculture of the civilised world became a matter of rule. It was particularly swift in certain countries where the necessary plant was more generally adopted, where the consumption of fertilisers was greater and where the methods of selection applied to plants and animals were better observed.

The peasants gradually abandoned their ingrained habits of isolation and adopted a system of co-operation whereby the advantages of agrarian individualism could be enhanced by those of large-scale cultivation armed with all modern appliances. Passing from the state of a more or less closed economic society to that of a trading economic society, they found in co-operative credit and supply societies an effective weapon of defence against usury and the fraudulent practices of traders in fertilisers. In the countries of small-holdings, the syndicates informed growers of the most suitable fertiliser, guaranteed its quality and gave them the benefit of wholesale prices; at the same time, they encouraged the joint purchase of machinery. Mutual insurance and credit societies multiplied, and co-operative societies for production were organised. Rural associations developed, slowly in some countries (in 1884, France still had only five agricultural associations), faster in others, such as Germany and particularly Denmark and the Netherlands, where co-operative societies for the transformation and sale of farm products made it possible to adapt the agricultural system to the exigencies of disposal on large and distant markets.

## (2) *Agricultural Protectionism.*

The agricultural world saw its chief hope in a return to the bygone protectionist policy. The old free trade optimism had been crushed by the economic depression. The interests affected joined hands to secure a privileged position for themselves in the home market. The farmers and their champions, who arose on all sides, laying down the law in parliament and in the Press, appealed to national security: we must, they said, in case of war be able to obtain from our own soil the means of covering the requirements of national consumption.

Every country in which agriculture still occupied a predominant place in the general economy was impressed by these arguments. It was anxious to provide its agricultural workers with the weapons needed to enable them to compete on equal terms with the foreigner and to prevent a rural exodus. It saw only one means of checking the influx of foreign products: to surround itself with a protective tariff wall. Those who were still hesitating were soon won over by the prospect of equalising production costs by means of countervailing duties.

The agricultural crisis caused by transatlantic competition thus led to an efflorescence of Customs tariffs. At first, the chief benefit was felt by farmers, but protection was very soon extended to production as a whole; this was all the more natural in that the agricultural crisis was followed by an industrial crisis mainly due to over-production and aggravated by a decline in the purchasing power of the rural classes who restricted their consumption of manufactured articles.

The growth and improvement of means of transport brought about a reaction in favour of protectionism. Henceforward, Europe, which in the 'sixties had inclined towards free trade principles, following England's lead, put on a heavy protective armour. This *volte-face* became very marked after 1878 and protectionist doctrines steadily gained ground. They spread by a sort of contagion, since protection invites protection. High duties began to be established as a weapon for use by negotiators against the protectionist systems of the foreigner. The possibility of balancing heavy budgets by means of the Customs revenue, and thus making good the deficit caused by the economic depression, contributed towards the growth of protection. Each time a tariff was revised, heavier duties were imposed for the benefit either of industry or of agriculture.

The economists sought for and developed new formulas for protectionism and, in the United States in particular, Patten demonstrated, in 1890, "the economic foundations of protection". The technique of protectionism was improved. Tariffs began to embody minute specifications—an excellent lever of protection, since they made it possible, on the one hand, to levy heavier duties on certain products which had hitherto been included with others of less value and, on the other, to prevent the concessions granted to one country from being extended to nations that merely enjoyed most-favoured-nation treatment.

### Protectionism in Germany.

The impetus of Germany—and of Bismarck—was not unrelated to Europe's return to a protectionist policy.

Bismarck was a keen agriculturist. He had for a long time led the life of a gentleman farmer; he took a genuine interest in the land, grain, fodder and potatoes. "I am more moved by a beetroot", he said, "than by the whole of politics."

For Bismarck, the trend of economic policy was still determined by the agricultural situation of Germany. The Chancellor was an ardent protectionist; he was convinced that free trade was not in accordance either with contemporary requirement or with German interests.

After Rudolf von Delbrück's departure in 1876, he took charge of economic questions himself. He decided to adopt protective duties and won over the Conservatives to his view. Like the other parties, the latter had long neglected economic questions, but they put agricultural interests above everything else. They were opposed to the establishment of protective duties for the metallurgical industry, as they would have done harm to agriculture by increasing the price of agricultural machinery. In the early years of the Empire, Germany still exported grain, mainly to England. German agriculture was suddenly deprived of the English market by American competition, and imports of Russian wheat into the Reich were increasing. The Conservatives at once clamoured for protection. In July 1879, they voted to a man in favour of the new Customs tariff, in which the duties were greatly increased and new duties were levied on products such as grain, live-stock, iron, etc., which had previously been admitted free.

After the protectionist tariff of 1879, Germany steadily increased her Customs duties. After Bismarck's retirement, high duties were maintained, but a large number of long-term commercial treaties were concluded. German industry, which had made gigantic strides during the last fifteen years needed new outlets; it had acquired a vigour so robust that it could do without ultra-protectionist tariffs. It was necessary for it to obtain advantages for its manufactured products in foreign markets. An attempt to do so was made in 1891 by means of the Caprivi treaties; Germany's output then covered all branches of activity, but she was appearing more and more in world markets as an industrial State. In return, certain concessions had to be made as regards import duties on agricultural products. Nevertheless, agricultural protection was retained. As agricultural prices continued to fall it was increased. Thanks to the efforts of the Farmers' Union ("Bund der Landwirte"), which preached the necessity for a healthy agriculture, the duties were increased, even though prices rose again. In 1879, Germany introduced a duty of 1 mark per 100 kg. on wheat and rye; this very low rate was gradually raised to 3 marks in 1885 and 5 marks in 1887. It was reduced on several occasions when the harvest was particularly good to 3.50 marks in 1893 and 1906, but was increased to 5.50 marks in the 1902 tariff which came into force in 1906.

However, from an agricultural nation Germany was rapidly changing into an industrial nation, and the balance between agriculture and industry in the national economic



system was upset. While the agricultural population remained stationary and even dropped slightly (26,500,000 inhabitants in 1880, 25,800,000 in 1890, 25,700,000 in 1900), the total population rose from 45,200,000 inhabitants to 49,000,000 and then to 56,500,000. This enormous increase in population was absorbed in trade and industry, which were attracting larger and larger armies of workers. From 1895 onwards, the urban population exceeded the rural population.

The Customs revision undertaken in 1902 came to the relief of agriculture. In order to restore the economic equilibrium of the Empire, industry was obliged to agree to an increase in the protective duties on agricultural products, although it, too, was granted increased protection.

### Protectionism in France and in Other European Countries.

This protectionist trend was not confined to Germany. France was the more keenly attracted by protectionism in that the Treaty of Frankfort ensured most-favoured-nation treatment to her adversary for an indefinite period. In France, the erroneous belief was firmly held that this clause had been imposed by Germany and was of a one-sided character. The only means of obviating the consequences of this clause and at the same time excluding imports from Germany was to yield to the pressure of the protectionists.

As early as 1878, protectionist tendencies, which are traditional in France whenever the power is in the hands of a representative regime, were present in the Chamber of Deputies. At the instigation of Méline, a vigorous champion of agriculture, the Chamber rejected the Franco-Italian Commercial Treaty negotiated by the Duc Decazes. France wished to be free to increase her tariffs. The Customs Law of 1881 instituted a definitely protectionist regime, although the duties were very moderate. The farmers protested that they had been sacrificed. In view of the collapse of prices, they succeeded in 1885 in inducing the Government to increase to 3 francs per 100 kg. the duties on wheat which, since 1861, had amounted to only 0.60 franc. In 1887, the same duties were increased to 5 francs and in 1895 to 7 francs. The duties on other cereals, flour, live-stock, meat, were also raised. Even the vine-growers, whose interests and traditions led them to favour free trade, demanded tariffs as a protection against the effects of the terrible plague of phylloxera. Lastly, industrialists considered inadequate the protection they enjoyed.

Protection was increased by the Customs Law of 1892 introducing the "Méline system". In addition to a general tariff applicable to countries which had not concluded a commercial treaty with France, it included a minimum tariff fixing the lowest rates which could be granted in future commercial conventions. In order to "give courage and confidence to French producers", the rates fixed in the tariff could not in principle be reduced. These duties were often high and, in the case of certain products, they appeared to be prohibitive.

The movement towards a protectionist policy was also gaining ground in *Italy*, which was anxious to extend her industries and to protect the cultivation of cereals. It favoured Northern Italy, whose industries were going ahead, and Milan became the economic capital of the Kingdom. Protection in a mild form was introduced in 1878; it became thorough-going in 1887.

*Austria-Hungary* also enacted protectionist legislation and in 1882 began with agricultural protection which acquired real vigour in 1906.

Pursuing the dream cherished in all countries, a reduction of imports in favour of exports, *Russia* granted a large measure of protection to her national agriculture and industry.

Under the influence of the Catalan industrialists and agricultural circles, *Spain* was also won over to protectionism.

In 1892, *Portugal* adopted an ultra-protectionist tariff under which the duties on certain articles were made twenty-seven times heavier than under the previous regime, which was already marked by a constant increase in protectionism.

In *Switzerland*, the general trend towards protection acquired speed from 1884 onwards. The farmers induced the Government to increase import duties on live-stock, meat, butter, etc. Swiss industries specialising in the production of luxury articles—such as embroideries, clocks and watches, silks, etc.—were particularly hard hit by the crisis. They were strongly in favour of protectionism and duties were increased. In 1891, the Swiss people approved by 220,000 votes to 159,000 an increase in the general tariff.

In 1890, the protectionists obtained a majority in the *Swedish* Diet and tariffs were accordingly revised.

Duties were also increased in *Greece* and *Roumania*.

European agriculture became converted *en masse* to the most rigorous protectionism. It supported the dogma that each country should be able to obtain from its own soil everything required for the national table. Most European States were placing themselves on the defensive, but the various national protectionist policies were beginning to clash, thus leading to a breakdown of trade relations.

In 1887, France and Italy engaged in a Customs war. For several years, they levied heavy surtaxes on goods and vessels from the neighbouring country; next, they applied to each other the mostly prohibitive rates of their general tariffs. The return to preferential treatment on both sides did not take place until November 1898. After a struggle lasting more than ten years, trade relations once again resumed their normal course. The producers of Southern Italy who were anxious to sell their dried herbs, fruit and wines suffered severely from this long rupture of economic relations with France. In less than two years, consignments of Italian produce to France had fallen off by 61 per cent. The economic war deprived France of half the business she had formerly done in the Peninsula.

From 1893 to 1895, Switzerland and France waged a Customs war, Switzerland levying surtaxes on French imports, while France applied her general tariff to Swiss imports.

Nevertheless, the progress of protectionism did not check the expansion of international economic relations, which enjoyed the benefit of Customs stability. A large number of long-term commercial treaties had finally been concluded, often after protracted bargaining. Their very duration afforded a guarantee and enabled traders to plan ahead. Compared with the ferocious protectionism which was to prevail throughout the world after the war, the Customs tariffs at the end of the nineteenth century were very moderate on the whole, their steady upward tendency being checked by the application of the most-favoured-nation clause, which was included in the majority of contractual agreements. This clause played a predominant part in the expansion of international trade, and thanks to it the development of political and economic nationalism was able to go forward *pari passu* with the enlargement of the world market.

### Protection in the United States of America and in the Dominions.

The general protectionist tendencies which predominated in Europe were also to be found in the United States, which, after the Civil War, had achieved economic unity and suppressed all the economic systems peculiar to the various States. Once freedom of

trade had been established between the States within the Union, the United States systematically adopted protective measures on a constantly increasing scale of severity which closed the country to the rest of the world. They did not admit the most-favoured-nation clause except conditionally. In 1890, they adopted the tariff submitted by a Republican leader, MacKinley; protective duties, in particular on wool and woollen goods, were considerably increased. The Democrats, who came into power in 1892, desired to decrease protection, but the Senate prevented any considerable reduction; their mutilated draft became law in 1894.

When MacKinley was elected President of the Republic, he returned to a policy of extreme protection; like Méline, he was the bane of the liberal economists. In 1897, the Dingley Tariff made further increases in the Tariff of 1890. Though the duties on metallurgical products remained on the 1894 level, and were even reduced in the case of steel rails, the American metal industry could henceforward face any foreign competition, since the rates on most of its other products were higher than in 1890; in order to satisfy the agrarians, protective duties were imposed on hides and skins, flax, etc. Foreign competition had become impossible on the home market, which was reserved for the industry of the country.

Like the United States, the British overseas territories decided for a narrow protectionism.

### Commercial Policy in England.

The return to Customs protection was almost general. England stood out, with some other countries such as Belgium and the Netherlands, which persevered in free trade. In England, a strong current of opinion asked in vain for a change in the Customs policy and condemned unilateral free trade with increasing force. In the first few years of the twentieth century, the name of Chamberlain became connected with a similar movement. In September 1903, he left the Cabinet in order to be free to preach Imperial protection. Though 70 years of age, he entered into the campaign with ardour. England was roused by the keen discussions between the defenders of free trade and the champions of a return to protection, but she did not allow the principles of free trade to be shaken.

Yet the agricultural crisis raged as severely in England as on the Continent and precipitated the decline of national agriculture. The low prices of foodstuffs caused a scarcity of labour. The country districts were rapidly depopulated by emigration into the towns; in 1891, the rural population had dwindled to 18 per cent of the whole from 53 per cent at the beginning of the century. From 1891 to 1901, the number of agricultural labourers declined from 1,695,000 to 915,000.

The cultivable area of the United Kingdom decreased by more than a quarter; from 1891 to 1901, it fell from 8,244,000 to 5,866,000 acres. Sowings were reduced to such an extent that national production became insignificant as compared with consumption, while the production had almost satisfied the demand in the first half of the nineteenth century. Even at the beginning of the 'seventies England was still producing as much wheat as she received from abroad; at the beginning of the twentieth century, she did not produce more than a tenth of her consumption.

Although the farmers said they were doomed, England left them without protection. They only formed a small minority. The United Kingdom, Mistress of the Seas, saw no difficulty in obtaining supplies. It had no thought of self-sufficiency and refused to change an economic system which had given so dazzling an impetus to industry and trade. It merely imposed an insignificant import duty on wheat in 1902 (1s. per quarter).

Moreover, certain categories of agriculture remained comparatively prosperous.

### Wool.

Besides wheat, the crisis affected in particular wool and consequently sheep-farming. Wool, with its very high commercial value, had long brought large returns to European agriculture. But South America, the Cape and Australia, where immense areas were devoted to the breeding of sheep which, thanks to the climate, could usually be put out to graze the whole year, began to send their wool in considerable quantities; more than 1,46,000 tons came from Australia in 1892. The number of Australian sheep rose from 23 millions in 1861 to 106 millions in 1891. Then, as a result of drought which recurred for several years, it fell to 57 millions in 1903. In the Argentine, the number increased from 41 millions in 1870 to 74 millions in 1903.

From 1860 to 1890, wool prices fell by more than a third. This drop in value caused European agriculture to regard the sheep as a source of supply of meat rather than wool and to turn exclusively to the breeds preferred by butchers. Until then merinos had been bred with a view to improving the fleece. When a change-over was made to the raising of sheep for the table, English breeds were introduced on account of the excellent quality of the meat. These breeds do not prosper in countries with poor pasturage and they dislike drought, heat, dust and walking long distances. They are not driven out by the advance of cultivation, which is, on the contrary, necessary in order to provide them with ample supplies of clover, lucerne, mangel-wurzels, oilcake and sugar-beet pulp.

As the breeders of the Southern Hemisphere caused the wool-bearing sheep to disappear from the Old World, flocks dwindled rapidly in Europe. From 1870 to 1910 the numbers fell in Germany from 25 millions to 6 millions; in France, from 24 to 17 millions. This brought about an immense change in European agriculture, for wool-bearing sheep were replaced by cattle and pigs, which increased considerably in numbers. Cattle cannot, like flocks of wool-bearing sheep, be satisfied with poor pasture of sparse short grass and live on straw and fallow land; they need well-kept pastures maintained in a state of fertility. Suitable manure became a necessity. Agriculture was modernised. Breeding was intensified. The waste matters of the sugar and alcohol industries were employed. It became customary to keep cattle permanently in the stable. The breed was improved. The output of each animal in meat and milk increased considerably. Artificial pastures were created with lucerne, clover and sainfoin. The soil was enriched by fertilisers and nitrogen because the long tap-roots of leguminous plants penetrate deeply into the soil and exhaust it. As a result of these modern processes of cultivation which tend to the production of fodder and the development of cattle-breeding, land lies fallow for a shorter time or not at all. It no longer requires such long periods of rest. When land under fodder has been cleared, it is able to produce an abundant crop of grain.

### Cattle-breeding and the Dairy Industry.

In spite of the increasing use of cold storage, it is more difficult to export overseas cattle, meat, milk, butter, fruits and fresh vegetables than wheat. Moreover, the consumers do not regard frozen foodstuffs with favour. The consumption of meat and dairy produce, which are less exposed to transatlantic competition, went on increasing with the growth of population and industry. True, rates dropped along with the prices of wheat, but the contraction was much less marked. In England, the minimum was reached for beef in 1887 with a price corresponding to 84% of the price from 1851 to 1875, and for butter in 1895 with a price corresponding to 82% of the price from 1851 to 1875. Prices soon began to rise considerably for meat, milk and butter.

European agriculture therefore turned towards cattle-breeding and the dairy industry. In many districts, cattle had long been used merely for supplying the family table, for the production of manure and for farm work; they occupied a purely secondary position. But in the 'nineties we find the same districts devoting wide pasture-lands to cattle. Great Britain became a vast meadow; its peasants had disappeared, but it had its parks and flocks. It replaced cereals by fodder, cattle and all the products derived from them, such as butter and cheese. The neighbourhood of large towns provided a ready sale for dairy produce and for garden products and poultry.

The English market, however, was gradually invaded by butter from Denmark and the Netherlands. These countries underwent a highly productive change and adapted themselves completely to the new conditions of the world market. Denmark achieved quite fantastic results. The country was covered by a network of co-operative societies for the manufacture of butter and cheese and for their sale on foreign markets. Joint manufacture could alone ensure exceptional quality and cheapness, while joint selling gave Danish products the advantage on foreign markets. Thanks to its exports of butter, eggs and bacon, the Danish countryside filled up again and became rich.

Holland borrowed from the Danes their excellent co-operative method together with their spirit of unity and joint work. Frisian farmers went to Denmark to study the co-operative system which had given such good results. In 1886, they founded the first Dutch dairy co-operative society in a Frisian village. The peasants of the district undertook to deliver all the milk which they did not themselves require. The rural population, abandoning their isolation, taught one another and acquired better knowledge of their business. This was to the benefit of the whole of Netherlands agriculture, which found a fortune in cattle-breeding and the sale of dairy produce.

The dairy industry has made greater progress than any other agricultural industry. In Western Europe, grain cultivation is decreasing, while the area under grass is increasing. In 1892, the relationship between grain crops and fodder crops in France was 15 to 10; in 1903, the two groups were equal; in 1913, grain only covered 13,500,000 hectares, while the area devoted to the production of fodder covered 15,400,000.

There are two causes for this regular and continuous change: the low remuneration obtained from grain cultivation and, in particular, the difficulty of finding and retaining the necessary labour. The farmer was impelled to produce meat rather than wheat because stock-raising paid better and did not require so much labour. Besides, thanks to the increased yield, wheat production continued to grow in spite of the decrease in the area under cultivation.

It was about 1870 that margarine appeared for the first time on the market as a substitute for butter and lard. It had been introduced as the result of a competition instituted by Napoleon III. Twenty years later the struggle of the agriculturists began against the margarine industry, which at the time mostly used animal fats, but came to employ vegetable oils and whale oil in increasing proportions. After 1890, the consumption of margarine—which later grew to such enormous proportions—made its first effects felt on the agricultural system as such. Up till then animal fat had been more valuable than meat, and stock-raisers aimed accordingly at the production of fat. Fat prices began to fall below the price of meat, and the producers were forced to change their methods and to concentrate mainly on the production of young animals for meat.

### The Evolution of Agriculture.

The effect was not merely to industrialise agriculture in a number of regions, but to a certain extent to commercialise it—the conditions for the sale of produce being revolutionised by foreign competition.

In some cases, the agriculturist turned to easy trade returns and rapid profits. But rural property is not subject to the same "laws" of concentration as other fields of economic activity, since it cannot command the investment of capital as readily as industry or trade, for the reason that the chances of quick profits are smaller. In many respects, moreover, and particularly in connection with the labour element, small agricultural undertakings are less exposed to disappointment than large undertakings. Hence, generally speaking, small properties are not crushed by the big estates. On the contrary, small properties tend to increase in number and in area, while the position of big properties is shaken.

In the overseas countries, agriculture took the form of precipitate and speculative exploitation of new vacant lands. Even in Europe, the tendency was away from production for the consumption of the producer's family and in the direction of sales on small local markets. Agriculture became less self-reliant and worked increasingly with a view to the sale of its products, in some cases producing for the wholesale trade run by industrial establishments, mills, distilleries, sugar refineries, jam factories, etc.

Horticulture—*i.e.*, the intensive culture of fruit and even flowers—increased, while poor crops such as buckwheat and rye declined. The position of old industrial crops, which formerly prospered, was endangered largely as a result of competition and over-production.

#### Viticulture.

The agricultural crisis coincided with an acute viticultural crisis which dried up the income of grape-growers at the source. But the viticultural crisis was accidental, and the capitalist system could not be held responsible for it. In 1878, the phylloxera began its ravages. Anxiety was general, and in the presence of this continually increasing plague, the cultivation of the vine was rapidly disappearing. This unknown plague first made its appearance in 1865 in the south of France. It spread to Spain and Portugal in 1872, to Italy in 1879, to Algeria in 1885 and to the Cape in 1886. With very few exceptions, it made its appearance in every country where the vine was cultivated.

The causes of it have been known from the year 1868. The minute insect was discovered in the south of France, and the remedies against its ravages were clearly understood. Under the Berne International Convention of September 1878, Germany, Austria-Hungary, Spain, France, Italy, Portugal and Switzerland took the requisite measures to ensure effective common action against the introduction or propagation of the phylloxera. But the issue of the campaign against it was still in doubt; and it was not until 1880 that the plague ceased to grow worse.

From 1885 onwards, progress was rapid and victory was assured. The resistance of the American vines made it possible to reconstitute the vinelands of Europe. The United States were scoured for plants specially resistant to the phylloxera, and European viticulture was saved from disaster by the plantation of American vines.

The French vinelands had been halved by the phylloxera, and the Spanish and Italian vineyards had been hard hit. The production of French wine had fallen from 83 million hectolitres in 1875 to 25 millions in 1879.

The reconstruction of the vinelands was so rapid that it was not long before the requirements of consumption were exceeded, technical progress having increased the yield. Accordingly, viticulture experienced a new crisis which, though less tragic than the crisis produced by the phylloxera, nevertheless became disastrous at the end of the nineteenth century and the beginning of the twentieth century. A long slump prevailed on markets. Prices fell to almost nothing, and in the south of France it was not uncommon for wine to be poured into the gutter in order to salvage the cask.

### Sugar.

In the case of the sugar crop, the perpetual struggle between the producers of cane sugar and the producers of beet sugar continued. In the second half of the nineteenth century, cane sugar was threatened, while beet sugar made progress. At the beginning of the twentieth century, the production of beet sugar represented more than half the total production of sugar. But this threat only served to give a vigorous impulse to the culture of the sugar cane. The planters resorted to scientific methods, and new varieties were introduced which considerably increased the yield of this form of sugar.

But the culture of the beet was so profitable that it led to over-production. It was extended in all countries, fostered by the producing States which increased the protection of this crop to the maximum, instituting bounties, direct or indirect, on the culture of the beet or the export of beet sugar, all at the expense of the public funds. Behind the shelter of the protective duties, the sugar industry, organised in cartels, increased its prices for national consumers, while with the profits thus made on the home market it was able to sell its surplus production to foreign countries at reduced rates. Competition exceeded all limits and profoundly upset the market without any advantage to any side. In the end this exaggerated dumping served to supply the principal consuming market, Great Britain, at a price below the cost of production. Sugar was sold in Great Britain at absurdly low rates, the bounties given by the exporting countries serving to offset the losses of the producers. On the other hand, sugar was sold at a very high price in the producing countries, which, in order to sell at a low price to foreign consumers, were forced to impose a heavy burden on their own population; and these high prices operated considerably to restrict consumption.

In spite of the advantages which Great Britain had long derived from this state of things, it did not remain deaf to the complaint of the British sugar-producing colonies; for the artificial reduction of prices in Great Britain was prejudicial to the production of cane sugar in the British West Indies. After difficult negotiations, an International Conference met at Brussels. Faced with a threat from Great Britain to put a countervailing tax on bounty sugar, the Conference signed in 1902 a Convention which settled the sugar question and was ratified by the majority of producing countries. It abolished all bounties, direct or indirect, whether on production or export. It fixed a low maximum for the Customs duties which each country was entitled to impose on sugar coming from the States adhering to the Convention. Provision was made for action against countries not acceding to the Convention. Their sugar was to pay, in addition to the ordinary Customs duty, a countervailing duty equal to the bounty given. The Brussels Convention led in certain European countries, especially in France, to a contraction of production and to the disappearance of a certain number of factories.

### Industrial Crops.

Europe gave up the cultivation of agricultural raw materials. The raising of sheep for wool was first abandoned, and the cultivation of the silkworm also fell off. On the Mediterranean littoral, especially in the south of France, the mulberry, widely grown for the raising of silkworms, gave place to orchards, gardens and pasture. It could scarcely withstand the crushing competition of the cultivation of silk in the East, with its abundance of cheap labour afforded by an extremely dense population. In Southern China, in Tonkin, in India, the climate enables the mulberry tree to produce several crops a year, which

constitute the main food of the silkworm. This in itself affords a further advantage to Oriental labour, which is enabled to cultivate the silkworm the whole year through.

Since the opening of the Suez Canal, the silk of Asia has flooded the European market. It supplies the manufactories of Europe, as also the silk factories newly established in America, with the great majority of the silk threads they employ.

Similarly, the growing competition of cotton and ground-nut oils has gravely injured the production of olive-oils, and the cultivation of the olive-tree has been seriously affected.

The cultivation of the colza has been largely reduced since sesame and ground-nut seeds have been imported into Europe, and mineral oils have been used for lighting. Oleaginous seeds from the tropics are the subject of a vast trade.

The culture of flax and hemp has greatly diminished in Western Europe under the influence of the growing imports of foreign textiles.

The cultivation of madder, formerly a very prosperous form of culture in the South of France, is to-day entirely abandoned. Since 1869, coal-tar dyes have supplied at a very cheap rate the red colouring matter formerly derived from madder roots.

#### **End of the Agricultural Depression.**

The crisis of European agriculture ended in the latter years of the nineteenth century. From 1896 onwards, the prices of cereals began to rise, at first hesitatingly, but after 1904 in a marked degree. In 1900, the prices of the principal foodstuffs were at least 10% more than 1895. In 1913, the average price of the quintal of wheat in the United States ports was 18.20, as compared with 12.75 francs in 1892; in Liverpool, it was 17.60 French francs, as compared with 14.60. Prices continued to mount in spite of the enormous development of world production, which from 583 million quintals in 1876-1880, rose to 647 millions in 1886-1890, to 742 millions in 1896-1900, to 881 millions in 1903, and on the eve of the World War to over 1,000 million quintals.

But the international wheat market appeared to have reached some sort of equilibrium. The demand had increased faster than the harvests. Consumption grew, not merely in conjunction with the increase in population, but above all in conjunction with the general expansion of industry and trade and the increase of wealth and prosperity which tended to eliminate lower-grade cereals. The consumption of meat and butter also increased, and prices rose rapidly.

At the same time, in the overseas countries, agricultural development was less rapid than it had been in the 'seventies. The land available for settlement in the United States was now occupied. From about 1890, the limits of settlement were fixed. The call of the West, to which so many generations had responded, was no more. The age of the pioneers was at an end. Since 1900, there was a shortage of land, and speculation drove up land prices. Production was intensified and the exploitation of dry regions was developed; but there were no more new lands to bring under cultivation, and from 1890 onwards the growth of population was greater than the extension of areas under cultivation. Internal needs increased considerably. The United States turned more and more rapidly to industrialisation, and the rural element of the population quickly assumed smaller proportions in comparison with the elements living on industry and trade. Exports of agricultural industries (with the exception of cotton) became relatively less important. From 66% of the total exports in the period 1881-1885, they fell to no more than 44% in 1906-1910. Nevertheless, the quantities exported were still large, and until the beginning of the twentieth century the United States were exporting a quarter of the wheat they produced: they were still a world granary.



Western Canada and the Argentine were the next countries to be exploited, and Australia was developed in spite of rigorous restrictions on immigration. The year 1891 saw the beginning of the construction of the Trans-Siberian Railway, which opened up Siberia to the Russian peasants. Between 1896 and 1907, it was settled by 1,600,000 persons. In the vast countries outside Europe, millions of hectares were made available for the culture of wheat; but the progress made in this connection did not lead to agricultural development on the same scale as in the United States after 1870.

The difference between the agricultural systems in Europe and the non-European countries is no longer what it was. The immigrants who came into Siberia after 1890 found the best parts of the land already occupied. In Canada, the land near the railways was rapidly acquired by private owners and was the subject of feverish speculation, to such an extent that in the 'eighties the price of land was relatively high. In Australia, the land passed mainly into the hands of large owners, and the efforts made after 1890 to develop small-holdings were doomed to part failure as a result of the scanty influx of immigrants. The Argentine, like Australia, is a country of vast estates, and the peasants are dependent on the big landowners. Stock-raising is accordingly the principal branch of farming. The land at the Government's disposal which is available for settlement is in the more remote districts.

For working large areas of land, modern equipment is indispensable. The overseas countries were specially suited to exploitation by modern mechanical methods, as a result of which extensive cultivation is made possible. The development of cultivation is dependent on the possibility of recourse to modernised agricultural machinery—a gradual process. The defects of the equipment available explain the relative slowness of the progress accomplished at this period.

Many economists of the end of the nineteenth and beginning of the twentieth centuries wondered whether the world would be able to supply the harvests necessary for the increased demand. The last thing they foresaw was a marked rapid increase of the production of wheat. In general, they held pessimistic views as to the provision for the future. They were concerned with means of avoiding the contingency of famine to which (it appeared to them) the world was doomed, as the population increased faster than the available means of subsistence. In 1898, the English chemist Sir W. Crookes predicted universal famine for 1938.

The imports of Central and Western Europe increased continuously. They came as to about half from Eastern Europe, and as to the rest from the United States, the Argentine, Canada and Australia. Two countries had begun to play a considerable part as exporters—the Argentine and Canada.

Geneva, May 7th, 1935.

**LEAGUE OF NATIONS**

**ECONOMIC COMMITTEE**

**REPORT TO THE COUNCIL ON THE WORK  
OF ITS FORTY-SECOND SESSION**

*Held at Geneva from April 29th to May 4th, 1935.*

The following members of the Committee were present:

- |                                  |  |
|----------------------------------|--|
| M. P. ELBEL ( <i>Chairman</i> ). | M. G. COMOLLI (replacing M. Brebbia).  |
| M. C. V. BRAMNAES.               | Mr. W. HORROCKS (replacing Mr. Steyn). |
| M. A. DI NOLA.                   | M. V. IBL (replacing M. Peroutka).     |
| M. F. DOLEZAL.                   |  |
| M. H. HIRSCHFELD.                |  |
| Sir Frederick LEITH-ROSS.        |  |
| M. A. DE NICKL.                  |  |
| Mr. J. H. ROGERS.                |  |
| M. B. ROSENBLUM.                 |  |
| M. R. SCHÜLLER.                  |  |
| M. W. STUCKI.                    |  |

Also present:

M. F. VAN LANGENHOVE, Corresponding Member.

\* \* \*

CONTENTS.

	Page
1. Appointment of Officers for 1935. . . . .	1
2. International Economic Relations . . . . .	1
3. Agricultural Protectionism . . . . .	2
4. Tourist Traffic as a Factor in International Economic Affairs . . . . .	2
5. Export and Import of Meat and Meat Preparations . . . . .	2
6. Phyto-pathological Questions . . . . .	3
7. Collaboration between the Economic Committee and the International Institute for the Unification of Private Law, at Rome. . . . .	3
8. Coal . . . . .	3

I. APPOINTMENT OF OFFICERS FOR 1935.

M. ELBEL (French) was appointed as Chairman and Sir Frederick LEITH-ROSS (British) as Vice-Chairman for 1935.

2. INTERNATIONAL ECONOMIC RELATIONS.

At its last session (July 1934); the Economic Committee announced its intention of submitting, at its next session, a comprehensive report to the Council on the general situation of international

economic relations. The separate statement dealing with agricultural protectionism is not considered by the Committee—important though the subject dealt with may be—as discharging this obligation towards the Council.

During the present session, a detailed discussion took place on the general situation. The presence of nearly all the members of the Committee added to the interest of this exchange of views. Moreover, the Committee had before it an important report from the Joint Committee for the Study of Clearing Agreements, which deals with essential questions of the most immediate urgency.

Monetary instability, currency control, quotas and other hindrances to trade were in the forefront of the Economic Committee's discussions. The close relation which exists between these various problems, their complexity and vast scope, and particularly the importance of the measures which might have to be contemplated to remedy the situation, led the members of the Committee to think that further reflection on these various questions was necessary, as well as a consultation of the responsible authorities and economic circles in their own countries.

The Committee has instructed the Secretariat to prepare a document summarising these exchanges of views, which after being examined by the Bureau of the Committee and supplemented by the observations of its members, might serve as a basis for a fresh discussion in which it would like the Financial Committee to take part.

The report embodying the results of this discussion should be submitted to the Council before the next Assembly.

### 3. AGRICULTURAL PROTECTIONISM.

In the meantime, the Committee, complying with a recommendation made by the last Assembly, transmits to the Council a very concise study on the more important aspects and consequences of agricultural protectionism as at present practised in most industrial countries.

This study is contained in a separate document (C.178.M.97.1935.II.B).

### 4. TOURIST TRAFFIC AS A FACTOR IN INTERNATIONAL ECONOMIC AFFAIRS.

At its last session, the Committee decided to place on its agenda the question of tourist traffic as a factor in international economic affairs.

In the meantime, the Secretariat had been instructed to make certain preliminary studies.

(a) After being informed of the results of this work, the Committee decided to seek the collaboration of a certain number of experts with a view to the continuation of its work. These experts will be chosen, for the most part, from among the directors of the national tourist offices of the countries most directly concerned, and also from among the representatives of big international organisations, other than professional organisations, which have already, in different ways, concerned themselves with various problems connected with tourist traffic. The Communications and Transit Organisation will also be invited to be represented on this Committee. The Bureau of the Economic Committee has been asked to appoint the Committee of Experts.

The Economic Committee, while directing the experts' attention to a certain number of questions of fundamental importance, proposes to leave the Committee to decide upon its own programme, so as to enable it to take account of any prospects there may be of effecting progress in the different matters referred to it.

(b) In accordance with a decision taken by the Council in September 1934, the attention of the Committee of Statistical Experts set up under the Convention of December 14th, 1928, was drawn to the inadequacy and disparity of the methods employed in the various countries for the compilation of tourist statistics. This Committee has decided to place the question on the agenda of its forthcoming session, convened for June 3rd, 1935.

### 5. EXPORT AND IMPORT OF MEAT AND MEAT PREPARATIONS.

This question has already been examined on previous occasions by the Economic Committee. The Sub-Committee of Experts set up to make a preliminary study of veterinary questions had already, in 1930, emphasised the importance of the question, while pointing out the difficulties which would be encountered in seeking appropriate solutions for the problems raised by the import and export of meat. At the same time, this Sub-Committee indicated the possibilities which seemed to it to exist.

In 1933, after the Monetary and Economic Conference, the Committee had been invited by a resolution of that Conference to resume its studies, but it considered, at that time, that the moment was hardly favourable. Since then, the "Institut international du froid", which had been asked to prepare a report of a purely scientific and technical nature on the problem of the international regulation of the meat trade, has submitted its report to the Committee.

A comparison of the observations of the above-mentioned Sub-Committee with the results of the work of the experts summoned by the "Institut international du froid" and the observations collected by that Institute in connection with this work appeared to offer possibilities of agreement which the Economic Committee wished to take into consideration. In the opinion of the experts, indeed, any international action in this matter should be based on the existence in the exporting countries of sanitary conditions and of a technical service affording effective guarantees in the matter of the inspection of meat. The earlier work of the Economic Committee

and of its Sub-Committee of Veterinary Experts has now resulted in concrete action, three Conventions having recently been signed, one of which is intended to ensure the existence in the signatory countries of a veterinary service answering to certain requirements from the point of view of the efficacy of the campaign against contagious diseases of animals and the improvement of veterinary health conditions in the contracting countries. Obviously, this circumstance is calculated to prepare the ground and to facilitate endeavours to find solutions for the complicated and important problems raised by the question of the import and export of meat, particularly as the discussions and consultations of experts belonging to exporting and importing countries show that, in the scientific and technical field, a general agreement does not seem to be impossible.

In these circumstances, the Economic Committee decided to convene a Committee of Experts for the purpose of seeking suitable bases for an international agreement. This Committee, although the number of its members will be small, will be composed in such a way as to ensure that the points of view of the exporting countries as well as those of the importing countries may be adequately presented and compared.

The Bureau was instructed to make arrangements, in accordance with the guiding principles laid down by the Committee, for convening at an early date a meeting of these experts, a programme of work for them having been submitted by the Secretariat and approved by the Economic Committee.

#### 6. PHYTO-PATHOLOGICAL QUESTIONS.

The International Institute of Agriculture submitted to the Economic Committee for its "preliminary examination and approval" the results of the consultation of experts undertaken by the Institute in pursuance of a decision by the London Monetary and Economic Conference. The latter had asked the Institute "to study, with the collaboration of the Economic Committee of the League of Nations, the scientific and technical questions involved in the control of the importation and exportation of plants and other vegetable products". For this purpose, the Institute was to enlist the co-operation of specially qualified experts representing the interests of the countries which, in various ways, are concerned in the matter, and, lastly, was to submit for the consideration of Governments "the general principles worked out in the course of the study, by which they should be guided in drafting the regulations to be enforced".

Interpreting the above resolution as an expression of the Conference's desire to see the ground prepared for international action, with the object of relieving the trade in plants and other vegetable products of unnecessary obstacles, due to the anxiety—often held to be unjustified—to guard against the spread of plant diseases, the Economic Committee, after being informed of the exchanges of views that had taken place between the Secretariat and the International Institute of Agriculture, reached the conclusion that, in this connection also, it was necessary to set up a small committee of experts, selected from among nationals of the chief countries concerned, for the purpose of examining the problem as a whole. This committee's chief task will be to endeavour to determine what common rules it may be possible to draw up, taking into account the need for providing countries which import plants or parts of plants with those guarantees that are essential to enable them to guard against the invasion of their crops or forests by dangerous diseases or parasites, while limiting to what is strictly necessary any measures for temporarily prohibiting imports that they may be obliged to take for that purpose. The committee will, in this connection, also be invited to consider whether it would be desirable and possible to draw up or prepare special international agreements between a limited number of countries applicable to given species of plants or their products for the trade in which common rules might be adopted.

The Committee asked its Bureau to make arrangements for setting up this committee in accordance with the general principles on which the Committee had agreed, it being understood that the committee would include two representatives of the International Institute of Agriculture

#### 7. COLLABORATION BETWEEN THE ECONOMIC COMMITTEE AND THE INTERNATIONAL INSTITUTE, FOR THE UNIFICATION OF PRIVATE LAW, AT ROME.

The Committee noted the correspondence which had been exchanged between the Secretariat and the Institute and which reveals the value of continuous collaboration in the study of matters connected with commercial law or of subjects which are of particular importance from the economic point of view. The Committee approved the means by which it was proposed to effect contact between the two organisations with a view to ensuring, on the one hand, the possibility of the Committee's co-operation in work undertaken by the Institute, and, on the other hand, the possibility of the Committee's being able to invite the Institute to undertake studies in any branch of commercial law in which unification might be thought to be necessary and possible.

#### 8. COAL.

The Miners' International Federation, in a letter dated November 5th, 1934, and the Governing Body of the International Labour Office, in a resolution adopted in January 1935, invited the Secretary-General of the League of Nations to organise an international meeting of the kind contemplated by the London Monetary and Economic Conference in July 1933.

In considering the question, the Economic Committee had the advantage of the personal collaboration of the Director of the International Labour Office.

The Economic Committee recalls the fact that, in its report to the Council on November 17th, 1933, it stated that, from information obtained by the Secretariat, it appeared that the British

owners considered that an international meeting of this kind would have only very slight chances of yielding practical results.

On the other hand, considerable progress has since that time been effected in the direction of the international organisation of the coal market. As a result of the appeal addressed by the London Monetary and Economic Conference to coal-producing countries, the mine-owners of the United Kingdom succeeded, in December 1934, in concluding with the Polish coal-owners an agreement regulating coal sales and prices in export markets. This collaboration, which is of considerable importance, cannot yield its full results unless it is extended to other coal-exporting countries. The English and Polish producers have intimated their intention to endeavour to bring this about.

In these circumstances, the Committee considers that, at the moment, a tripartite coal conference could not be usefully convened and that it is wiser not to intervene in the negotiations in progress.

Although unable to take immediate action, the Committee is retaining this question on its agenda. It will continue to follow developments closely, and if it should appear that there is any possibility of a wider international agreement being successfully brought about, it will not fail to inform the Council accordingly.

---

Geneva, July 15th, 1935.

**LEAGUE OF NATIONS**

**DRAFT CONVENTION FOR THE  
PURPOSE OF FACILITATING COMMERCIAL PROPAGANDA**

**MEETING OF GOVERNMENT DELEGATES FOR THE EXAMINATION  
OF THE DRAFT CONVENTION**

*Held at Geneva, July 1st to 4th, 1935.*

**NOTE BY THE SECRETARY-GENERAL.**

At the London Monetary and Economic Conference, Sub-Commission III, B, expressed the opinion (see document C.435.M.220.1933.II.B, page 30) that, as regards certain questions of Customs formalities, the work of the Economic Committee of the League [of Nations] was sufficiently advanced to allow of the convening of a special Conference on these matters at an appropriate date. The Bureau of the Conference accordingly authorised the President of the Economic Commission to take the necessary steps to ensure the adoption of such proposals as had reached a sufficient degree of maturity.

Prior to the London Conference, the Economic Committee had proceeded to a consultation of the competent departments in all countries with a view to ascertaining their opinion on a number of proposals which were intended to be taken as the basis for draft Conventions laying down common rules in regard, amongst other things, to the clearance through the Customs of samples without saleable value and printed matter for use as commercial propaganda.

On being consulted as to the best method of giving effect to the decision of the Bureau of the London Conference, the Economic Committee first proceeded to review and amplify the former proposals and combine them in the form of the chief provisions of a draft international agreement. Having done this, it suggested that the President of the Economic Commission should submit the draft, for consideration, to a number of Governments, the co-operation of which appeared to be necessary and for the choice of which it indicated various criteria (document C.643.M.306.1933.II.B, page 6).

In a letter dated November 23rd, 1933, the Secretary-General submitted this draft to the Governments designated by the President of the Economic Commission, while at the same time requesting them to send representatives to a meeting, the date of which was to be fixed later, for the purpose of finally examining the text.

As the results of this consultation showed that there were reasonable prospects of ultimate agreement, the Secretary-General, in a letter dated April 8th, 1935, invited the Governments consulted to send representatives to a meeting to be held at Geneva on July 1st, 1935, with the object of finally reviewing the draft which, if approved, might then be recommended by the delegates to their respective Governments for signature.

This meeting closed with the signature of a joint declaration regarding the draft Convention as revised and amplified by the delegates. The texts of the declaration and draft Convention are appended to the present note.

The Secretary-General will place the question of the action to be taken with regard to the draft adopted at the meeting in July 1935 on the agenda of the next session of the Council.

## DECLARATION.

In compliance with the invitation addressed to them by the Secretary-General of the League of Nations on April 8th, 1935, the Governments of the following countries:

Austria	Czechoslovakia	Netherlands
Belgium	Denmark	Poland
United Kingdom of Great Britain and Northern Ireland	France	Sweden
	Italy	Switzerland
	Japan	United States of America

appointed as delegates:

<i>Austria:</i>	M. P. E. ATTESLANDER, Consul at Geneva (Observer);
<i>Belgium:</i>	M. le Comte L. D'URSEL, Minister at Berne; M. LORIDAN, Consular Attaché;
<i>United Kingdom:</i>	M. A. J. DEDMAN, Assistant Secretary to the Board of Customs and Excise;
<i>Czechoslovakia:</i>	Dr. Ladislav RADIMSKÝ, Secretary at the Ministry for Foreign Affairs;
<i>Denmark:</i>	M. William BORBERG, Permanent Delegate of Denmark to the League of Nations, Geneva;
<i>France:</i>	M. LECUYER, Administrator at the General Directorate of Customs, Ministry of Finance;
<i>Italy:</i>	Dr. I. BAGLI, Director-General of Customs and Indirect Taxation Rome; Dr. E. SIMONI, Ministry of Corporations, Rome;
<i>Japan:</i>	M. M. YOKOYAMA, Consul-General of Japan at Geneva; M. NISHIMURA, Secretary of Embassy and Consul at Geneva;
<i>Netherlands:</i>	M. W. H. VAN DEN BERGE, Inspector of Direct Taxes, Customs and Excise at The Hague;
<i>Poland:</i>	Dr. W. KULSKI, Counsellor of the Polish Delegation to the League of Nations; Dr. W. RASIŃSKI, former Director of the Department of Customs at the Ministry of Finance;
<i>Sweden:</i>	M. WESTMAN, Swedish Minister at Berne, Permanent Delegate, to the League of Nations;
<i>Switzerland:</i>	M. Alexandre BERNER, Director of the Third Customs District Coire;
<i>United States:</i>	Mr. Erwin E. MAY, Treasury, Attaché at Berlin; Mr. Douglas P. MILLER, Acting Commercial Attaché at the American Embassy in Berlin;

to take part in a meeting which was held at Geneva from July 1st to 4th, 1935.

### I.

The delegates proceeded to re-examine the draft International Agreement for the Purpose of facilitating Commercial Propaganda previously drawn up by the Economic Committee of the League of Nations, taking into account the observations submitted by the Governments to which the draft in question had been communicated and the discussions to which it gave rise. The delegates drew up the attached text in the firm belief that the putting into force of this Convention would help to facilitate international trade.

They have agreed accordingly to recommend the adoption of the draft Convention to their respective Governments.

Mr. DEDMAN (United Kingdom) associated himself with the above recommendations except as regards the following points, concerning which he wished to consult his Government, for the reasons shown in parentheses:

#### *Article 1.*

(Because of the omission of the reference to excise duties which was in the draft.)

*Article 2.*

(Because of the items "spirits" in paragraph 1 and "manufactured goods", in paragraph 7.)

*Article 3.*

(Because of the phrase "of whatever weight", in paragraph 1.)

*Article 7.*

(Because of the preferential treatment provided in paragraph 3 of this article for foreigners as compared with nationals in the matter of taxes, duties or charges payable to any public authority.)

M. BORBERG (Denmark) also wished to consult his Government (on account of the omission from Article 1 of the reference to excise duties appearing in the draft).

M. BAGLI (Italy) stated that he understood paragraph 3 of Article 7 as not excluding, for Italy, the possibility of levying stamp duties in cases in which they are at present payable, nationals and foreigners being treated alike, when special authorisations are given under the conditions laid down in paragraph 2 of Article 7.

M. BORBERG (Denmark), M. KULSKI (Poland), Mr. MAY (United States of America) and M. YOKOYAMA (Japan), as regards Article 5, wish to consult their Governments because this provision did not appear in the draft which was submitted to them for consideration.

M. RADIMSKÝ (Czechoslovakia) makes the same reserve as regards the application of this provision to Article 4.

II.

The undersigned delegates recommend that the Economic Committee of the League of Nations, in consultation with the Educational Cinematographic Institute at Rome, should, while pursuing the studies which it has undertaken in the matter of international tourist traffic, examine the possibility of extending the benefit of import duties exemption to films despatched by the recognised tourist organisations of the different States, when such films are of the same nature as the printed matter intended for tourist propaganda, referred to in Article 4.

They further recommend that a similar study should be made in regard to photographs, transparencies, etc., despatched by the organisations, and also in regard to tourist forms ("carnets", triptychs, etc.) and propaganda publications of general interest, even if these contain a small amount of advertising matter.

Geneva, July 4th, 1935.

Comte L. D'URSEL,  
W. LORIDAN.

A. J. DEDMAN.

William BORBERG.

Erwin E. MAY,  
Douglas P. MILLER.

G. LECUYER.

I. BAGLI,  
E. SIMONI.

M. YOKOYAMA,  
K. NISHIMURA.

W. H. VAN DEN BERGE.

W. KSULSKI,  
W. RAIŃSKI.

K. WESTMAN.

A. BERNER.

L. RADIMSKÝ.



DRAFT CONVENTION  
FOR THE PURPOSE OF FACILITATING COMMERCIAL PROPAGANDA.

PREAMBLE.

.....  
.....

(List of countries)

.....  
.....

Believing that the adoption of uniform regulations designed to facilitate commercial propaganda would be calculated to have a favourable effect on the growth of commercial transactions,

Have decided to conclude a Convention for this purpose.

The High Contracting Parties have consequently appointed as their plenipotentiaries:

.....  
.....

Who, having communicated to each other their full powers, found in good and due form, have agreed as follows:

Article 1.

1. The High Contracting Parties agree to exempt from import duties on importation samples of goods of all kinds, provided they are, in the opinion of the Customs Administration concerned, of no saleable value and can only be used for soliciting orders.

2. This however does not apply to samples of goods which form the subject of a State monopoly or the import and transit of which is prohibited or subject to special regulations on moral, humanitarian, hygienic, veterinary or phytopathological grounds, or on grounds of public safety.

Article 2.

Samples of the following goods in particular, shall be exempt from import duties, in so far as they are not excluded from exemption under the general principles laid down in the preceding article.

1. Foodstuffs and beverages, including wine, spirits, cider, beer, mineral waters, juice of grapes or other fruits, edible oils, margarine and other edible fats, etc., provided that not more than one sample of each kind or quality is included in every consignment and that the weight or volume of these products does not exceed the limits laid down by the importing country as compatible with the character of samples.

2. Base metals, skins, leather, rubber, wood, cork and similar substances, also materials plaited or spun, in sheets, bundles, sets or individual pieces, of a shape precluding the possibility of any other use than as samples, or in threads, bars, tubes, cables or cords of a maximum length of 10 cm., affixed or not on cards and not capable of any use than as samples.

3. Sets of papers, envelopes, notepaper and picture postcards, rendered useless by being pasted on sheets, cancelled by a stamp, etc., wallpapers, mounted on stands or not, sent by a foreign supplier to customers and bearing his name or mark, and also single portions of paper or wallpaper suitable for showing an entire design but not usable for any other purpose.

4. Samples of threads of all kinds arranged on cards in order of size, quality or colour, sent by a supplier to a customer.

5. Woven textiles of all kinds and felt cloths made into sets or bundles, bearing the name or mark of the supplier, or imported in separate pieces, provided that owing to their size and nature they can be used only as samples or are rendered useless for other purposes; for example, by cuts or perforations.

6. Coloured samples containing specimens of woven textiles, leather or other materials to show the nature and colour effect, provided that, owing to their size and nature, they can be used only as samples or are rendered useless for other purposes; for example, by cuts or perforations.

7. Samples of manufactured goods such as shawls, handkerchiefs, ties, stockings, footwear, gloves, gaiters, serviettes, hats, etc., with deep cuts, or forming only half or a quarter of the article and not capable of being used.

8. Samples of wood, stone, pottery, earthenware, china or glass, bearing several kinds of design, sculpture, etc., on one article, which cannot be put to any other use.

9. Screws, rivets, nails, etc., buttons, buckles, hooks and, generally speaking, small articles serving as ornaments or accessories in the clothing trade, affixed to cards containing a single sample of each size and of each kind and constituting genuine collections of samples.

10. Small samples of essence of turpentine, colophony, tartar, wax or other products in the raw state.

11. Samples of fruit essences, artificial dyes, etheric oils and chemical products, provided there is only one sample of each kind and quality in every consignment and that the weight or volume of these products does not exceed the limits fixed by the importing country as compatible with the character of samples.

12. Samples of colours and inks for painting and drawing, in small tubes or bottles of such small content that there is no possibility of their being sold.

*Annex to Articles 1 and 2.*

1. The Customs Administration may require that the articles be made useless by tearing, perforation or other treatment; this operation, however, being carried out in such a way that the said articles do not lose their value as samples.

2. The rules laid down in Articles 1 and 2 shall not apply to samples made up on behalf of merchants or manufacturers in the country of import.

*Article 3.*

1. The High Contracting Parties agree to admit free of import duty catalogues, price-lists and trade notices imported in single copies, of whatever weight, whether accompanying the goods or sent separately.

2. The following may be excluded from free admission, even if imported in single copies:

(a) Catalogues, price-lists and trade notices printed abroad on behalf of traders and manufacturers established in the country of destination;

(b) Catalogues, price-lists and trade notices which do not clearly indicate the foreign firm manufacturing or selling the goods.

*Annex to Article 3.*

1. Catalogues, price-lists and trade notices sent separately but simultaneously through the post to different addresses shall be treated as consignments of single copies. They must, however, be sent in this form from the place of origin.

2. Catalogues, price-lists and trade notices, accompanying the goods, the number of which corresponds to the number of the articles packed together shall be treated as imported in single copies.

3. Each of the High Contracting Parties shall be entitled to decide whether, and under what conditions, exemption from Customs duty may be granted to consignments of a number of copies of the same catalogue, price-list or trade notice sent to different addresses which are to be posted in the country of destination and which arrive grouped together at the frontier.

*Article 4.*

The High Contracting Parties agree to admit free of import duty, without limitation of quantity, printed matter and posters for propaganda (time-tables in book or poster form, guides, pamphlets, folders, etc., illustrated or not, illustrated posters), the essential purpose of which is to induce the public to visit foreign countries or localities, or fairs or exhibitions abroad, or to attend meetings or events abroad of genuine public interest, provided that such documents are intended for distribution free of charge and that they are obviously intended for purposes of general publicity.

*Article 5.*

The words "import duties" used in Articles 1, 2, 3 and 4, not only include Customs duties, but also all duties and taxes which are payable at the time of and by reason of the importation (*i.e.*, interior taxes, excise duties, statistical taxes, import taxes, etc.).

DRAFT CONVENTION  
FOR THE PURPOSE OF FACILITATING COMMERCIAL PROPAGANDA.

PREAMBLE.

.....  
.....

(List of countries)

.....  
.....

Believing that the adoption of uniform regulations designed to facilitate commercial propaganda would be calculated to have a favourable effect on the growth of commercial transactions,

Have decided to conclude a Convention for this purpose.

The High Contracting Parties have consequently appointed as their plenipotentiaries:

.....  
.....

Who, having communicated to each other their full powers, found in good and due form, have agreed as follows:

Article 1.

1. The High Contracting Parties agree to exempt from import duties on importation samples of goods of all kinds, provided they are, in the opinion of the Customs Administration concerned, of no saleable value and can only be used for soliciting orders.

2. This however does not apply to samples of goods which form the subject of a State monopoly or the import and transit of which is prohibited or subject to special regulations on moral, humanitarian, hygienic, veterinary or phytopathological grounds, or on grounds of public safety.

Article 2.

Samples of the following goods in particular, shall be exempt from import duties, in so far as they are not excluded from exemption under the general principles laid down in the preceding article.

1. Foodstuffs and beverages, including wine, spirits, cider, beer, mineral waters, juice of grapes or other fruits, edible oils, margarine and other edible fats, etc., provided that not more than one sample of each kind or quality is included in every consignment and that the weight or volume of these products does not exceed the limits laid down by the importing country as compatible with the character of samples.

2. Base metals, skins, leather, rubber, wood, cork and similar substances, also materials plaited or spun, in sheets, bundles, sets or individual pieces, of a shape precluding the possibility of any other use than as samples, or in threads, bars, tubes, cables or cords of a maximum length of 10 cm., affixed or not on cards and not capable of any use than as samples.

3. Sets of papers, envelopes, notepaper and picture postcards, rendered useless by being pasted on sheets, cancelled by a stamp, etc., wallpapers, mounted on stands or not, sent by a foreign supplier to customers and bearing his name or mark, and also single portions of paper or wallpaper suitable for showing an entire design but not usable for any other purpose.

4. Samples of threads of all kinds arranged on cards in order of size, quality or colour, sent by a supplier to a customer.

5. Woven textiles of all kinds and felt cloths made into sets or bundles, bearing the name or mark of the supplier, or imported in separate pieces, provided that owing to their size and nature they can be used only as samples or are rendered useless for other purposes; for example, by cuts or perforations.

6. Coloured samples containing specimens of woven textiles, leather or other materials to show the nature and colour effect, provided that, owing to their size and nature, they can be used only as samples or are rendered useless for other purposes; for example, by cuts or perforations.

7. Samples of manufactured goods such as shawls, handkerchiefs, ties, stockings, footwear, gloves, gaiters, serviettes, hats, etc., with deep cuts, or forming only half or a quarter of the article and not capable of being used.

8. Samples of wood, stone, pottery, earthenware, china or glass, bearing several kinds of design, sculpture, etc., on one article, which cannot be put to any other use.

9. Screws, rivets, nails, etc., buttons, buckles, hooks and, generally speaking, small articles serving as ornaments or accessories in the clothing trade, affixed to cards containing a single sample of each size and of each kind and constituting genuine collections of samples.

10. Small samples of essence of turpentine, colophony, tartar, wax or other products in the raw state.

11. Samples of fruit essences, artificial dyes, etheric oils and chemical products, provided there is only one sample of each kind and quality in every consignment and that the weight or volume of these products does not exceed the limits fixed by the importing country as compatible with the character of samples.

12. Samples of colours and inks for painting and drawing, in small tubes or bottles of such small content that there is no possibility of their being sold.

#### *Annex to Articles 1 and 2.*

1. The Customs Administration may require that the articles be made useless by tearing, perforation or other treatment; this operation, however, being carried out in such a way that the said articles do not lose their value as samples.

2. The rules laid down in Articles 1 and 2 shall not apply to samples made up on behalf of merchants or manufacturers in the country of import.

#### *Article 3.*

1. The High Contracting Parties agree to admit free of import duty catalogues, price-lists and trade notices imported in single copies, of whatever weight, whether accompanying the goods or sent separately.

2. The following may be excluded from free admission, even if imported in single copies:

(a) Catalogues, price-lists and trade notices printed abroad on behalf of traders and manufacturers established in the country of destination;

(b) Catalogues, price-lists and trade notices which do not clearly indicate the foreign firm manufacturing or selling the goods.

#### *Annex to Article 3.*

1. Catalogues, price-lists and trade notices sent separately but simultaneously through the post to different addresses shall be treated as consignments of single copies. They must, however, be sent in this form from the place of origin.

2. Catalogues, price-lists and trade notices, accompanying the goods, the number of which corresponds to the number of the articles packed together shall be treated as imported in single copies.

3. Each of the High Contracting Parties shall be entitled to decide whether, and under what conditions, exemption from Customs duty may be granted to consignments of a number of copies of the same catalogue, price-list or trade notice sent to different addresses which are to be posted in the country of destination and which arrive grouped together at the frontier.

#### *Article 4.*

The High Contracting Parties agree to admit free of import duty, without limitation of quantity, printed matter and posters for propaganda (time-tables in book or poster form, guides, pamphlets, folders, etc., illustrated or not, illustrated posters), the essential purpose of which is to induce the public to visit foreign countries or localities, or fairs or exhibitions abroad, or to attend meetings or events abroad of genuine public interest, provided that such documents are intended for distribution free of charge and that they are obviously intended for purposes of general publicity.

#### *Article 5.*

The words "import duties" used in Articles 1, 2, 3 and 4, not only include Customs duties, but also all duties and taxes which are payable at the time of and by reason of the importation (*i.e.*, interior taxes, excise duties, statistical taxes, import taxes, etc.).

*Article 6.*

The High Contracting Parties undertake to grant the greatest possible facilities when determining the formalities required in respect of the importation of samples, and more particularly as regards the designation of the Customs offices at which such operation may be effected and the means of transport which may be used.

The High Contracting Parties shall publish promptly all regulations introduced in this respect in such a manner as to enable persons concerned to become acquainted with them and to avoid the prejudice which might result from the application of formalities of which they are ignorant.

*Article 7.*

1. Persons engaged in industrial or business activities in the territory of any of the High Contracting Parties may—subject, if necessary, to the production of an identity card—in the territory of the other High Contracting Parties, either in person or by representatives or travellers in their employ, purchase the goods in which they deal either from merchants or in places where goods are on sale or from producers. They may take orders from merchants and producers who trade in, or use in their establishments, goods of the same kind as those offered to them.

2. Persons engaged in industrial or business activities and their representatives or commercial travellers shall not need for any of these activities special authorisation which would not in the same circumstances be required of national undertakings or their representatives.

3. In the cases referred to in paragraph 1, the exercise of the activities in question shall be exempt, on production, if required, of an identity card, from all taxes, duties or charges payable to any public authority whatsoever, provided that the persons who have no fiscal domicile or no establishment of any kind in the country in which they carry on their activities, will alone be able to avail themselves of this exemption.

4. The provisions of this article shall not apply to itinerant trading or to hawking or to the soliciting of orders or purchases from persons other than the merchants or producers referred to in paragraph 1, each of the High Contracting Parties reserving full freedom of legislation in this respect.

*Annex to Article 7.*

1. It is understood that Article 7 refers both to juridical and to natural persons.

2. The identity card referred to in Article 7 shall be that provided for in Article 10 of the International Convention of November 3rd, 1923, relating to the Simplification of Customs Formalities.

3. The provisions of paragraph 3 of Article 7 shall not apply either between Japan, Sweden, . . . or between these countries on the one hand and the other High Contracting Parties on the other hand.

4. The provisions of Article 7 shall not apply between Denmark and the other High Contracting Parties.

*Article 8.*

As regards the temporary exemption from duty of dutiable samples and specimens which manufacturers, traders or commercial travellers import for the purpose of engaging in their occupation, the High Contracting Parties shall observe the stipulations of Article 10 of the International Convention of November 3rd, 1923, relating to the Simplification of Customs Formalities.

*Article 9.*

1. If there should arise between the High Contracting Parties a dispute of any kind relating to the interpretation or application of the present Convention, and if such dispute cannot be satisfactorily settled by diplomacy, it shall be settled in accordance with the agreements in force between the Parties concerning the settlement of international disputes.

2. If there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the Permanent Court of International Justice if all the Parties to the dispute are Parties to the Protocol of December 16th, 1920, relating to the Statute of that Court and, if any of the Parties to the dispute is not a Party to that Protocol, to an arbitral tribunal constituted in accordance with the Hague Convention of October 18th, 1907, for the Pacific Settlement of International Disputes.

3. This article shall not apply to the decisions of Customs administrations provided for in Article 1.

4. It is understood that disputes will only be referred by States to arbitration or judicial settlement when any remedies provided by national legislation have been exhausted.

*Article 10.*

The present Convention, the English and French texts of which are both authentic, shall bear this day's date.

*Article 11.*

1. The present Convention may be signed up to . . . (one year from the date of being opened for signature), on behalf of any Member of the League of Nations or any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention for the purpose.

2. The present Convention shall be ratified. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations, who shall notify such deposit to all Members of the League of Nations and to the non-member States referred to in the preceding paragraph.

*Article 12.*

1. On and after . . . any Member of the League of Nations and any non-member State to which the Council of the League of Nations shall have communicated a copy of the present Convention may accede to it.

2. The instruments of accession shall be deposited with the Secretary-General of the League of Nations, who shall notify such deposit to all Members of the League of Nations and to the non-member States referred to in the preceding paragraph.

*Article 13.*

1. The Secretary-General of the League of Nations will draw up a procès-verbal when five ratifications or accessions have been received.

2. A certified true copy of such procès-verbal shall be transmitted by the Secretary-General of the League of Nations to all the Members of the League of Nations and to all non-member States mentioned in Article 11.

*Article 14.*

1. The present Convention shall be registered by the Secretary-General of the League of Nations ninety days after the date of the procès-verbal mentioned in Article 13. It shall come into force on that date.

2. In respect of each Member or non-member State on whose behalf any instrument of ratification or accession is subsequently deposited, the Convention shall come into force ninety days after the date of deposit of such instrument.

*Article 15.*

1. The present Convention shall remain in force for a period of three years after its entry into force.

2. It shall remain in force for further successive periods of one year in respect of such Contracting Parties as have not denounced it at least six months before the expiry of the period.

3. The denunciation shall be effected by a written notification to the Secretary-General of the League of Nations, who shall inform all Members of the League of Nations and the non-member States referred to in Article 11.

*Article 16.*

1. In the absence of a declaration to the contrary by a High Contracting Party at the time of signature, ratification or accession, the provisions of the present Convention shall not apply to colonies, protectorates, oversea territories, territories under such Party's suzerainty or territories in respect of which a mandate has been entrusted to it.

2. Nevertheless, the High Contracting Parties reserve the right to sign the Convention or to accede thereto, in accordance with the provisions of Articles 11 and 12, for their colonies, protectorates, oversea territories, territories under their suzerainty or territories in respect of which a mandate has been confided to them.

3. They further reserve the right to denounce the Convention separately, in accordance with the provisions of Article 15.

*Article 17.*

1. Conferences for the revision of the present Convention may be called with a view to making such changes therein as experience may have shown to be useful.

2. A conference for the revision of the present Convention shall be called by the Secretary-General of the League of Nations whenever so requested by not less than five of the High Contracting Parties. The latter shall indicate summarily the changes they propose and the reasons for such changes.

3. In default of the unanimous consent of the High Contracting Parties, no demand for the calling of a conference for the revision of the present Convention within less than two years from the entry into force of the Convention or four years from the end of a previous conference for its revision shall be admissible.

4. The Secretary-General of the League of Nations shall prepare the work of conferences for the revision of the present Convention with the co-operation of the Economic Committee.

IN FAITH WHEREOF, the above-mentioned plenipotentiaries have signed the present Convention.

DONE at Geneva this . . . in a single copy, which shall be kept in the archives of the Secretariat of the League of Nations and a certified true copy of which shall be delivered to all the Members of the League and to the non-member States referred to in Article 11.

Genève, le 25 août 1935.

SOCIÉTÉ DES NATIONS

**CONVENTION  
INTERNATIONALE POUR LA SIMPLIFICATION  
DES FORMALITES DOUANIERES**

Signée à Genève le 3 novembre 1923.

Application des articles 10 et 11 de cette Convention.

**CINQUIEME SERIE<sup>1</sup>**

LEAGUE OF NATIONS

**INTERNATIONAL CONVENTION  
RELATING TO THE SIMPLIFICATION  
OF CUSTOMS FORMALITIES**

Signed at Geneva, November 3rd, 1923.

Application of Articles 10 and 11 of this Convention.

**FIFTH SERIES<sup>1</sup>**

<sup>1</sup> Pour les séries précédentes, voir documents C.198.M.75.1929.II, C.563.M.224.1930.II, C.913.M.479.1931.II.B, et C.698.M.335.1932.II.B.

<sup>1</sup> For previous series, see documents C.198.M.75.1929.II, C.563.M.224.1930.II, C.913.M.479.1931.II.B, and C.698.M.335.1932.II.B.

SOMMAIRE. — CONTENTS.

---

	Page		Page
I. LISTE DES AUTORITÉS RECONNUES COMPÉTENTES POUR DÉLIVRER LES CARTES DE LÉGITIMATION (ARTICLE 10, ALINÉA 8):		I. LIST OF THE AUTHORITIES RECOG- NISED AS COMPETENT TO ISSUE IDENTITY CARDS (ARTICLE 10, PARAGRAPH 8):	
Colonies et territoires sous mandat britanniques . . . . .	4	British Colonies and Mandated Territories . . . . .	4
II. LISTE DES ORGANISMES HABILITÉS POUR LA DÉLIVRANCE DES CERTIFI- CATS D'ORIGINE (ARTICLE II, N° 2):		II. LIST OF ORGANISATIONS WHICH HAVE BEEN DESIGNATED FOR THE PUR- POSE OF DELIVERING CERTIFICATES OF ORIGIN (ARTICLE II, No. 2):	
Danemark . . . . .	4	Denmark . . . . .	4
Egypte . . . . .	5	Egypt . . . . .	5
Royaume-Uni . . . . .	5	United Kingdom . . . . .	5
Inde . . . . .	5	India . . . . .	5
Colonies et territoires sous mandat britanniques . . . . .	5	British Colonies and Mandated Territories . . . . .	5

---



I.

LISTE DES AUTORITÉS RECONNUES COMPÉTENTES POUR DÉLIVRER  
LES CARTES DE LÉGITIMATION (ARTICLE 10, ALINÉA 8).

---

COLONIES ET TERRITOIRES SOUS MANDAT BRITANNIQUES.

*Iles du Vent:*

Grenade: Le trésorier de la colonie, Grenade.  
Sainte-Lucie: Le trésorier, Sainte-Lucie.  
Saint-Vincent: Le trésorier, Saint-Vincent.

*Iles sous le Vent:*

Antigua: Le trésorier, Antigua.  
Dominique: Le trésorier, Dominique.  
Montserrat: Le trésorier, Montserrat.  
Saint-Christophe et Nevis: Le trésorier, Saint-Christophe et Nevis.  
Iles Vierges: Le trésorier, îles Vierges.

*Colonies des îles Gilbert et Ellice:* Le receveur des douanes.

*Protectorat britannique des îles Salomon:* Le receveur des douanes.

*Etablissements du Détroit:* Le directeur des monopoles du Gouvernement, Singapour; le directeur adjoint des monopoles du Gouvernement, Penang.

*Etats malais fédérés:* Le commissaire au commerce et aux douanes.

*Iles Seychelles:* Le commis du gouverneur.

*Ceylan:* Le receveur principal des douanes.

*Kénia:* Les secrétaires des Chambres de commerce de Naïrobi et de Mombassa.

*Ouganda:* Le secrétaire de la Chambre de commerce de Kampala.

*Rhodésie du Nord:* Le secrétaire principal.

*Tanganyika:* Le contrôleur des douanes.

*Gambie:* Le receveur général.

*Sierra-Leone:* Le contrôleur des douanes.

*Ile Maurice:* Chambre de commerce de l'île Maurice.

*Chypre:* Chambre de commerce de Chypre.

*Trinité:* Le receveur des douanes.

*Jamaïque:* Le receveur général.

*Honduras britannique:* Le secrétaire de la colonie.

*Barbade:* Le contrôleur des douanes.

*Hong-Kong:* Le secrétaire de la colonie.

---

II.

LISTE DES ORGANISMES HABILITÉS POUR LA DÉLIVRANCE DES  
CERTIFICATS D'ORIGINE (ARTICLE 11, N° 2).

---

DANEMARK.

Ajouter à la liste<sup>1</sup>:

Le Conseil de l'Agriculture (Landbrugsraadet).

---

<sup>1</sup> Polité dans le document C.198.M.75.1929.II, page 18.

I.

LIST OF THE AUTHORITIES RECOGNISED AS COMPETENT TO ISSUE  
IDENTITY CARDS (ARTICLE 10, PARAGRAPH 8)..

---

**BRITISH COLONIES AND MANDATED TERRITORIES.**

*Windward Islands:*

Grenada: The Colonial Treasurer, Grenada.  
St. Lucia: The Treasurer, St. Lucia.  
St. Vincent: The Treasurer, St. Vincent.

*Leeward Islands:*

Antigua: The Treasurer, Antigua.  
Dominica: The Treasurer, Dominica.  
Montserrat: The Treasurer, Montserrat.  
St. Christopher and Nevis: The Treasurer, St. Christopher and Nevis.  
Virgin Islands: The Treasurer, Virgin Islands.

*Gilbert and Ellice Islands Colony:* Collector of Customs.

*British Solomon Islands Protectorate:* Collector of Customs.

*Straits Settlements:* The Superintendent, Government Monopolies, Singapore; and the  
Assistant Superintendent, Government Monopolies, Penang.

*Federated Malay States:* The Commissioner of Trade and Customs.

*Seychelles:* The Clerk to the Governor.

*Ceylon:* The Principal Collector of Customs.

*Kenya:* The Secretaries, Chambers of Commerce of Nairobi and Mombasa.

*Uganda:* The Secretary, Chamber of Commerce, Kampala.

*Northern Rhodesia:* Chief Secretary.

*Tanganyika:* Controller of Customs.

*Gambia:* The Receiver-General.

*Sierra Leone:* The Controller of Customs.

*Mauritius:* Mauritius Chamber of Commerce.

*Cyprus:* Cyprus Chamber of Commerce.

*Trinidad:* The Collector of Customs.

*Jamaica:* The Collector-General.

*British Honduras:* Colonial Secretary.

*Barbados:* The Controller of Customs.

*Hong-Kong:* The Colonial Secretary.

---

II.

LIST OF ORGANISATIONS WHICH HAVE BEEN DESIGNATED FOR THE  
PURPOSE OF DELIVERING CERTIFICATES OF ORIGIN (ARTICLE 11, No. 2).

---

**DENMARK.**

Add to the list:<sup>1</sup>

The Agricultural Council (Landbrugsraadet).

---

<sup>1</sup> Published in document C.198.M.75.19:9.II, page 18.

### ÉGYPTE.

- 1<sup>o</sup> Chambre de commerce égyptienne au Caire.
- 2<sup>o</sup> Chambre de commerce égyptienne à Alexandrie.
- 3<sup>o</sup> Chambre de commerce égyptienne à Mansourah.
- 4<sup>o</sup> Chambre de commerce égyptienne à Port-Saïd.
- 5<sup>o</sup> Chambre de commerce égyptienne à Beni-Suef.
- 6<sup>o</sup> Chambre de commerce égyptienne à Fayoum.
- 7<sup>o</sup> Chambre de commerce égyptienne à Assiout.
- 8<sup>o</sup> Chambre de commerce égyptienne à Minieh.

Indépendamment du droit accordé aux Chambres de commerce désignées plus haut:

l'Administration des douanes,  
l'Administration du commerce et de l'industrie,  
le Département chimique,

ont été autorisés à délivrer des certificats d'origine pour les marchandises égyptiennes, moyennant perception d'un droit de 100 millièmes lorsque la valeur de la marchandise est inférieure à livres égyptiennes 10 et 200 millièmes lorsque cette valeur est de L.E. 10 ou plus.

### ROYAUME-UNI.

Ajouter à la liste <sup>1</sup>:

La Fédération des industries britanniques.

### INDE.

Ajouter à la liste <sup>2</sup>:

La Chambre de commerce de Negapatam.

### COLONIES ET TERRITOIRES SOUS MANDAT BRITANNIQUES.

*Iles du Vent:*

Grenade: Le trésorier de la colonie, Grenade.

Sainte-Lucie: Le trésorier, Sainte-Lucie.

Saint-Vincent: Le trésorier, Saint-Vincent.

*Colonies des Iles Gilbert et Ellice:* Le receveur des douanes.

*Protectorat britannique des Iles Salomon:* Le receveur des douanes.

*Etablissements du Détroit:* Le directeur des monopoles du Gouvernement, Singapour; le directeur adjoint des monopoles du Gouvernement, Penang.

*Etats malais fédérés:* Le commissaire au commerce et aux douanes.

*Iles Seychelles:* Le receveur des douanes.

*Ceylan:* La Chambre de commerce de Ceylan et l'Association des produits du Bas Pays.

*Kénia:* Les secrétaires des Chambres de commerce de Naïrobi et de Mombassa.

*Ouganda:* Le secrétaire de la Chambre de commerce de Kampala.

*Rhodésie du Nord:* Le contrôleur des douanes.

*Tanganyka:* Le Département des Douanes.

*Nigéria:* Le contrôleur des douanes.

*Gambie:* Le receveur général.

*Sierra-Leone:* Le contrôleur des douanes.

*Ile Maurice:* Chambre de commerce de l'île Maurice.

*Trinité:* Le receveur des douanes.

*Jamaïque:* Le receveur général.

*Honduras britannique:* Le receveur des douanes.

*Barbade:* Le contrôleur des douanes.

*Hong-Kong:* Chambre de commerce générale de Hong-Kong.

<sup>1</sup> Publiée dans le document C.563.M.224.1930.II, page 18, complétée dans le document C.698.M.335.1932.II.B, page 5.

<sup>2</sup> Publiée dans le document C.198.M.75.1929.II, page 20.

### EGYPT.

1. Egyptian Chamber of Commerce, Cairo.
2. Egyptian Chamber of Commerce, Alexandria.
3. Egyptian Chamber of Commerce, Mansûra.
4. Egyptian Chamber of Commerce, Port Said.
5. Egyptian Chamber of Commerce, Beni-Suef.
6. Egyptian Chamber of Commerce, Fayum.
7. Egyptian Chamber of Commerce, Assiut.
8. Egyptian Chamber of Commerce, Minia.

Independently of the power conferred on the above-mentioned Chambers of Commerce:

The Customs Administration;  
The Administration of Trade and Industry;  
The Chemical Department;

have been authorised to issue certificates of origin for Egyptian goods and to levy a duty of 100 millièmes when the value of the goods is under £E10, and 200 millièmes when the value is £E10 or more.

### UNITED KINGDOM.

Add to the list:<sup>1</sup>

Federation of British Industries.

### INDIA.

Add to the list:<sup>2</sup>

Chamber of Commerce, Negapatam.

### BRITISH COLONIES AND MANDATED TERRITORIES.

#### *Windward Islands:*

Grenada: The Colonial Treasurer, Grenada.  
St. Lucia: The Treasurer, St. Lucia.  
St. Vincent: The Treasurer, St. Vincent.

*Gilbert and Ellice Islands Colony:* Collector of Customs.

*British Solomon Islands Protectorate:* Collector of Customs.

*Straits Settlements:* The Superintendent, Government Monopolies, Singapore; and the Assistant Superintendent, Government Monopolies, Penang.

*Federated Malay States:* The Commissioner of Trade and Customs.

*Seychelles:* Collector of Customs.

*Ceylon:* The Ceylon Chamber of Commerce and the Low Country Products Association.

*Kenya:* The Secretaries, Chambers of Commerce of Nairobi and Mombasa.

*Uganda:* The Secretary, Chamber of Commerce, Kampala.

*Northern Rhodesia:* Controller of Customs.

*Tanganyika:* Customs Department.

*Nigeria:* Controller of Customs.

*Gambia:* The Receiver-General.

*Sierra Leone:* The Controller of Customs.

*Mauritius:* Mauritius Chamber of Commerce.

*Trinidad:* The Collector of Customs.

*Jamaica:* The Collector-General.

*British Honduras:* Collector of Customs.

*Barbados:* The Controller of Customs.

*Hong-Kong:* The Hong-Kong General Chamber of Commerce.

---

<sup>1</sup> Published in document C.563.M.224.1930.II, page 18, supplemented in document C.698.M.335.1932.II.B, page 5.

<sup>2</sup> Published in document C.198.M.75.1929.II, page 20.

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

Official No.: **C. 344. M. 174.** 1935. II.B.

Geneva, September 13th, 1935.

LEAGUE OF NATIONS

**ECONOMIC COMMITTEE**

**Remarks**

ON THE

**PRESENT PHASE OF  
INTERNATIONAL ECONOMIC RELATIONS**

Series of League of Nations Publications

II. ECONOMIC AND FINANCIAL

1935. II.B. 11.

EXTRACT FROM THE ECONOMIC COMMITTEE'S REPORT TO THE  
COUNCIL ON ITS FORTY-THIRD SESSION (SEPTEMBER 1935).

---

At the conclusion of its forty-second session, the Committee informed the Council that it would shortly submit a comprehensive report on the present phase of international economic relations, for the compilation of which it proposed to consult the Financial Committee on points coming more directly within the latter's province.

The Economic Committee now has the honour to submit this report, which is annexed hereto. Chapters I and II were communicated to the Financial Committee, which sees no objection to them.

---

CONTENTS.

	Page
INTRODUCTION . . . . .	5
<i>Chapter I.</i> — BUDGET AND INTERNATIONAL MOVEMENT OF TRADE: STAGES IN THE IMPOVERISHMENT OF THE TAXPAYER . . . . .	7
1. With the Discomfiture of the Export Trade, the Home Market begins to contract . . . . .	7
2. Contraction of Transport. Transport Deficits . . . . .	7
3. Decay of Tourist Traffic . . . . .	8
4. Emergency Relief to Agriculture . . . . .	9
5. Shock to the Monetary Foundations and Multiplication of Measures of Self-defence . . . . .	9
6. The International Financial Difficulties create New Dangers for the Budget . . . . .	10
7. The International Economic Situation is reflected in the National Budgets . . . . .	11
<i>Chapter II.</i> — REMARKS ON CERTAIN ASPECTS OF THE MONETARY PROBLEM IN ITS RELATION WITH THE EXCHANGE OF GOODS . . . . .	12
1. Currency Stability and International Trade . . . . .	12
2. Exchange Control . . . . .	13
3. Debts . . . . .	14
4. The Quest for a Basis of Understanding . . . . .	15
<i>Chapter III.</i> — CHARACTERISTIC FEATURES OF THE SITUATION.	
1. The Economic Crisis prolonged by the Breakdown of the Machine . . . . .	17
2. A Questionable Revival: Certain Dangerous Discords . . . . .	20
3. Stifling Private Enterprise . . . . .	22
4. Retrospective Survey . . . . .	23
5. Misunderstandings . . . . .	24
<i>Chapter IV.</i> — THOUGHTS ON THE POSSIBILITY OF LOWERING TRADE BARRIERS.	
1. Duties and Quotas . . . . .	28
2. Connection between the Abolition of Quotas and the Reduction of Certain Customs Duties . . . . .	30
3. Does a Change involve Greater Dangers than Immobility? . . . . .	31
4. Presumable Movement of Prices . . . . .	32
5. Lessons of the Past . . . . .	33

ANNEXES.

I. — Comparison of Times occupied by Journeys in 1848 and 1935 . . . . .	34
II. — The Four Main Conditions of a Revival in International Trade (Extracts from a Speech delivered by the Chancellor of the Exchequer, May 19th, 1935) . . . . .	36
III. — Opinions and Declarations in favour of the Restoration of Monetary Stability . . . . .	37
IV. — The Economic Constellation revolving around the United Kingdom . . . . .	40
V. — Importance of Foreign Trade for the United States (Extracts from a Speech delivered by Mr. Francis B. Sayre, Assistant Secretary of State, Washington, April 30th, 1935) . . . . .	42
VI. — Comparative Development of Foreign Trade and Internal Economy . . . . .	44
VII. — Wool for France . . . . .	46
VIII. — New Tendencies in the Trade Policy of the United States . . . . .	48
IX. — Increasing Importance of the World's Gold Reserves . . . . .	51

## REMARKS ON THE PRESENT PHASE OF INTERNATIONAL ECONOMIC RELATIONS

---

### INTRODUCTION.

The following pages do not profess to give a detailed description of the present state of international trade. The facts are known. In 1929 a Stock Exchange and banking crisis on an exceptional scale led to the abrupt withdrawal of a large amount of capital invested at short term. The crisis was superimposed on an economic situation which was already greatly shaken by the structural changes which followed on the war. The result was a reduction of the demand for raw materials, which had as its sequel a collapse of prices. The position in regard to agricultural products is the same; and in their case it is aggravated by the fact of over-production. Accordingly, while agricultural prices crumble, there is a simultaneous reduction of industrial production, leading to an alarming increase of unemployment. Under pressure of these combined factors the currency in a large number of countries is depreciated.

The relevant information is available in a condensed form in the surveys issued by the League of Nations Economic Intelligence Service and in other publications.<sup>1</sup>

By comparing a few elementary facts which are a matter of everyday experience, we shall endeavour to show the error underlying the conception of *national* interest and *international* interest—which are really two aspects of the same thing—as mutually opposed, and to indicate the harmful consequences ensuing therefrom.

Thanks to our cheap and rapid means of communication, the nations are now so close to one another that, in terms of time and cost of transport, the whole of present-day Europe is no larger than the Switzerland of yesterday.<sup>2</sup>

These are the real dimensions of the economic territory in which we are living, and, when we think of the obstacles of all kinds at present impeding traffic within this limited space, we no longer feel any inclination to smile at the memory of an Italy divided in the days of Mazzini

---

<sup>1</sup> See in particular:

*League of Nations:*

- Review of the World Economic Situation, 1934-35. Geneva, 1935.
- World Production and Prices, 1925-1934. Geneva, 1935.
- General Survey of World Trade, 1934. Geneva, 1935.
- Enquiry into Clearing Agreements. Geneva, 1935.
- Considerations on the Present Evolution of Agricultural Protectionism. Geneva, 1935.
- Commercial Banks. Geneva, 1935.

*International Labour Office:*

- International Labour Conference. Report of the Director of the International Labour Office, 1935.

*Bank for International Settlements:*

- Fifth Annual Report, April 1st, 1934-March 31st, 1935.

*International Chamber of Commerce:*

- Resolutions adopted by the Eighth Congress, Paris, June 1935.
- "Economics, 1935". Report submitted by the President, M. F. H. Fentener van Vlissingen.

*Institut für Konjunkturforschung:*

- Vierteljahrshefte zur Konjunkturforschung.* 10th year, 1935 — No. 1.

<sup>2</sup> See Annex I: *Comparative Duration of Journeys in 1848 and 1935.*



into seven or eight different Customs territories or a Germany scarred, in the time of Goethe, by thirty-nine Customs frontiers.

The world would be much nearer the restoration of comparative liberty in international trade if everyone were imbued with a conviction of the affinity, one might almost say the blood relationship, existing between our national economy, whatever its form, and what we call external economy.

If a wall of monetary and commercial prohibitions could spring up by enchantment overnight, between, say, Paris and the Northern Departments, London and Manchester, or Berlin and the Ruhr, a fact of which many people are ignorant or which they refuse to admit would be suddenly and irresistibly brought home to them.<sup>1</sup>

But demonstrations based upon the operation of the balance of payments, however convincing they may be, make no impression on those who fail to see the connection between these major phenomena and their own private affairs.

That is why, departing to some extent from the customary method, we propose to offer at the beginning of our report, by way of preparation for the chapters which follow, a few considerations on State budgets, a subject in which the tax-collector's demands require every taxpayer to take a direct interest.

If we succeed in demonstrating that even this essentially national problem is closely connected with the condition of foreign trade, we shall have rendered a service to the cause of economic common-sense, for, in so doing, we shall have demonstrated that every citizen, even if he never buys or sells anything outside his own little town, has a *personal stake* in the revival of international trade.

A second chapter will contain a brief summary from the foreign trade standpoint of certain aspects of a monetary situation which disturbs the conceptions on which international trade was based in the past.

Chapter III draws attention to the urgent need for re-establishing in the first instance the regular operation of the international trade machinery as the only remedy for the dangerous contradictions which are the characteristic feature of the present economic situation.

Chapter IV, which deals specially with the problem of quotas and Customs dues, contains a series of reflections as to the possibility of a reduction of trade barriers and the probable consequences of such a reduction.

The Economic Committee leaves it to the reader to draw from these chapters the conclusions which they imply.

---

<sup>1</sup> Certain countries, it is well known, aspire to complete economic "autarchy". They believe they can refrain from importing and exporting and abolish the financial links with other countries, so as to live on their own national resources alone.

This policy involves a considerable reduction of imports in the case of the countries in question. The result is a rise in the prices of national products, which reduces consumption. On the other hand, those countries which have hitherto sold their goods to the countries in question are adversely affected and cut down their own purchases. It is certain, for example, that an industrial country which exports some 25% of its industrial production cannot place that proportion of its total on the home market, reduced as the latter itself is by the rise of prices following on the diminution of imports.

Carried to their extreme, these aspirations towards economic "autarchy" in the complete sense are bound logically to lead to the progressive ruin alike of the economic system of the world and of that of the countries concerned.

## CHAPTER I.

### BUDGET AND INTERNATIONAL MOVEMENT OF TRADE.

#### STAGES IN THE IMPOVERISHMENT OF THE TAXPAYER.

The schedules of a budget should be sufficiently elastic to allow of adaptation to the gradual expansion of the country's economic life, due to the growth of the population and of the national income. Budgetary equilibrium is largely a matter of good or bad management. Within these limits, it is a purely internal problem depending for its solution upon the wisdom of the Government and the extent to which the nation is prepared to accept the necessary sacrifices.

But the position becomes extremely complicated as soon as international trade encounters obstacles as serious as those at present existing.

#### I. WITH THE DISCOMFITURE OF THE EXPORT TRADE, THE HOME MARKET BEGINS TO CONTRACT.

Amongst the first to suffer from these difficulties are the producers—industrial or agricultural—who work for export. In every modern State, such producers invariably constitute a large element of the population and represent important interests. Now, stagnation need only set in in one sector to be felt throughout the whole national organism. In point of fact, as they lose their foreign custom, exporters cut down their purchases. Textiles buy less from the spinning-mills; the engineering trades buy fewer metallurgical products; agriculturists, smaller amounts of fertilisers and of industrial products. The wave of depression starting at the frontier spreads slowly over the whole country.<sup>1</sup> First, certain machines come to a standstill; staff is dismissed; a few factories close down; unemployment becomes chronic.

For the undertakings affected, profits fall; often they dry up altogether. Reserves gradually dwindle to nothing, as it becomes necessary to draw on them.

For those who have scant or no reserves, it becomes difficult to meet the claims of creditors beset with the same difficulties. Fixed charges—debts, interest on bonds, mortgages, rates and taxes of all kinds, house and farm rent—remain unchanged, but there is a decline in the capacity to meet them. Bankruptcies become more frequent.

*For the budget, there will be two consequences: the weakening of the taxpayers' capacity and the growth of expenditure under the heads of unemployment and other relief necessitated by the economic depression.*

#### 2. CONTRACTION OF TRANSPORT. TRANSPORT DEFICITS.

But other anxieties begin to arise for the Finance Minister in connection with a chapter of the Budget still more closely connected with the development of international trade—namely transport.

---

<sup>1</sup> The spread of the evil from the external to the home market, as we have stated, is somewhat difficult to grasp. The difficulty is further increased by the fact that actions and reactions rarely operate directly—that is to say, *bilaterally*—but, on the contrary, proceed by a number of devious ways. Just as the blood circulates through the whole body by means of the various veins and arteries, and not between the heart and separate parts or organs of the body, so international economic circulation does not, under normal conditions, act directly, but through a series of extremely complex and tortuous channels. Sclerosis (whether due to monetary devaluation, currency control, trade barriers, or other causes) naturally acts in the same way—that is to say, its effects are often so indirect that it is difficult to follow them. This comparison between the world and the human body is not a mere metaphor; it corresponds to a real state of affairs which is becoming increasingly pronounced as communications between countries are intensified.

In many countries the railways are run at a loss, the deficit sometimes exceeding that of the State itself. There are a variety of special reasons (such as the competition of road transport) which may explain such a situation: but, speaking generally, the deficit is not surprising when it is remembered that every national transport system was conceived and developed as part of the general international transport system, and therefore presupposes the maintenance of the international movement of goods.

In determining the effects of the slowing-down of this movement, we must not of course merely add up the figures for transport of goods from or to foreign countries. In fact, a consignment of raw materials arriving at a frontier port or frontier station is merely beginning its wanderings: the bulk of it will continue its travels over the territory of the country. A decline in imports will necessarily bring about a large reduction in transport, even on the national system.

If, on the contrary, there is a drop in our exports, the "shortage of goods for transport", after affecting our railways as far as the frontier, will also affect those of the countries of transit and destination. This will operate to increase the difficulties of those countries and these difficulties will, in many roundabout ways, inevitably have further harmful effects on our own national economy.

Moreover, the depression spreading to the national market as the result of the contraction of foreign trade will lead to a falling-off in the actual trade in foodstuffs and articles produced and consumed within the country.

The effect exercised on sea transport by the shrinkage of international trade is naturally even more direct. Not only is there a decrease in the quantity of goods carried; their value falls even more rapidly, and this is reflected both in the situation of the companies and in the commercial balance of the countries to which they belong. A country with no mercantile marine will find that a debit item decreases or disappears in its balance of payments, but unfortunately at very great cost to itself.

These few considerations suffice to show that the returns from the transport system of a civilised country are seriously affected as soon as international trade is held up.

*The State is then compelled to intervene with aid in the form (amongst other things) of taxes and charges to cover the deficit on the railways, while on the other hand the taxes paid by the railway companies to the State are diminished. The cost of transport, having to be distributed over a smaller number of transactions, becomes a heavier charge on the budget of all kinds of undertakings, and the latter's tax-paying capacity is correspondingly reduced.*

### 3. DECAY OF TOURIST TRAFFIC.

The receipts from tourist traffic are of paramount importance in the economic system of certain nations. Tourist traffic falls off inevitably when international trade is held up as it is at present; and the difficulties with which it is faced are even more markedly enhanced when monetary depreciation and foreign exchange control supervene.

Industry and trade, which depend upon the tourist traffic—first and foremost, the hotel industry—have experienced a contraction of income and *their taxpaying capacity is steadily shrinking*. The amortisation of the capital invested in large or small undertakings designed to meet a given volume of tourist traffic begins to weigh far more heavily on them. The State has to intervene either by granting subsidies or by allowing exemptions: *this is a fresh difficulty for those in charge of the budget.*

Moreover, tourists have in the past attracted to the country they were visiting a large quantity of imports which represented profits for neighbouring countries. We need merely consider the wine, fruit, vegetables and meat which Switzerland had to import in order to supply the needs of her enormous tourists traffic and we shall realise, first, that there are many Swiss who earn less and therefore pay *less taxes* to the State, and, secondly, that the decrease in this trade will affect the producers and merchants of the countries of origin of the products in question and

will consequently render them also less capable of *contributing to the balancing of their own national budget*.<sup>1</sup>

#### 4. EMERGENCY RELIEF TO AGRICULTURE.

By a policy of protection, the agriculturist has been assured for years past—in the case, for example, of *wheat*—of a remunerative price equivalent to the pre-war price, but no longer in any proportion to the collapsed world prices, on the ground that such action is necessary for the maintenance of the peasant population. He is now faced, in the general internal depression just described, with a fall in prices for high-grade meat, butter, poultry, etc. There is talk of over-production, and efforts are made to restrict it. In fact, prices drop because, in conditions in which business is declining and unemployment increasing, fewer and fewer consumers can afford high-grade foodstuffs, easily replaced by others costing less. Moreover, recent enquiries have revealed an alarming state of under-nutrition in large sections of the population.

On the other hand, for certain basic products such as wheat, excessive protection engenders over-production. This has already happened, or is in process of doing so, in certain industrial countries. Prices weaken, and straightway complicated and expensive systems are adopted for stocking surpluses, for maintaining a minimum price, for subsidising the farmer.

*The effect on State budgets under these circumstances is a heavy addition to expenditure.* At the same time, export difficulties are reflected in the budgets of countries exporting agricultural products.

At this same moment, the State is busier than ever meeting expenditure, often substantial, directly connected with the depression. The producer feels the heavy hand of the Treasury upon him at a moment when the excessive fiscal charges designed to increase revenue tend to dry up the very sources of supply.

#### 5. SHOCK TO THE MONETARY FOUNDATIONS AND MULTIPLICATION OF MEASURES OF SELF-DEFENCE.

The crisis has been characterised since its beginning by a universal collapse of prices, one of the principal consequences of which has been the depreciation of the currencies of certain countries. A difference of prices in such countries as compared with prices in countries still on the former par of exchange is then apparent, affecting adversely the competitive capacity of the latter. Having now become "dear", the producers of these last-named countries find themselves at a disadvantage. They experience greater and greater difficulty in selling on the "depreciated" markets, which become more and more numerous. Everywhere, even in countries which, like their own, have preserved the value of their money, they meet with the same competition, which soon begins to be felt on their home market as well. It deprives them of customers and makes prices fall.<sup>2</sup>

While recognising therefore that the monetary depreciation in a large number of countries was an inevitable consequence of the collapse of prices, it is none the less true that it played

---

<sup>1</sup> It is clearly understood that, so far as international trade is concerned, there is no net loss in this case, since the tourists in question may travel in their own countries instead, thereby creating additional revenue.

<sup>2</sup> As regards the effects of the depreciation of the dollar, it may be of interest to quote a statement made on February 28th, 1935, by Mr. Henry F. Grady, Director of the Commercial Treaties Section in the State Department, Washington:

"The abandonment by the United States of the gold standard in 1933 had the effect of a considerable increase of our tariff and stimulated exports. The devaluation of the dollar, at the moment when it began, was tantamount to a 69% tariff increase, the figure falling after the increase of prices on the internal market. Monetary inflation may become an active and effective method of trade warfare. Competitive monetary depreciation has intensified the world crisis and has prevented prices in the different countries from adjusting themselves to one another—which is the indispensable condition of sound and normal international trade."

an important part in the general medley of opposing forces which were disturbing international trade. It deprives countries which have not had recourse to it of the possibility of making provision for long or medium term transactions, while it places the States in a similar position of difficulty in connection with commercial agreements. On the other hand, the countries which require in the ordinary way an influx of foreign capital (agricultural countries for the most part and countries producing raw materials) are unable to meet their foreign obligations and are weakened by the arrest of the flow of international credit. In these circumstances the countries which have remained on their former gold parity are compelled to restrict their imports in continually increasing degree in the hope of retaining the home market for their own producers. In the first instance it is the collapse of agricultural prices against which these countries react; but the same tendency is soon apparent in the case of industrial products.

Certain classes of producer accordingly demand the application of exceptional defensive measures. Duties are followed by quotas. But what has been granted to weavers cannot be refused to spinners and, since, the prices of both are still high, ready-made goods must be accorded the same protection. Thus, the new system of restriction will inevitably extend to a large part of the national production. On the other side of the frontier, in countries which were our suppliers and customers, the same things happens, and this places further difficulties in the way of our exports.

Certain countries find with dismay that their gold and foreign exchange reserves are rapidly shrinking. To arrest this loss of blood and maintain the value of their currency, they introduce *exchange control*—that is to say, their nationals can no longer buy foreign goods to the extent of their requirements, but only to the extent to which the State is prepared to place the necessary exchange at their disposal. Foreign money becomes scarcer and scarcer and exchange control is seen as the most effective means of limiting imports. Moreover, export to a country with exchange control no longer means payment for goods delivered; it means "*frozen credits*" and "*clearing agreements*".

Henceforth, the spiral will follow its inexorable downward course. Monetary instability, price disequilibrium, quotas, exchange control, acting simultaneously, will increasingly retard our economic activities. All restrictions of whatever kind applied by us will not only produce similar restrictions, but will also tend to weaken foreign producers.

The latter, however (either directly or through the medium of a third country) are purchasers of *our* products; they are those who have to pay *us* the interest on the capital we have lent them; they are those who, by transporting their goods to our country and our goods to their country, would provide work for *our* railways and *our* shipping, who, visiting us as tourists, would spend their money in *our* hotels and *our* shops. In short, these "*foreigners*" are an indispensable link in the chain of our activities, or, to express it more aptly, they are members of our body economic: to impoverish them is to impoverish ourselves.

National budgets, of course, feel the reactions of this state of things. Under the operation of the depression, two contrary tendencies are apparent: revenue declines; expenditure swells. In explanation, it is sufficient to watch two recording instruments—the yield of the turnover tax and the emergency expenditure on unemployment and the economic crisis. The expenditure on the last named will be swollen by all the relief and reconstruction work which the Government is obliged to undertake: insurance, direct and indirect subsidies, grants to industry, grants to agriculture, public works, etc.

## 6. THE INTERNATIONAL FINANCIAL DIFFICULTIES CREATE NEW DANGERS FOR THE BUDGET.

As a result of the collapse of prices and the obstacles which prevent their selling their goods abroad, the countries which, more particularly between 1925 and 1929, borrowed large sums from abroad, can no longer pay sinking fund or interest charges on such capital or on capital borrowed at an earlier date. These moratoria, whether partial or complete, represent for the

creditor countries a loss which affects, not only the big capitalists, but also a large number of small investors who had placed their savings abroad—a loss of capital tantamount to a loss of exports.

*Both (big capitalists and small savers) have more and more difficulty in paying their taxes.*

Again, the effect of political uncertainty, of sudden exchange fluctuations, of regulations which prevent those concerned from getting their money out of certain countries—in short, of the insecurity which broods over international life—is that those who have capital have lost confidence and refuse to consider either long-term or medium-term investments.

The profits upon such capital, which are usually in the form of bank deposits, on sight or at very short term, are inevitably reduced. Hence, contraction of the amounts collected by the Treasury. *Hoarding*—the most serious of all forms of lack of confidence—involves similar consequences for the budget.

#### 7. THE INTERNATIONAL ECONOMIC SITUATION IS REFLECTED IN THE NATIONAL BUDGETS.

It would be tedious to pursue these analyses further. Clearly, there is a close connection between the collapse of international trade and the position of national budgets.

Enough has been said to show that, in view of the paralysis of international trade at present prevailing, the restoration of permanent budget equilibrium at a level commensurate with the national income and the standard of living which a modern country regards as indispensable ceases to be a mere matter of sound administration and must be viewed as a problem directly correlated with the international economic situation.

This does not mean of course that Governments can remain idle and wait for the international horizon to clear before making efforts in the national sphere. In any case, sound economy is inconceivable without the balancing of the finances of the State. The majority of countries have made, and are making, great efforts to effect economies in their budgets.

But the success of such efforts, if it is to be lasting, postulates a corresponding movement of the international conjuncture. The reduction of public expenditure threatens to exercise a repressive effect on economic enterprise, and consequently on the return from taxation, if the recovery of enterprise is not fostered by a policy of recreating the possibility of profit-earning in the case of production and trade. Generally speaking, such a policy must aim at the promotion of a downward movement of the curve of prices of production in relation to the curve of wholesale prices.

I can resign myself to making less, if with what I do make I can continue more or less to buy what I need. But—while other conditions remain unchanged—I can only sell at a *lower price* provided I sell *more*. But it is difficult to reconcile this objective with restrictions on imports, the effect of which is to keep the prices determining the cost of living as high as possible. The best means of attaining the desired objective is to increase the volume of business; and that is only possible, if the countries concerned—the most important in the first place—agree to clear away the most serious obstacles paralysing international trade: exchange instability, foreign currency control, quotas.

*Thus, under present conditions, directly we consider the possibility of ensuring permanent national budgetary equilibrium, we inevitably come back to the fundamental problem, the re-establishment of a regular and abundant flow of international trade.*

---

## CHAPTER II.

### OBSERVATIONS ON CERTAIN ASPECTS OF THE MONETARY PROBLEM IN ITS RELATION WITH THE EXCHANGE OF GOODS.

Although the present report is concerned essentially with international trade, it is impossible not to include certain observations on the subject of particular aspects of the monetary problem. Detailed references to customs matters are liable to lose much of their interest, if it is not realised that the general feeling of public opinion is that nothing of any importance can be done in this connection unless order is in some measure restored in the monetary sphere. The fact is that the very conceptions on which international trade was based before the crisis have been completely upset by a monetary situation which in more respects than one is paradoxical.

We propose, however, to leave to the specialists the consideration of the technical aspects of the problem, and to confine ourselves to dealing with the monetary issue solely from the standpoint of the need for a revival of international movements of goods on a large scale.

---

#### I. CURRENCY STABILITY AND INTERNATIONAL TRADE.

Before the war, each member of society pursued his own particular economic avocation on the basis of a generally stable currency, the exchange fluctuations of which were limited by the free circulation of gold. He was aware that, when crops were abundant, a fall in prices ensued, while if there were drought, for instance, prices would rise. It never occurred to the general public, however, to connect these fluctuations with the currency. Similarly, as regards the exchange rates of the various currencies, the trader knew beforehand under what conditions he had to compete with his rivals both on the home and foreign markets. In concluding commercial treaties, moreover, the State could form an approximate idea of the effect of the concessions which it made and received.

Since the war, the violent fluctuations of prices, and more particularly their catastrophic fall during the last few years, have drawn the attention of Governments to the problem of the purchasing power of currency and to the influence which it exerts upon prices. Though there can be no question of the importance of this influence, it would appear that it cannot indefinitely supplant the old principle of a stable currency. If, indeed, the public were led to believe that the national currency would constantly fluctuate in sympathy with prices, it would come to imagine that the present disarray was destined to last indefinitely—a feeling which would undermine confidence and discourage initiative.

No one, moreover, can deny the disturbing influence of sudden and frequent fluctuations in exchange rates upon international trade. It is very satisfactory to note that the pound sterling has remained relatively stable in terms of gold for some time past and that the American dollar has been in much the same position for almost two years. There is, therefore, at the present moment a *de facto* position which, by allaying the fears of the other countries, is quite naturally preparing the way for the indispensable reversal of commercial policy. This tendency is, however, still counteracted by the uncertainty which exists with regard to the behaviour of the various currencies in the near future. Traders, moreover, find their activities very seriously hampered by the clearing system and foreign exchange regulations in force in a large number of countries.

At the same time, it must be recognised that certain difficulties<sup>1</sup> stand in the way of an even

---

<sup>1</sup> See, in this connection, the *Chancellor of the Exchequer's speech of May 16th, 1935* (Annex II).

provisional restoration of exchange stability by concerted action. In some quarters, for example, it is held that certain factors are still operative which, unless first eliminated, would be liable to compromise stability if prematurely introduced. In others, on the contrary, the same factors are held to militate in favour of the restoration of exchange stability and it is maintained, that instability is both a primary cause of the existence of these disturbing factors and an obstacle in the way of their disappearance. Those countries which have maintained their currencies at the old gold parity find it very difficult to conclude more liberal and more stable commercial agreements than hitherto, as the basis of such new agreements might be destroyed from one day to another by a further depreciation which would modify competitive conditions to their disadvantage.

In the last place, it is open to question whether the economic revival—largely of an internal character—to be observed in the majority of the countries which have devaluated their currencies can be maintained at its present *tempo* without being accompanied by the recovery of international trade. If it cannot, there will be a very natural tendency to attempt to bring about such recovery in conjunction with a return to at least provisional stability of the exchanges and a gradual elimination of the most serious obstacles (quotas and exchange control) standing in the way of international trade; thanks to the resultant sense of security and to the favourable atmosphere thus brought about, certain countries would then be in a position to determine the future course of their monetary and economic policy.

## 2. EXCHANGE CONTROL.

As shown in the report of the "Joint Committee for the Study of Clearing Agreements", exchange regulation was in the main due to the fear of certain countries, whose economic and financial structure was specially vulnerable, that they might be compelled by the depression to depreciate their national currencies. Faced with a progressive and dangerous depletion of their stocks of foreign exchange, these countries took the view that the only means by which they could safeguard their currencies was to limit or even suspend transfers abroad on account of financial obligations and also to place limitations on the purchase of the foreign exchange required to pay for imports.

As the result of foreign exchange control, currencies no longer serve as an instrument of trade and in consequence "cease, at any rate as regards the external relations of the countries in question, to perform the essential function for which they were created".<sup>1</sup>

We may add that, when a country is unable to defend its monetary parity otherwise than by increasingly stringent restrictions of trade and foreign exchange dealings, it will inevitably find itself sooner or later on the horns of a highly painful dilemma involving a choice between the desire to avoid any change in the monetary parity and the necessity for resorting to over-drastring measures of economic control.

These statements must not, of course, be taken too literally. The stringency with which the different countries apply exchange control varies considerably, apart from the fact that some of them have had to employ this method for some years past, whereas others are barely beginning to make use of it.

It is applied chiefly by a number of countries in Central and Eastern Europe, joined recently by Italy. If we remember that Germany, owing to her economic importance, is in the first rank of these countries, we shall at once realise the inevitable depressing effect on international trade of a system which results in restricting more and more the rôle of the national currency as a means of external payments and limiting it as far as possible to the rôle of an instrument of home trade.

---

<sup>1</sup> League of Nations: *Enquiry into Clearing Agreements* (document C.153.M.83.1935).



Exchange control begets clearing agreements. The defects and dangers<sup>1</sup> of this system—which sound-currency countries as well as weak-currency countries have reluctantly had to introduce for lack of a better—are clearly brought out in the Joint Committee's report. We need not therefore deal further with this practice except to remark that from the point of view of international trade its most serious drawbacks are the following:

- (1) Clearing agreements are necessarily bilateral, whereas the very essence of international trade is that it should be polygonal;<sup>2</sup>
- (2) They tend to level up the imports and exports of the two countries concerned, which can only be done by an ever-increasing constriction of international trade;
- (3) Under certain exchange conditions, they upset the trade balance to the detriment of weak-currency countries.

*It is thus hard to conceive of a return to normal trade until exchange control, and with it, clearing agreements have been abolished.*

Everyone is convinced of this necessity, even countries which resort to such measures. Weak-currency countries in particular ask nothing better than to be rid of them, since clearings prevent them from disposing freely of the foreign exchange resulting from their exports. But how is this to be done?

*"The best, though not the only, solution would be the complete abolition of exchange control facilitated by measures designed at once to promote permanent arrangements in regard to financial debts and a less restrictive commercial policy which would afford minimum guarantees for export."*<sup>3</sup>

This conclusion of the Joint Committee clearly shows the two conditions which the countries in question consider to be essential for the removal of exchange restrictions, since the effect of removal would be to expose their exchange rate to the risk of fluctuations until such time as it found, in the natural course of affairs, a level corresponding to the need for the restoration of internal equilibrium as between cost and sale prices.

Between the end of the war and 1923, several of these countries experienced the horrors of a headlong currency depreciation, which revolutionised their social structure. The mere recollection of it causes them the most profound uneasiness.

In a world bestrewn with obstacles and fraught with uncertainties, how can these countries be certain that, after they have abolished their restrictions, their exports will not be rejected by other countries? Or what guarantee have they that a further fall in an important currency will not deprive them at one stroke of all the advantages they have endeavoured to obtain by taking, for the sake of a revival of freedom, the risks that are always inherent in monetary depreciation?

### 3. DEBTS.

Those countries which were led to introduce foreign exchange control in order to counteract the weakness of their currencies, and at the same time to obtain the means of payment necessary to meet their financial obligations to the greatest possible extent and cover indispensable imports, are extremely reluctant to forego such control until the question of their debts, the burden of which has been considerably increased by the fall in prices, is settled.

---

<sup>1</sup> "There is an immense difference between the spontaneous automatic, almost unconscious, clearing of debts and claims generally through the machinery of banking, almost without the importer or exporter realising it, and the obligatory and necessarily bilateral clearing system as we see it applied at present." (*Enquiry into Clearing Agreements.*)

<sup>2</sup> "Third parties are adversely affected because a country with a weak currency will tend to buy as much as possible in the country with which it has a clearing agreement." (*Enquiry into Clearing Agreements.*)

<sup>3</sup> See *Enquiry into Clearing Agreements*, page 22.

On the other hand, it is clear that final arrangements in respect of debts arising out of the past can scarcely be considered until creditors are in a position to form a reliable estimate of their debtors' capacity of payment. Such an estimate is not always possible under the conditions of uncertainty now prevailing. Nevertheless, provisional agreements can be concluded with advantage. In a number of cases, this has already been done and it is to be hoped that this tendency will continue. The restoration of the world to economic health is indeed to some extent dependent upon the future settlement of international debts.

At the same time, it is only fair to point out that the burden of the debts in question has already been alleviated by the devaluation of the dollar and the pound sterling and that various individual agreements have also resulted in a reduction of the payments to be made, more particularly in respect of short-term debts. The debt problem as a whole, however, still awaits solution.

On the other hand, the creditor countries might help in bringing about the disappearance of foreign exchange control—which does so much to hinder the development of international trade—by deciding to open their doors more widely to the goods of debtor countries, thus enabling the latter to increase their exports.<sup>1</sup>

On this subject, the Joint Committee expresses the following opinion:

“ It would be futile—and indeed out of place—to advocate the abandonment of exchange control, if the return by any country to free transactions were to mean that other States would refuse to accept its products on the pretext that the prices had thus been reduced. In short, it is important that, when a debtor country endeavours to allow its currency to find its natural level by removing exchange control, creditor countries<sup>2</sup> should not negative the effect of this action by increasing their own restrictions on trade.

“ So long as a creditor country is not prepared to develop and to maintain an unfavourable balance of trade, or at least to compensate unfavourable balance by ‘invisible’ imports, no international monetary system can operate successfully.”

#### 4. THE QUEST FOR A BASIS OF UNDERSTANDING.

To hear the same old arguments constantly repeated in favour and against currency stability one might imagine oneself back at the London Conference in 1933.

All are agreed that the final object must be the re-establishment of a stable international monetary standard—that is, the gold standard,<sup>3</sup> “which remains the best available monetary mechanism.”<sup>4</sup>

The difficulty is how to get rid of the obstacles of all kinds which still stand in the way of the re-establishment of such a standard. The chief purpose of the following chapters is to show the part played, in the present circumstances by the different restrictions on trade. Of the monetary issue itself it may be said that, since the London Conference, the elements of the dispute have changed, and changed in such a way as to reduce the gulf separating the two rival theories.

Each country has carried out its own experiments. It is only since the London Conference that certain of the gold countries have entered the most acute phase of the depression, which naturally has engendered in their minds doubts of the permanent efficacy of measures of commercial defence. In addition, certain circles in the United Kingdom are beginning to wonder whether

---

<sup>1</sup> “ It cannot be too frequently repeated that Germany desires to pay the debts which she has contracted. The only way in which she can do this, however, is by disposing of her own goods just as she is prepared to buy her raw materials abroad in exchange for her own finished products. Without the possibility of disposing of her goods, however, Germany can neither pay nor purchase.” (Extract from the speech delivered by Dr. Schacht, Economic Minister of the German Reich on February 20th, 1935.)

<sup>2</sup> “ Creditor countries ” should be understood in the general sense of the term.

<sup>3</sup> See Annex III. “ Opinions and Declarations with regard to the Restoration of Currency Stability ”.

<sup>4</sup> Fifth Annual Report of the Bank for International Settlements.

the recovery of the sterling group can be carried beyond its present limits without more active foreign trade, in particular with Continental Europe—to say nothing of a number of financial considerations likely to bring about a certain yearning for the benefits of stability.

In the meanwhile, genuine signs of convalescence are beginning to appear. This tentative recovery, however, has to rely upon a machine which has suffered serious damage and whose cogs no longer fit. The machine is in urgent need of overhauling. It is to be hoped that, as soon as circumstances—political and other—permit, the position will be examined objectively, in the first place by the countries chiefly concerned, with a view to ascertaining whether opinion on either side has progressed sufficiently for it to be possible to contemplate for a stated period a *modus vivendi* in which monetary and commercial factors would both play their part.

The position is too chaotic and the future too uncertain for it to be possible to consider permanent or even long-term arrangements. If found to be worth while, temporary co-operation could, without difficulty, be transformed into permanent co-operation, but at first it must be sufficiently elastic in form to enable the parties to resume their freedom of action, should that prove necessary.

Co-operation in monetary matters alone—to which allusion is frequently made in the Press—would, of course, mark a considerable advance on the present position, but the dangers of disequilibrium would still be such that it would appear very doubtful whether such a step could be seriously entertained.

From the economic point of view, a purely monetary solution, however desirable it might be, would have the serious drawback of leaving international trade in its present abnormal state. The abolition of the three *insuperable obstacles* to the exchange of goods (quotas, prohibitive duties, foreign exchange control) would appear to be just as important as the restoration of exchange stability.<sup>1</sup>

It is to the problem, raised by the abolition of these obstacles, its causes and its effects, together with the possible dangers and advantages attendant upon its solution, that we propose to devote the following pages.

---

<sup>1</sup> "Any agreement for the purpose of stabilising currencies which is not accompanied by a general movement for the lowering of tariffs is doomed to failure. Moreover, the problem of commercial agreements has become more serious in the absence of any currency stabilisation or any form of international gold standard. The fear that the countries, proceeding to a new depreciation of their currencies may practise some form of dumping makes it difficult to maintain a liberal commercial policy." (Extract from a declaration by Mr. Henry F. Grady, Director of the Section of Commercial Treaties in the State Department, Washington, February 28th, 1935.)

CHAPTER III.

CHARACTERISTIC FEATURES OF THE SITUATION.

I. THE ECONOMIC CRISIS PROLONGED BY THE BREAKDOWN OF THE MACHINE.

We may now, if the observations made in the previous chapters have not missed their aim, glance at the present position of international economic relations and try to find out how so many good individual intentions could have led to such an unsatisfactory situation.

The economic malaise has been heavy upon the world for nearly five years. Everywhere the doctors—individuals and Governments—are at work. Unfortunately, and much against their own will, each of them is still compelled to concern himself with the cure of the malady in his own case, as if his own case were different from that of his neighbour—in short, to employ purely national remedies for the disease. The doctors have not as yet been able to agree, and it has so far been impossible to attack the disease in the proper way—*i.e.*, internationally.

Accordingly, the malady from which the world is now suffering is no longer entirely the crisis, but rather the inability of the countries to co-ordinate their several efforts to emerge from the crisis. This inability to emerge from the crisis is a result of paralysis of the international circulation, the regular operation of which is indispensable to the welfare of the civilised nations.

The three main parts of the machine—currency, trade and finance—were still working regularly when the crisis began at the end of 1929 in the form of stock exchange and banking collapses, followed by large-scale withdrawals of credits and accompanied by a precipitous fall in world prices. Against this disaster the different countries reunited by a hasty recourse to such measures as their several positions seemed to them to indicate.

Thirty-six countries whose trade in 1934 represented some 60% of the total trade of the world devalued their currencies.<sup>1</sup> Others subjected the import of goods to drastic quotas. Others

<sup>1</sup> *Proportional Share in Total World Trade (Imports and Exports of 1934) of Countries whose Currencies underwent Depreciation between 1929 and March 1935.*

Country	Percentage of depreciation of currency in relation to gold	Proportional share in world trade in 1934 %	Country	Percentage of depreciation of currency in relation to gold	Proportional share in world trade in 1934 %
Czechoslovakia . . . . .	16	1.47	Sweden . . . . .	45	1.72
Venezuela . . . . .	19	0.50	Norway . . . . .	46	0.84
Austria . . . . .	22	0.94	Peru . . . . .	48	0.28
Yugoslavia . . . . .	23	0.42	Finland . . . . .	50	0.62
Belgium . . . . .	28	3.23	Denmark . . . . .	52	1.41
Canada . . . . .	41	3.27	Uruguay . . . . .	52	0.26
Cuba . . . . .	41	0.41	Iran . . . . .	53	0.38
Egypt . . . . .	41	0.79	Australia . . . . .	54	1.87
Irish Free State . . . . .	41	0.73	New Zealand . . . . .	54	0.79
United States of America . . . . .	41	9.53	Greece . . . . .	57	0.34
United Kingdom . . . . .	41	13.85	Bolivia . . . . .	59	0.08
Siam . . . . .	41	0.31	Argentina . . . . .	65	2.18
Danzig . . . . .	42	—	Japan . . . . .	66	3.32
Estonia . . . . .	42	0.08	Colombia . . . . .	67	0.36
India . . . . .	42	2.64	Mexico . . . . .	67	0.68
Portugal . . . . .	42	0.33	Brazil . . . . .	68	1.27
South Africa . . . . .	43	1.89	Ecuador . . . . .	73	0.04
Spain . . . . .	44	1.21	Chile . . . . .	75	0.37

(Figures taken from the *Fifth Annual Report of the Bank for International Settlements.*)

imposed quotas simultaneously on the entry of goods and the exit of foreign exchange, and suspended foreign payments. In 1932, when production reached its lowest point, the machinery of international trade was already badly jammed. In spite of a recovery of production, the jam is even worse to-day.

And yet no country deliberately desired or wished for this state of things. All regretted it; all submitted to it reluctantly. But each of them was compelled, when the moment came, as a means of avoiding worse things, to take a part in creating, and subsequently in accentuating, this situation. Moratoria, devaluations, extravagantly high duties, foreign-exchange control, quotas—all these succeeded one another as so many natural reflex actions in the process of self-defence.

The situations which the crisis created in the several countries were so different that a concerted—or even an analogous—policy was impossible. Each nation was compelled to take its own path; and once they were embarked on it, and the different paths began to diverge, *they were in fact no longer masters of their own economic policy*. Economic policy inevitably became the result of the interplay of actions and reactions, in which each of the countries who were the involuntary actors in the process found themselves confined, as it were, in an iron band which they were not powerful enough of their own strength to break.

The paralysis mentioned above is not, therefore, the cause of the crisis, but the consequence—in great part the involuntary consequence—of the contradictory measures which the several countries or groups of countries have adopted in order to protect themselves against its dangers.<sup>1</sup>

Every time a country resorted to one of these measures of defence, it provoked similar reactions, not only in the countries with which it was directly connected, but also sooner or later, as it were on the rebound, in every other country.<sup>2</sup> It makes little difference where or how the first step was taken. Its repercussions were felt all round owing to the interlocking of reciprocal influences, which is the proof—the negative, but irrefutable, proof—of the economic solidarity of the peoples.

*Accordingly, while the crisis tends to diminish, the machinery of international trade becomes more and more jammed. Of these two evils, the latter is now the more serious, and calls accordingly the more urgently for treatment.*

Everyone would be glad to see the disappearance of monetary instability and foreign-exchange control—two conditions which affect the nation as a whole, and allow of Government action based on general principles. But it is a very different matter when it is a question of particular measures affecting different categories of producers.

In the sphere of commercial policy (apart, of course, from a series of other causes, national or international, monetary or commercial, which may influence or even determine this policy), Governments have to count with the resistance of individuals and groups who, while they are quite ready to talk of the interdependence of peoples, are naturally not concerned with anything but the interests of their own particular branch of production. It is from this necessarily one-sided standpoint that these individuals and groups continually demand the enforcement of the measures, the paralysing effect of which on international economic relations has been summarised above.

For the same reason, the parties concerned see in these measures at the outset only the momentary advantages to their own particular business, while they fail to perceive or disregard the

---

<sup>1</sup> "For six years, nations have vainly striven separately to restore prosperity. But I would emphasise as strongly as I can the fact that these efforts at national recovery have not fully succeeded because of the destruction of international trade. It follows that a vigorous effort to rebuild that trade is essential if we do not wish the struggle back towards prosperity to be too long delayed." (Extract from a speech by Mr. Cordell Hull on March 23rd, 1935.)

<sup>2</sup> By similar reactions are meant all measures which have the same obstructive effect in the international flow of trade. The form of such measures varies according to countries and circumstances. Devaluation is not necessarily the reply to devaluation; nor is the introduction of a system of quotas necessarily the reply to the introduction of such a system elsewhere. On the contrary, all these different measures can alternate, succeed one another, co-exist, neutralise one another, supplement one another; but in every case it is possible to establish a causal relation to some other measure preceding or following, or to the general situation resulting at any given moment from the whole of the measures applied by the different countries.

direct or indirect repercussions by which other categories of producers and traders will be primarily affected. The latter will in their turn invoke Government help; and there will thus arise in the national sphere between the different classes of producer the very same process of spontaneous generation which has already been observed as between countries in the international sphere.

It is some time before the collective pressure of all these successive actions makes itself felt. It will continue to make itself felt in proportion as its intensity is increased by the international repercussions (in the monetary, financial, commercial, touristic, railway and budgetary domains) to which reference has been made above.

In all this (which is no more than the everyday record—the eminently human everyday record—of the commercial policy of most countries and which creates considerable difficulties for the negotiators of commercial treaties) there is nothing which can be said to be of decisive importance in periods when international trade is not arrested by insuperable barriers, but in spite of Customs duties pursues its upward way.

But when a situation develops as serious as the present, where *the restarting of the international machinery takes precedence of all other needs*, it is easy to see the possible consequences of this failure to distinguish clearly between individual interests and national interests. The position calls for the adjustment of a certain number of national policies. That is difficult enough in itself; but it becomes a desperate undertaking if each of these national policies, instead of being based on general principles, takes the form of an inchoate series of separate, and frequently inconsistent, measures. The least that can happen in such a case is that it becomes impossible to see the wood for the trees.

Incidentally, it will be noted that the seriousness of the situation is such as to imply *work of the highest importance which Governments alone can carry through and which they cannot delegate to the parties concerned*. In many countries this is beginning to be realised, and the fact that this is so is of good augury for the future.<sup>1</sup>

For the moment, the majority of countries are awaiting anxiously the resumption of international co-operation, but—as nothing of the kind appears even to be shimmering on the horizon—they continue to follow the paths on which they have severally embarked. The consequence is that the situation, though better in most countries than in 1932, is far from being reassuring.<sup>2</sup>

---

<sup>1</sup> The French Government, for example, has just appointed a small independent Committee on the lines of the British Import Duties Advisory Committee. The powers of the Committee are defined as follows in the explanatory statement attached to the decree establishing the Committee:

“ For the successful realisation of such a policy [the substitution of Customs duties for quotas] the Government proposes to appoint a Committee to constitute a kind of Customs tribunal attached to the Minister of Commerce and consisting of a Chairman and three members representing respectively the interests of industrialists, agriculturists and wage-earners, to make recommendations to the Government with a view to the adaptation of the [French] protectionist system to current economic conditions, the Government remaining the ultimate sole judge of the action to be taken. The Committee will be assisted by an adequate number of rapporteurs, and will be required to make all such enquiries as it may think fit of the parties concerned.”

In appointing this Committee, the French Government has followed the example of several other countries in which similar bodies are already at work. But, if they are to contribute to the resumption of international trade, such Committees should be appointed (like the British Royal Commissions) by the head of the State or Prime Minister directly; they should command an unquestioned reputation for impartiality and independence, and they should have instructions of a general character to advise their respective Governments on commercial policy.

In particular, it would seem that they should endeavour to ascertain means of harmonising internal economic requirements with the necessities resulting from the *general position in the matter of economic relations* with other countries. If the international machinery is to be enabled to work regularly once more, commercial questions must be considered in connection with the movement of capital, transport, tourist traffic and so on.

While the decision in all such matters must be left to Governments and Legislatures, the reports of such committees should receive wide publicity. Provided they are so drawn up as to be intelligible to all, they are capable of doing great services to the cause of international trade. They may, for instance, serve to enlighten public opinion in creditor countries as to the absence of any call for exaggerated apprehensions in regard to the eventuality of passivity of the trade balance in cases where all the other items of the balance of payments are in a position to resume their normal operation.

<sup>2</sup> To appreciate the economic cost of the war to international trade, it is important to bear in mind what the situation would now be if international trade had been left to increase at the rate of about 4% per annum, which was

## 2. A QUESTIONABLE REVIVAL: CERTAIN DANGEROUS DISCORDS.

Apart from the apparently more substantial factors in the economic revival of the sterling group countries,<sup>1</sup> and apart from the improvement of production which is observable in a number of countries, the impression persists that there is much still to be done before the world really approaches the return to normal economic conditions.<sup>2</sup>

While disorder continues in the international field, certain individual countries show signs of recovery, though this has not been followed by any corresponding movement in their reciprocal economic relations. That is a perplexing situation, and our perplexity is increased when we find that these various *localised conjunctures* are in some sort artificial, or, at all events, are lacking in that spontaneity which would dispel all doubt as to their power to continue and to develop.<sup>3</sup>

In many cases the resumption of industrial activity is, in point of fact, connected directly or indirectly with the manufacture of *war material and army reorganisation*.

It is needless to insist on the dubious and psychologically depressing economic character of such activities.<sup>4</sup>

---

normal before 1913. Instead of this, it is calculated that, in 1934, the value of international trade was approximately equal to what it was in 1905.

On this subject, see *Vierteljahrshäfte zur Konjunkturforschung* (1935, Part I).

<sup>1</sup> For the composition of the sterling group, see Annex IV.

<sup>2</sup> These general remarks cannot, of course, be applied to an economic system such as that of the Union of Soviet Socialist Republics, which is based on special principles. That country is in a unique situation. The trend of its political economy was indicated by *M. Litvinoff in the statements*, reproduced below, which he made to the *Monetary and Economic Conference in London on June 13th, 1933*.

"The world crisis had been unable to affect the steady economic development of the Union of Soviet Socialist Republics. Such symptoms as overproduction, the accumulation of unmarketable stocks, unemployment, wage cuts, increase in foreign indebtedness and bankruptcies were conspicuous by their absence. While in most countries the number of persons employed had dropped catastrophically, in the Union of Soviet Socialist Republics the number of employed persons had risen during the last four years from 11,600,000 to 22,800,000. While in the rest of the world industrial output in 1932 showed a fall of 33% on the 1928 figure, there was a rise of 219% in the Union of Soviet Socialist Republics for the same period.

"... Although perfectly able, thanks to the success of the first Five-Year Plan, to develop its own economic life independently of imports and foreign markets, the Union of Soviet Socialist Republics had no desire to shut itself off from the rest of the world by economic barriers or to withdraw into its own economic shell. It had no propensity towards 'autarchy', and had no objection to advantageous imports of foreign goods.

"... In the ordinary way, the import plans of the Soviet Government were drawn up in strict accordance with its export potentialities and credit facilities. But the Soviet delegation could conceive of conditions such as lengthened credits, normal conditions for Soviet exports and other favourable factors, which might induce the Union of Soviet Socialist Republics Government to extend these plans to a degree which would have no small influence in the alleviation of the crisis."

<sup>3</sup> "Nearly all the progress so far accomplished has been the result of national effort, and its effects have been mainly confined to the national field. But it has so far done little to restore the flow of international trade and international finance, without which the world cannot finally recover complete or lasting prosperity. Indeed, in the summer months of last year there were some indications that the upward movement was flagging, which may mean that the limits of national effort are being reached, and that further progress can only be attained by setting the international machine once more in smooth and harmonious operation." (*International Labour Conference, Report of the Director of the International Labour Office, 1935, pages 6 and 7.*)

<sup>4</sup> "There is, moreover, one sinister factor in the situation which suggests that part of such recovery as has in fact taken place is artificial and neither permanent nor healthy. We refer to the economic influence of rearmament. Readers of our foreign correspondence columns must have been struck by the fact that for four months past constant reference has been made to the stimulating effect of armament orders in Europe, America and Japan, and that in Europe there are many cases where the 'rearmament industries' are the only ones that are doing well.

"Politicians the world over who are working for peace are rightly apprehensive of a situation developing in which the only active trades will be those which are making arms.

"But this development is not only sinister; it is economically unsound. Armament production may create employment, but it is employment which contributes nothing to the real wealth of the nation. It is a charge upon the taxpayer of precisely the same order as the charge for the payment of unemployment doles. It is activity which does nothing to raise the nation's standard of living, but rather depresses it. When a country imports materials for armaments, she produces nothing to export in return; under the existing system of barter trade, she has to be content with fewer of the

Apart from war production, the decline in unemployment noticeable in certain important industrial countries is almost entirely due to *direct intervention by the public authorities*. The latter endeavour, not without success, to create directly all sorts of additional opportunities for work, with the three-fold object of occupying the unemployed, perfecting the national equipment, and, above all, giving an impetus to the business of the nation. The State, dipping into the nation's reserves, endeavours, in very diverse forms, to effect an emergency allocation of the national wealth. Such an attempt is determined by social preoccupations whose urgency and utility no one can at the present juncture contest, their effect being to distribute over the population as a whole a burden which would otherwise be insupportable for the classes most directly affected.<sup>1</sup>

On the other hand, a nation's resources, especially in time of crisis, are not unlimited; and if, to finance interventions designed to revive national economic interests, it becomes necessary to add to the fiscal burden already pressing upon the vital forces of the nation, one feels inevitably that the country concerned moves in a vicious circle.

This is not the place to discuss the value of certain experiments in managed or planned economy. Such experiments were to a large extent unavoidable. It is sufficient for our purpose to note that these measures may well lead to a series of happy consequences, if only they can take place in a favourable international atmosphere. It is not the unusualness of these experiments with which we are concerned so much as *the fact that they are almost always preceded or followed by recrudescence of obstacles to international trade*.

Unfortunately, such accidents nearly always occur; for what is more natural, when preparations are being made to create at a great sacrifice fresh opportunities of work for the population, than to bolt and bar the door against foreign competition? This argument is all the more forceful in that it appeals to the sentiment as much as to the head; it is one of those arguments, nevertheless, that are based on the illusion of a national economy suspended in the void. There is thus established a close connection between labour policy and import policy.

It should be noted, further—and here we have the example of certain important industrial countries—that measures deliberately designed to “revitalise” internal activity often run concurrently with an increase in prices, so that exports cost more and exportation becomes increasingly difficult. Recourse is then had to export bounties or various categories of dumping, which in their turn induce the customary reactions. Once again we are faced with a conflict between the policy which aims at galvanising internal economy and the everwidening disequilibrium of foreign trade, particularly noticeable in the form of foreign-exchange difficulties.<sup>2</sup>

The result of this *unfortunate discordance* between the attempts to stimulate the national economy and the restrictions imposed on it is that a multitude of efforts, the money for which has been found

---

imports needed for feeding her people or providing materials for normal economic activity. If armament expenditure really increased security, this greater tranquillity would stimulate ordinary business and enterprise, and military expenditure might be a profitable investment for the world; in present circumstances, where it obviously diminishes security, its net effect is definitely negative.” (*The Economist*, June 29th, 1935.)

<sup>1</sup> “In former times, the resistance of the social fabric to economic strain was almost indefinite, because unemployment, privation and distress were looked upon as visitations of some blind Providence, from which there was no escape. Nowadays, the breaking-point of passive endurance is far more quickly reached, because certain standards of health, comfort and well-being are considered as inherent rights which the community not only should, but must, guarantee by organised collective effort.” (*International Labour Conference, Report of the Director of the International Labour Office, 1935.*)

<sup>2</sup> “The difficulties which often result from such developments—namely, the contrast between recovery at home and the persistent stagnation of foreign trade—may be grouped under two main heads:

“In the first place, the stagnation of the export trade means that the market only expands slowly and that such expansion is purely relative. This obstacle is more particularly apparent in countries in which the traditional export industries form an important part of the nation's total production—*e.g.*, in the United Kingdom.

“The difficulties in the way of an exact balancing of the accounts constitute a second obstacle with which the economically isolated nations come more and more violently into conflict. The contraction of the export trade may influence the tempo of business activity, even in countries in which the *export trade* is of only secondary importance in comparison with their general economic activities but in which it nevertheless occupies a *key position*, *as it were*, in that it alone makes possible the importation from abroad of the raw materials which are essential to the country's economic survival. This is a very serious problem, particularly for debtor countries unprovided with reserves.” (See *Vierteljahrshefte zur Konjunkturforschung*, 10th year, 1935, Volume I, page 87.)



with the utmost self-denial by already over-burdened taxpayers, have failed to produce the beneficial effects that might be legitimately expected from them.<sup>1</sup>

### 3. STIFLING PRIVATE ENTERPRISE.

Applied simultaneously by a large number of countries having trade relations with one another, restrictions produce their effects both at home and abroad, paralysing the activities of home and foreign producers alike.

Suppose, for instance, that someone wishes to import a semi-finished product—say, sole leather for shoes which he intends to sell partly in his own country and partly abroad. If he belongs to a gold-standard country, which places restrictions on trade, he will be faced—unless he is exclusively an exporter—with a quota, and will obtain either no leather at all or only a fraction of the quantity he requires. If he belongs to a country which controls foreign-exchange dealings, he will not obtain the necessary currency to buy his leather, or at best only a certain proportion of it.

But if in the long run he is lucky enough to obtain some of this precious leather and endeavours to sell his shoes abroad, he will find that he is up against exactly the same obstacles again—quotas, currency control, etc. Furthermore, he will very probably have been obliged to buy his leather in the home market, at the relatively high price maintained by the quota restrictions on imports of foreign leather. In that event, the price of his shoes will be too high to permit him to sell them, even in the countries into which they may be freely imported, because the currency of such countries has depreciated, and possibly in his home market; where the consumer's purchasing power has been reduced, as well.

He will thus be the victim both of the restrictions applied by his own Government and of those applied by a foreign Government, while his neighbours on the opposite side of the frontier will be in exactly the same position. Such being the case, he will, in all probability, be obliged to cut down his business and discharge some of his workmen—a step he will in any case be constrained to take, as the same infectious process has been going on all round him and has gradually reduced the numbers of his customers.

It should be realised that in many European countries the case we have just described is occurring thousands of times each day, and that thus, by the inexorable working of the economic machine, an instrument that was devised in order to protect the home market may end by manufacturing unemployment. The unemployed may be provided with occupation on public works which may be excellent in themselves, but we must not feel surprised if in such an atmosphere the effect of public works on the national economic situation is neither as appreciable nor as lasting as might have been hoped.

What happens to the small producer, the tradesman, the contractor in a modest way who is trying to create a business for himself? What, in short, is to become of those pioneers whose function it is to extend the sphere of national business in the face of all these hampering and crushing regulations? A large undertaking, having a sufficient number of specialised staff who are used to carrying out complicated operations, can, of course, still keep its head above water provided it is able, thanks to its capital and ramifications, to organise "compensatory" business. But the regulations eliminate with a stroke of the pen the very valuable contribution made to the

---

<sup>1</sup> "But whatever the method, it has to resolve the antinomy between the need of all nations for foreign trade if their material civilisation is to be maintained and the actual existence of national systems of economy aiming at regulating and controlling the internal level of production and consumption in the interest of steady employment and stable prices both for agriculture and industry. This is perhaps the most far-reaching problem created by the growth of national planning. It cannot be set aside by lamenting its existence. It remains a fact with which the world has to reckon in seeking to put its house once more in order. The social progress of the next twenty years will largely be determined by the success or the failure of the efforts to solve it, which, again, will depend on the willingness of nations to return to a more co-operative outlook and to plan their economic future on the basis, not only of the short view of to-day, but also of the longer view of to-morrow. "(International Labour Conference, Report of the Director of the International Labour Office, 1935.)

national economy by the energy of countless individuals; they paralyse the efforts of all those who are struggling uphill.

*Thus, to the disequilibrium resulting from a policy of isolation on the international plane must be added its depressing effects on business at home.*

#### 4. RETROSPECTIVE SURVEY.

To this lengthy argument, however, any man of common sense will reply by asking a perfectly natural question: "If all that you say is true, how is it that so many countries continue to apply a policy which turns to their detriment? Nobody would voluntarily injure his own interests. How, then, is it that statesmen and public opinion in these countries fail to understand such simple matters as those you have just described? Are we to doubt their intelligence or good faith?"

To answer these fundamental questions, we must first picture to ourselves the general outlook about 1929, when the first symptoms of the depression began to make themselves felt. Customs duties were the only obstacles with which international trade had then to contend. Both in volume and value it was increasing rapidly. The inflationary movements which had taken place between 1919 and 1923, with all their attendant prohibitions, were things of the past. All currencies were stable. There were no, or practically no, quotas, no foreign-exchange control. The world appeared to have returned to the days of before the war. The catastrophic fall in prices, therefore, took it completely by surprise.

Had the different countries then been able to agree upon a concerted policy, many unfortunate consequences could, of course, have been avoided; *but that was clearly impossible*. Each country fended for itself, and, in any case, none but a prophet could have foretold whither such methods would lead us.

In any case, Customs duties had always existed without preventing the development of international trade, so that it was quite natural that each country should honestly believe itself capable of winning through merely by carrying to its logical extreme a system of protection, which had been applied for generations without doing any great harm.

The parties concerned still firmly believed in the infallibility of this system and clamoured for its application. Seeing, therefore, that the international outlook was growing darker and darker, and hard pressed by the dangers accumulating on their frontiers, *many countries changed over*—without always realising how serious a step they were taking—*from Customs duties to quotas*.

Nor should it be forgotten that the slogans on which this rudimentary—but very natural—*notion of economy is based* concord so entirely with the immediate anxieties of the persons concerned, seem so simple, so frank and so "true", and are so completely in tune with the deep feelings of national solidarity which are common to all of us, that they gather an almost irresistible force: "The home market for our own workers! No work for foreigners as long as we have our own unemployed! Employ the children of our own workers! Unemployment is increasing, buy home products! Help those who help you! Balance trade! Fair reciprocity! Buy from those who buy from you!" etc.

To-day most of the illusions regarding the efficacy of economic self-sufficiency as a general panacea have faded into thin air. On the other hand, various countries which have fallen back entirely upon their own resources and have sunk deeper and deeper into the morass of purely defensive measures (quotas, exchange control and monetary instability existing in one country and having their counterpart in the others) are no longer able, even if they so desire, to go over by their own effort from a policy of penury to a policy of economic expansion. Thus, *the disturbance of the international equilibrium confines the individual action of States within very narrow limits*. A single country can only organise resistance *against* other countries. No one country, no two countries, can organise co-operation *with* the outside world. The primary necessity is to re-establish a common basis of action.

"Yes, they are very fine", the man in the street will say, "these ideas of collective and concerted action! But, unfortunately, this very collective system has brought loads of trouble

in its train. Just think how well off we were before the war, before any collective system had ever been thought of."

True, except for the fact that there has never existed a more collective and concerted system than the trade situation in pre-war days. Currencies and international prices were stable. Nor were there any monetary or trade prohibitions. On these solid bases was prosperity built up and important countries negotiated treaties of commerce, which in general led to very considerable reductions of Customs duties. A system had been devised which automatically conferred these privileges on all other countries, and which, in fact, turned *bilateral treaties into collective conventions*. *That system was called the most-favoured-nation clause*. In those days, when a constantly growing stream of capital and goods flowed freely about the world, international trade developed side by side with the transport system and afforded a firm foundation for the maintenance of the gold standard. In other words, prosperity for the individual country has never been achieved save by the concerted and co-ordinated efforts of many.

At the present time, the absence of any common basis prevents each country individually from abandoning a system of defence which it cannot now forgo unless a number of other countries, by taking similar action, guarantee certain compensatory favours.

When it is further realised that our production is so diversified that in each of its stages foreign co-operation is essential, either to supply the raw materials or to market the finished product, we come irresistibly to the conclusion that, though a country may attempt to defend itself by its own unaided resources, there can be no real hope of recovery until it joins its efforts to those of at least a certain number of others.<sup>1</sup>

#### 5. MISUNDERSTANDINGS.

This is an obvious fact, but one which is still veiled by a large number of illusions. There are four which are particularly dangerous, because at first sight they appear to be perfectly logical.

(a) The *first* is to blame internationalists for over-estimating the importance of foreign trade. The usual argument is to compare the value of exports with the value of home production. For instance, since the depression, in one great European country, stress has been laid on the fact that the value of all agricultural exports amounted to scarcely one-fifth of the value of the wheat grown at home. It was quite overlooked that the home price of wheat at that time was the result of a complicated system of protection and subsidies, whereas the exported products were calculated at the price they could secure in the world market.

In any case, this comparison easily leads to the conclusion that the value of exports is only a small and, in certain cases, relatively negligible fraction of the value of national production, and that consequently there is no need to pay any very great attention to it.

This argument, based on figures, must inevitably make an impression on people who have but little knowledge of economic realities. Those who adopt this reasoning do not appear to have grasped the fact that, in modern economic systems, and particularly in the case of highly civilised countries, relations with foreign countries are a biological function, the need for which is often entirely unconnected with the comparative figures of foreign trade and national production. Their reasoning, in fact, resembles that of a person who says that the lungs are of no importance because they only represent a twentieth part of the weight of the body.

If there is one country in the world which would appear to furnish a powerful argument in

---

<sup>1</sup> " We are all convinced that, looking at the matter from a broad standpoint, the achievement of complete economic autarchy by all States, by which we are threatened to-day, is undesirable and cannot fail to have harmful consequences for all nations. From the economic point of view, it is hardly reasonable to attempt artificially to convert countries which, by their very nature, are producers of raw materials or are agricultural countries into industrial States, and conversely to attempt to compel overpopulated industrial States to produce raw materials or their substitutes on a primitive basis. In the case of Europe, this evolution will one day have very unpleasant and disastrous consequences. Unfortunately, Germany alone has not the power to modify this tendency, which, from a broad economic standpoint, appears to be unreasonable." (Extract from a speech delivered by Herr Hitler, Chancellor of the Reich, May 21st, 1935.)

support of the reasoning referred to above, it is the United States of America. It possesses the biggest home market in the world; it also possesses practically all the raw materials it requires. Lastly, its exports represent less than one-tenth of the estimated value of its internal production. However, it is of interest to hear (Annex V) what a so well-qualified person as Mr. Francis B. Sayre, Assistant Secretary of State in the State Department, has to say on the subject.

(b) A *second illusion* is the belief that, during a serious depression, we have only to eliminate from the home market by means of quotas or a stringent exchange control a certain quantity of foreign manufactured products in order to enable national producers to sell an equal quantity of their own products at a stable price in the place of those which have been kept out. This may be to some extent true during a period of great prosperity, when consumption increases considerably so that there are enough customers to go round; but it is by no means the case during a period of depression—that is to say, when consumption is declining. High prices, which are kept up by the drastic restriction of foreign competition, tend to reduce consumption still further, since, during a period of severe depression, the consumers' purchasing power dwindles steadily. People are therefore astonished to find that the prices of certain important commodities show a downward tendency in the best-protected markets and in spite of all efforts to keep them up.

Moreover, the soundness of this theory can be gauged pretty accurately if we look at the imports of raw materials required for the manufacture of the products in question.

We shall then see that—eliminating incidental factors, such as the effect of clearing agreements and increased purchases for armaments—these imports fall off steadily, both in value and in quantity, in the very countries which are the most effectively defended. The buyers of these raw materials are industrialists who are producing either exclusively for the home market or wholly or partly for export. In the first case, if they really obtained all the customers prevented by quotas from buying abroad, their purchases of raw materials should increase. In the second case, the customers they obtain at home should to a large extent make up for lost exports, and purchases of raw materials should not noticeably decline. All this should result in the importation of raw materials at a very different tempo. The downward curve of these imports in certain countries which apply a very stringent policy of restrictions belies, as it were, the hope that the exclusion of foreign products is sufficient to ensure increased business at home.

An economist who has a great deal of practical experience and has for many years past conducted the commercial negotiations of his country is in the habit of saying that a State does far better business when it secures the opportunity to export a million francs' worth of products than when it decides to exclude imports for that amount. "In the first case," he adds, "I know that I shall have obtained for my country additional receipts to the tune of a million francs and so much extra work. In the second case, on the other hand, I do not know whether the work thus rejected can actually be replaced within the country by sales in the home market. Even in the most favourable circumstances it will only be partly replaced."

Moreover, if the total or partial elimination of foreign competitors sufficed to guarantee the health of the home market, we should not witness—and here, again, we must disregard stimulants of a more or less artificial nature—a steady contraction of production figures and of the yield from the turnover tax and we should not hear so many complaints, especially in the most strongly protected countries.<sup>1</sup>

The truth may be summed up in a sentence: "The garden is securely fenced, but the soil has become impoverished". Customers who can no longer buy abroad will, of course, turn to home producers, but will cut down their orders by half.

(c) It is often supposed that Governments have at their disposal a number of powerful levers by which they can exercise a beneficial influence upon the national economic position, and especially upon that of certain classes of producers. It is imagined, in particular, that they can exercise a considerable influence upon the determination of prices. Of course, as long as a Government is able to dip into the taxpayers' pockets for the relief in one form or another of certain classes of the population, there is some justification for this faith in its powers. A

---

<sup>1</sup> See Annex VI: "Comparative Development of Foreign Trade and Home Economy".

Government can also exercise considerable influence by a wise fiscal policy and a reasonable discount and credit policy. These instruments are effective in normal times, but they must not be expected to produce the same result in times of depression, such as those through which we are at present passing.

It is during such periods that we realise most clearly the truth that there is actually only one branch of economic life in which the State can exercise sovereignty—viz., foreign trade. The State, which controls the frontiers, can, according to the policy it adopts, radically change the whole course of trade, and can by this means exercise a decisive and general influence on internal policy and more especially on prices.

To attempt to lower the cost of living without removing Customs restrictions is like trying to make bricks without straw.

*Foreign trade, therefore, is the only really effective lever of control which the Government possesses for directing the course of internal economy at a given moment into a given channel.*

To take an illustration—the inlet-pipe and the outlet-pipe are the only means of regulating the level of water in a tank. Be the tank great or small, be the pipes wide or narrow as compared with the size of the tank, that will not alter their absolutely essential function.

Moreover, when the producers in one category or another, in order to maintain or raise their selling-prices, clamour for an increase in duty or the institution of a quota, are they not by so doing implicitly acknowledging the unfailing efficacy of this lever of control?

(d) *Lastly, another equally dangerous illusion* is to regard exports as something extremely desirable in themselves and imports, on the other hand, as an inevitable misfortune against which it is a country's duty to protect itself to the best of its ability.

Nevertheless, there is one fact, which can easily be proved if we go through the foreign trade statistics for a number of years—viz., that creditor countries and economically developed countries<sup>1</sup> (that is to say, countries possessing both varied production and considerable capital wealth) have a *highly unfavourable balance of trade whenever they are passing through a period of true prosperity*. In other words, in those countries business flourishes only when they buy from other countries much more than they sell to them, the difference being made good out of the proceeds of the capital they have lent to other countries, the receipts from their railways and shipping, and, finally, the money left in the country by foreign tourists.<sup>2</sup>

We have only to give a little thought to the matter to understand why this is so, although at first sight it appears paradoxical. A country which itself possesses nearly all the branches of industry known to our civilisation, and is accustomed to a relatively high standard of living, can no longer find in its own territory the resources which it needs. A poor farmer living in a remote part of the country can obtain from his fields enough to feed himself in modest fashion and possibly to be able to manufacture the simple fabrics he needs to clothe himself. On the other hand, a member of the Swiss, French or Dutch middle-class requires all the time the help of a number of other producers and traders to supply himself with all the various articles that have become necessary to him. Hence, a country which has reached a certain level of civilisation is compelled to turn to all the others for a number of things which it cannot do without under penalty of lowering its standard of living considerably and suspending many of the industrial activities which have made it prosperous.

The result is that a country such as, e.g., Germany or France actually lives on the resources of an ideal territory enormously greater than its national territory. Even if that country exported nothing, it would still have to import a multitude of things merely in order to continue to live in the way to which it is accustomed.<sup>3</sup>

<sup>1</sup> The United States is not one of the countries to which this passage relates. A great creditor country and highly developed economically, it is still a great exporter of raw materials, thanks to the wealth of natural resources which it commands.

<sup>2</sup> Clearly, these latter elements of revenue must be operating effectively and normally. If they are eliminated or reduced, as is the case at present, the trade balance assumes an importance which it does not possess for these countries in normal times.

<sup>3</sup> This idea is developed in Annex VII on the basis of a well-known example.

Hence, strictly speaking, imports constitute the basic phenomenon of the life of an economically developed nation, and it is not surprising, therefore, that, in its case, a falling-off in imports is always a sure sign of a very serious crisis.

*Nevertheless, it must have the means of paying* for these essential supplies from abroad. True, the interest on capital lent to other countries, the revenue from the tourist traffic and services all help considerably. But, if it is borne in mind that, in a normal year, a country such as France imported from 30 to 35 milliard francs' worth of materials for industry in addition to 12 milliard francs' worth of foodstuffs, it will at once be seen that the only way it can obtain the requisite money to pay for its imports is to export in large quantities the products which other countries are willing to buy. In the case of industrial countries, these are mainly manufactured products which other countries will only accept provided the industrial countries are willing to buy their products in return.

This brings us back to our starting-point. A country which is highly developed economically cannot subsist in its present state without importing large quantities of staple products. In order to pay for these, it must export abundantly, in particular, finished products. Neither of these things will be possible unless, recognising the absolute necessity of these exchanges, it allows them to function freely without attempting to restrict them by arbitrary intervention.

In point of fact, international exchanges (*i.e.*, exchanges of every kind—imports and exports of goods, movement of capital, transfer of labour, services of every kind rendered reciprocally, the tourist traffic, etc.) play a part that is so essential to the existence of modern nations *that it would be simpler to say that the distinction usually drawn between home trade and foreign trade is without justification*, for the former is merely a continuation of the latter.

If the part thus played by international trade is to be dispensed with, it would, in the first place, be necessary to reorganise the national equipment from top to bottom, destroy most of our transport system, lower our standard of living, in a word, travel backwards—as we are making every effort to do at present—along the road which has led us from the bullock wagon to the motor-lorry, from the stage-coach to the aeroplane, from the messenger to wireless telegraphy, and thus revert to a system of economy not merely national, but local and completely isolated.

---

## CHAPTER IV.

### THOUGHTS ON THE POSSIBILITY OF LOWERING TRADE BARRIERS.

#### I. DUTIES AND QUOTAS.

The economic depression, with the accompanying monetary depreciation, foreign-exchange control and clearing agreements, to which we have referred in previous chapters, has brought about a reaction that has taken the form of a disorganised and excessive increase in Customs duties or quantitative limitation of imports (prohibitions, licensing system, quotas). By these measures, the countries in question endeavoured to protect both their production and their national currency against the consequences of serious disturbances (in the sphere either of prices or of currency) which had arisen in other countries.

But this growth of restrictive measures is also attended with excessive protection, such as had already appeared in some countries before the depression, and has since become general.

Any attempt to escape from the present position is, of course, doomed to failure, unless there is first of all an improvement in monetary conditions. But, as regards trade, it is also essential to consider the disadvantages and advantages of the two principal methods used by countries to restrict their imports. These two methods are the application of duties and the institution of quotas. Both may be applied more or less strictly; duties may be low, moderate, excessive, or prohibitive, and quotas may be either limited or extensive.

In order to compare the effects of these two methods, we must, of course, assume that they are applied with the same degree of severity. For instance, we must not compare very strict quotas with moderate duties, or prohibitive duties with generous quotas. A prohibitive duty has the same effect as an absolute import prohibition.<sup>1</sup>

Moreover, generous quotas, carefully devised so as to maintain normal currents of trade, may be much less harmful to imports than excessive duties. Excessive duties and stringent quotas, especially when applied by creditor countries, may be an equally serious danger to international equilibrium.

*Consequently, to substitute excessive duties for quotas would represent rather a step backwards than an advance.*

---

<sup>1</sup> Extract from an address delivered by Mr. F. B. Sayre, Assistant Secretary of State in the State Department' July 2nd, 1935:

" There is a second way in which our business is vitally affected by our tariff policy. The world war changed America almost overnight from a debtor nation to the greatest creditor nation in history. Huge sums were owing to us, which, roughly speaking, could be paid only in gold or in goods. There was not sufficient gold in the world for the payment of the entire indebtedness in gold; yet the United States chose that very time to pass, first, the Fordney-McCumber tariff of 1922, and, later, the Hawley-Smoot tariff of 1930, which raised our tariff wall to a level never before touched in all our history.

*The result was disastrous.*

Foreign nations, unable to continue the sale of their export surpluses to us, erected defensive and retaliatory tariff walls of their own. Also, being unable to pay their obligations to us in goods, they were under increasing pressure to pay in gold; and this resulted in their gold reserves being reduced to the danger point. Thus they found it necessary to adopt arbitrary measures to prevent the outflow of gold in order to protect the exchange value of their currencies.

Under the compulsion of finding the means for balancing their international accounts, new and ingenious devices were resorted to for the purpose both of restricting purchases of goods from abroad and also of directly limiting the outflow of gold. Quota restrictions, import licensing, compensation agreements, exchange control, first came into being.

" Our tariff policy of the 1920's, culminating in the Hawley-Smoot tariff of 1930, contributed powerfully to the calamitous breakdown of the 1930's."

If we confine ourselves to comparing moderate duties with quotas which allow of a reasonable measure of imports, it will be seen that quotas have frequently been selected during the depression by the Governments for the very reason that they desire to avoid the necessity of applying duties which, in order to meet competition that had become intolerable, would have had to be prohibitive, and would have had the same effect on competitors of unequal strength. Moreover, it has been observed that, for various reasons, it was easier in the course of negotiations to increase a quota than to reduce a duty which had once been imposed.

Moreover, we cannot disregard the fact that quotas enormously increase the work and responsibility of the departments of State, and give rise to commercial practices which are not altogether desirable. "Quotas have to be allocated as between the countries; hence the danger of discrimination. Quotas have to be allocated as between the traders, and allocation is necessarily synonymous with delay, confusion, error, abuse, *de facto* monopoly, and sometimes corruption." <sup>1</sup>

But there is a further aspect of the question which, while not very obvious, is nevertheless of very great importance. It is the effect of quotas on the re-establishment of price equilibrium, by means of the balance of payments. In this sphere, the effect of moderate duties and of quotas is different.

Duties could, at most, influence the volume of trade by making goods dearer, and to that extent limiting consumption. But since the quantities of goods capable of being imported and exported were not arbitrarily limited, Customs duties did not check the operation of the international equilibrium. Indeed, the existence of Customs duties for decades did not prevent the growth of international trade, nor did it lead to *favourable* trade balances in countries which—all other factors being considered—were bound, in order to be prosperous, to have an *adverse* balance.

By making goods scarcer on the home market, prohibitions or quotas will influence internal prices to a degree that will vary with the stringency of their application. This means that prohibitions and quotas, no less than high duties, may be factors of a high cost of living. The quota system has therefore, as regards price determination, both the defects and the qualities of Customs duties.

But, as it has been stated above, the action of quotas is different from that of duties in their influence on the equilibrium of the balance of payments.<sup>2</sup>

Formerly, an industry which could not, or thought it could not, meet foreign competition and accordingly obtained protection from the State in the form of a duty thereby merely levied on the consumer a tithe which enabled the industry to maintain its position though producing under technical or economic conditions inferior to those prevailing in a similar foreign industry. The object of the duty was to enable the industry to sell at a higher price. The industry was thus able to live, or at any rate to exist.

But this, naturally, did not prevent the same articles from coming in from foreign countries, since they were able to overcome the obstacle of Customs duties as soon as internal prices had risen sufficiently. The foreign countries could therefore continue to export to the country in question—that is to say, they could continue by exporting goods to pay their debts to that country in respect of capital loans, purchases, the tourists they sent there, transport services, etc. So far as the flow of international trade was concerned, everything was in order. For generations, indeed,

---

<sup>1</sup> See *Considerations on the Present Evolution of Agricultural Protectionism* (League of Nations, Geneva, 1935).

<sup>2</sup> In the statement of reasons accompanying the *Decree concerning the adaptation of the Customs regime to economic conditions*, promulgated by the French Government and published in the *Journal Officiel* of August 10th, 1935, we find the following remarks regarding the expediency of substituting duties, possibly at higher rates, for certain quotas:

"The carrying out of this policy would offer numerous advantages. It would once more give trade that security which is essential to its development. By removing the rigid limitations entailed by the quota system, it would once more make possible those exchanges of goods which ensure both price equilibrium as between the different markets and also the equilibrium of the balance of payments. At the same time, it would give international transactions that elasticity which is essential to the resumption and continued execution of financial settlements. It would, moreover, exercise a definite moral influence through the abolition of those individual privileges which are the inevitable result of the quantitative limitation of imports and of the abuses to which traffic in licences may give rise."



notwithstanding the existence of Customs duties which were sometimes moderate and sometimes high, international trade constantly increased at an extremely rapid rate.

On the other hand, with the quantitative limitations of imports, the machinery for maintaining the equilibrium of the balance of payments, an equilibrium on which is based, not only the international, but also the *national* economic system which is inseparable from the former, will be jammed.

If you use an oil that is slightly too thick in the delicate mechanism of your watch, the watch will merely go slow; if you put your finger in, the watch will stop. That is, roughly speaking and with due allowance for all exceptions, the difference between duties and quotas as regards the operation of the balance of payments.

Before concluding these few remarks we must, however, repeat that the effects of quotas, like those of Customs duties, *depend essentially on their level*. It cannot be doubted that prohibitive Customs duties may have on the international equilibrium effects quite as marked as those produced by the most restrictive quotas, particularly when they are applied by a great country which is a creditor on both the financial and the trade accounts. This is proved by the effect produced by the protective tariff of the United States in the post-war period. On the other hand, the effects of the quota system will be mitigated in proportion as, with the broadening of the system, it approaches the normal level of imports.

## 2. CONNECTION BETWEEN THE ABOLITION OF QUOTAS AND THE REDUCTION OF CERTAIN CUSTOMS DUTIES.

It is clear from the foregoing that it would be difficult to imagine a demobilisation of the quota system unless it were at the same time possible to contemplate a reduction at all events of excessive duties. *In this connection, the United States, in particular, since they are doubly a creditor country, would be called upon for a very considerable contribution.* The very wide powers conferred on the President provide that country with the means for doing so and the repeated statements of the Head of the Department of State and of his officials give the impression that President Roosevelt's administration is prepared to follow this course.<sup>1</sup>

Moreover, not all countries have applied quotas with the same stringency, so that their abolition, if not compensated by an adaptation of certain duties, would result in a disparity that could hardly be accepted.

Some great exporting countries have always endeavoured—although they have not been able to follow this policy to the end—not to restrict quotas below the quantities imported in a more or less normal year selected as a basic year.

Other countries, on the contrary, have applied quotas, beginning with agricultural products, for the purpose of protecting the home market and also as a measure of defence against restrictions, devaluations or controls applied by other countries. These quotas have rapidly spread to the most diverse categories of industrial production. The administrative authorities, on whom full powers had been conferred in this respect, found it impossible to prevent their growth. Moreover, quotas, once they have been established, have served and still serve—more than Customs duties—as a means of bargaining and discrimination.

We have thus policies which differ widely in different countries. If all countries were to agree to-morrow on a simple decision to abolish quotas, the effect would be very different in each country.

It is obvious that, since the aim in view is to re-open the channels of the international trade stream, *everyone must make a more or less proportionate contribution to this work.* Countries which, like the United States, do not apply quotas will therefore probably have to contemplate abatements of the highest duties.

---

<sup>1</sup> See Annex VIII: "New Tendencies in the Trade Policy of the United States".

### 3. DOES A CHANGE INVOLVE GREATER DANGERS THAN IMMOBILITY ?

To form a picture of the possible effects of a lowering of import barriers, *we must carefully avoid viewing the matter from the standpoint of a single country.* We must start with the assumption that such a measure for promoting the freedom of trade will be taken by a group of countries sufficiently large to ensure that each of them would be able to find within the group a market for a considerable proportion of the products it exports. Such a measure, far from being unilateral, must, in fact, create an *area for the freer movement of goods*; if the countries within that area have other links in the form of financial, tourist, transport and other relations, that will be all to the good. Only under these conditions will the ballast thus thrown overboard as regards the group act at the same time upon the buoyancy of each of its members. It follows that the ideal would be the abolition of quotas and the removal of excessive duties in every country in the world or, at all events, in the more important countries. By collectively agreeing to such a clearing of the ground, these countries would be creating a new and sound basis for their future bilateral negotiations.

We hasten to add that there can be no question of a sudden transition from a system of water-tight compartments to a system of freedom of trade. Any change must, of course, be sure, but *gradual.*

But, even whilst proceeding with the requisite caution, the Governments must nevertheless realise the fact that a depression so serious as the present one calls for *exceptional remedies*, and they must accordingly bring home to their public opinion the necessity for accepting certain sacrifices, which will, moreover, assist in creating a sounder national economic system and in preparing the way for recovery.

For, despite all care and caution, there will always be plenty of people to assert that, if to-morrow the doors were thrown wider open to imports, appalling catastrophes would inevitably occur. If the abolition of quotas were contemplated, there is probably not one branch of producers that would not be prepared to prove to the Government, with figures in support, that such a decision would be bound to result in the ruin of their industry, not to mention increased unemployment and a whole series of other misfortunes which would involve the equally certain ruin of the whole nation. In support of such assertions—of which many would be made in good faith and whose weakness consists chiefly in the fact that they are based on the situation *as it is to-day* and not on the situation that might arise to-morrow under the influence of a policy of expansion—a whole series of reasons would be adduced, which it would be difficult to resist on account of their honourable character, reasons relating for instance to the independence of the country in the event of war, national defence requirements, etc.

That is why the re-establishment of the essential minimum flow of international trade which alone can arrest the world on the steep slope down which it is slipping to disaster *presupposes nowadays in Governments, especially in creditor countries, a very lofty sense of their responsibility, much firmness and a determination not to allow private interests, however reputable, to paralyse the great work which is indispensable in the interests of the nation.*

True, a radical change in import policy will probably be followed by serious difficulties for certain producers and will compel them to adapt themselves to the new conditions, though this will be difficult and may for a certain time even involve loss. But these sacrifices and losses, which may be less heavy than those which they are at present compelled to bear without any glimmering of a hope of revival, hold out a prospect of compensation by what is, in the long run, the true salvation of the producer, irrespective of the price conditions under which it occurs—namely, increased business.<sup>1</sup>

*It is, in short, precisely the countries at present suffering most severely from the depression that have the most need to break through the iron band by which they are being throttled, and restore amp e*

---

<sup>1</sup> " Our primary aim is to develop business and trade and thus to increase taxable revenue. This will enlarge our receipts and will enable us gradually to reduce the sacrifices we have been obliged to impose on the country." (*Statement by M. Régnier, Minister of Finance, to L'Information, Paris, July 19th, 1935.*)

*communications with other countries. For that they must be convinced that, however great the risks inherent in such a policy may be, they are no more serious than the danger of prolonging the present position.*

#### 4. PRESUMABLE MOVEMENT OF PRICES.

Moreover, there are a number of considerations relating to prices which may go some way to allay their apprehension of such a change. In countries which at present make wide use of the quota system and foreign-exchange control—gold countries or countries with currency control—the price-level is generally higher, with some slight differences of degree, than in countries which have in one way or another altered the value of their currency and at present account for about 60% of world trade.<sup>1</sup>

Consequently, if those countries could make up their minds to a more liberal import policy, their prices on the home market, being exposed to the influence of much keener foreign competition, would tend for a certain time to drop and thus to approximate to the prices obtaining in the rest of the world. Such being the case, it is probable that the duties in force at present, resuming upon the abolition of quotas their former rôle, would provide adequate protection, since foreign competition would decline commensurately with the drop in prices on the home market. *Hence a more generous import policy carries its own corrective with it.*

During the period of adaptation following immediately upon the reduction of trade obstacles, the temporary decline in countries too firmly closed hitherto would probably lead—thanks to their larger purchases—to a certain rise in commodity prices in countries with a depreciated currency. These two convergent movements—one tending to strengthen the incidence of the duty and the other to reduce competition—would help to facilitate the transition to a more liberal policy and to restore in the world market that price equilibrium the disturbance of which is one of the most serious causes of the present crisis.

Moreover, extravagant fear of a fall in prices is hardly logical in countries practising a deflationist policy, which, after all, simply amounts to a general voluntary reduction.

Apart from that, however, as everyone knows, there is a fundamental difference between a fall *in vacuo* which is due to the elimination of buyers and a fall in prices which is due to the throwing-open of the frontiers and is thus accompanied by an extensive trade revival. Besides, it is very probable that such a fall, being confined to the countries in question, would be purely temporary. The simultaneous restoration of monetary order, the resumption of international trade, the abundance of gold at the world's disposal,<sup>2</sup> the return to circulation of nomadic or hoarded capital, the lowering of interest rates, the resumption of credit, transport, the tourist traffic, the freeing of individual initiative and the birth of confidence would in all probability lead to an increase in consumption and demand, accompanied by a rise in prices, extending on this occasion to all markets.

A rise in the standard of living will very probably accompany the revival in international trade, thus enabling the humblest consumers to enjoy commodities which, under present circumstances, they are compelled to forgo.

We have referred, in the preceding pages, to the contrast between internal measures of stimulus and exchange restrictions, and we have indicated that such measures could have far more beneficial results if applied in areas fertilised by full international exchanges. This is applicable particularly to the policy of cheap and plentiful credit, which, widely practised, is certainly a stimulus of the highest importance. Opinion in the United Kingdom and the United States of America, where it has been found possible to apply this policy consistently and uninterruptedly

<sup>1</sup> See table on page 17: "Proportional Share in Total World Trade (Imports and Exports of 1934) of Countries whose Currencies underwent Depreciation between 1929 and March 1935".

<sup>2</sup> See Annex IX: "Increasing Importance of the Gold Reserves of the World".

over a considerable period, does not hesitate to attribute to this policy a very considerable share in the economic revival experienced in the sterling group and in the United States.

Finally, it should be pointed out that the factors of the situation *to-day* will not suffice to give us the criteria that will enable us to foresee the probable effects of so important an economic measure as the removal of the most serious forms of import restriction. That would be about as sensible as if a mother were to measure her three-year-old daughter for the dress she was to wear at her confirmation. The economic system is not something dead or static, but an organism that is always growing. *All we need do is not to oppose its growth and then we can confidently rely upon its dynamic action.*

#### 5. LESSONS OF THE PAST.

Before we can determine the scope of the requisite remedies, we must gauge the extent of the evil. It is therefore well to realise that, ever since international trade assumed the aspect conferred upon it by the development of modern means of transport, there has never been any disturbance of the world's economic equilibrium to match that from which it is suffering at present. Let us then see what has happened in the past whenever some country, reaching a turning-point in its economic history, decided to abolish prohibitions and to lower Customs barriers with the object of stimulating its foreign trade or enlarging its market. Whatever the time or place, the Government has always met with stubborn resistance from producers, who have predicted catastrophes. But, whenever an excessive system of restrictions has been removed, this release of trade has been followed by a general increase in prosperity and a considerable rise in foreign trade.

It is true that there have been failures in certain cases and that insufficiently equipped or organised industries have suffered severely during the process of adaptation; but the expansion of the market, the increase in business and the creation of new opportunities have always produced their effect, and the final result has always been definitely advantageous to the nation.

We do not wish to attach undue importance to what has happened at periods fundamentally different from our own, although at bottom the difference consists precisely in the fact that economic interdependence has become much closer and more insistent. But what has not changed at all is the attitude of vested interests towards any attempt to modify the *status quo*. It is remarkable that in generation-old memoirs we come across the same arguments, the same proofs, the same prophecies of imminent disaster, the same classes of figures, and, in many cases, the same expressions as we hear to-day as soon as a Government shows signs of abating its policy of restrictions.

What conclusion are we to draw from this unchanging attitude on the part of interested parties? Simply that, in economics as in politics, at the turning-points of history, *the rôle of the interested parties and that of the Government must be kept distinct.*

---

COMPARISON OF TIMES OCCUPIED BY JOURNEYS IN 1848 AND 1935.

- (a) In 1848, a coach leaving Paris took sixty hours to reach Bordeaux.  
 To-day, the Pullman express leaves Paris at 11.30 a.m. and arrives at Bordeaux less than six hours later, at 5.19 p.m.
- (b) If, as an illustration of what the economists called the "shrinkage of the earth", we take two maps centred on Paris, one based on the scale of Paris-Bordeaux in sixty hours and the other on that of Paris-Bordeaux in six hours, and place one over the other (see diagram on opposite page), we shall find that modern Europe is easily contained with a fragment of by-gone France. Brest is in the neighbourhood of Newfoundland, Bordeaux on the equator in the middle of the Atlantic, Lyons south-west of Khartum, and Strasburg not far from Astrakhan.
- (c) Communications are not of course so organised that all the points situated on the circumference are accessible in sixty hours—except by aeroplane—but nearly all the European capitals can be reached in a fraction of the time formerly required to go from Paris to Bordeaux.<sup>1</sup>
- (d) What is true for passenger traffic is also true for goods traffic. Thus, in 1848, on the same Paris-Bordeaux trip, the time occupied on the journey was sixteen days by ordinary cartage and nine days by accelerated cartage.<sup>2</sup> Nowadays, the time necessary for delivery by rail (which includes, in addition to the time occupied by the journey itself, that taken for acceptance and delivery, amounting to twenty-four hours by fast freight and forty-eight hours by slow) does not usually exceed five days by slow freight and three days by fast. It is reduced to even less than one day in special cases, and to about seven hours for passengers' baggage. Modern road transport by motor-lorry is able to deliver goods consigned in Paris to Bordeaux within not much over twelve hours.<sup>3</sup>
- (e) The price of cartage from Paris was as a rule from 80 to 90 centimes per 1,000 kg. and per league for ordinary cartage and 1.20 to 1.40 francs for accelerated cartage. Here are a few examples:

Destination	Per 100 kg.		By slow freight by rail in 1906 prices were already much lower, as is shown by the following examples
	Ordinary cartage	Accelerated cartage	
	Francs	Francs	Francs
Rouen . . . . .	2.50	6	0.63
Metz . . . . .	9.50	11	
Lyons . . . . .	12.00	18	2.28
Marseilles . . . . .	17.00	30	3.87
Toulouse . . . . .	16.00	20	
Bordeaux . . . . .	9.50	10	2.65
Nantes . . . . .	8.00	15	

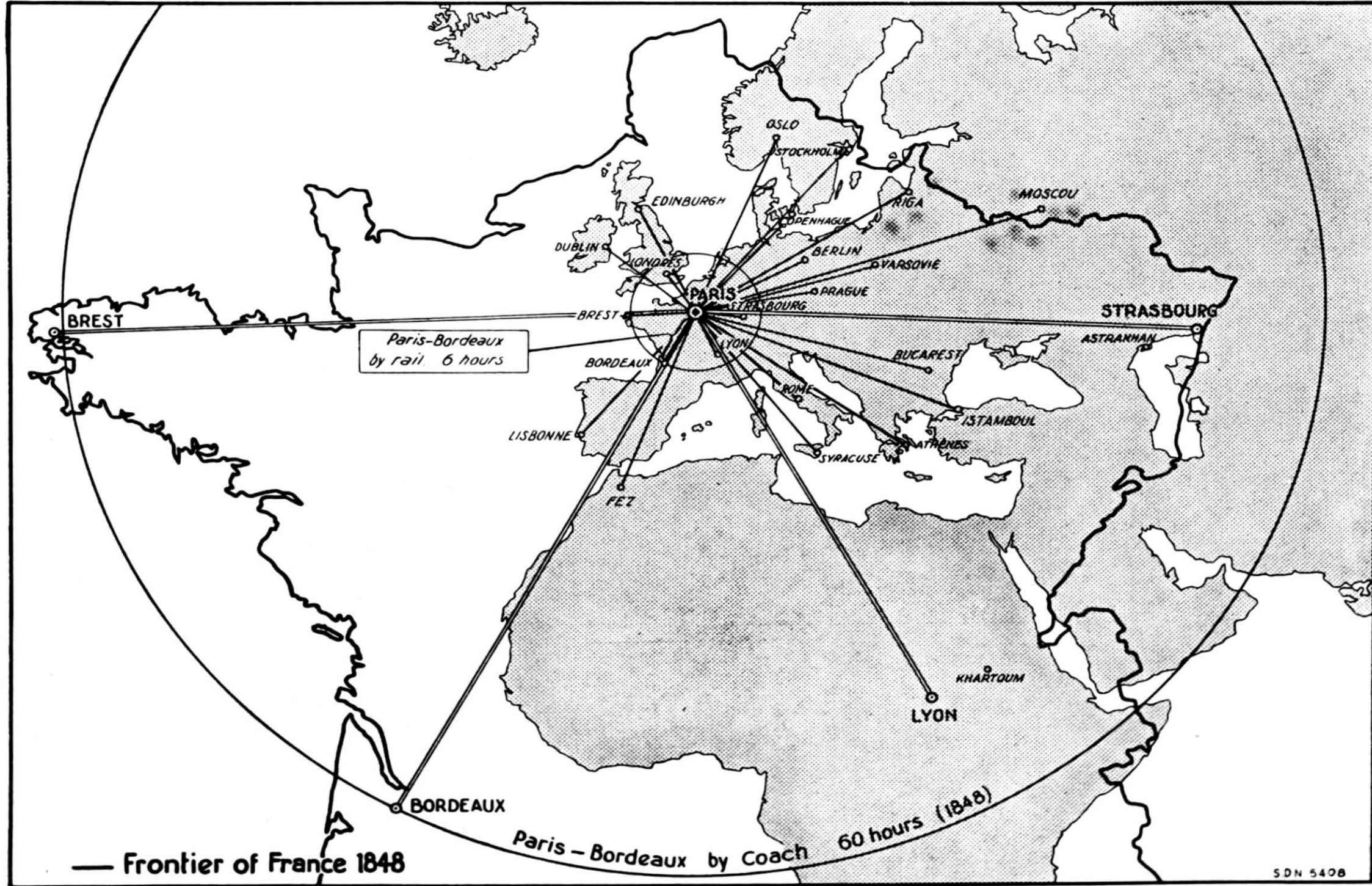
<sup>1</sup> Taking the fastest trains from Paris, we can reach:

Brussels in . . . . .	3 hours	Lisbon . . . . .	30 h. 20
London . . . . .	6 h. 45	Riga . . . . .	34 hours
Amsterdam . . . . .	7 h. 35	Stockholm . . . . .	35 h. 15
Berne . . . . .	8 h. 30	Belgrade . . . . .	37 hours
Copenhagen . . . . .	13 hours	Oslo . . . . .	38 h. 45
Berlin . . . . .	13 h. 20	Bucharest . . . . .	41 h. 20
Prague . . . . .	20 h. 05	Sofia . . . . .	44 h. 40
Vienna . . . . .	20 h. 15	Moscow . . . . .	45 h. 50
Madrid . . . . .	20 h. 30	Tallinn . . . . .	46 h. 10
Rome . . . . .	21 h. 05	Istanbul . . . . .	59 h. 50
Warsaw . . . . .	22 h. 20	Helsinki . . . . .	62 h. 40
Budapest . . . . .	25 h. 25	Athens . . . . .	63 h. 25

<sup>2</sup> Information taken from "L'Histoire du commerce de la France", by E. Levasseur, 1912.

<sup>3</sup> Outside France, travelling conditions were much the same at this period. Thus Berlin was connected with Cologne by a mail coach, which, passing through Halle and Cassel, performed the journey in three days and nineteen hours, whereas now it takes about seven hours. The journey from Berlin to Magdeburg, which at present takes less than two hours, then took not less than eighteen and a half hours—i.e., longer than is needed in 1935 to go to Paris. The journey from Berlin to Leipzig, two hours by express, also took nineteen hours. (Information derived from "Weltwirtschaft", by A. Weber.)

TIME OCCUPIED BY JOURNEYS IN THE PRE-RAILWAY AND THE MODERN WORLD.



THE FOUR MAIN CONDITIONS OF A REVIVAL IN INTERNATIONAL TRADE.

EXTRACT FROM A SPEECH DELIVERED BY MR. NEVILLE CHAMBERLAIN, CHANCELLOR OF THE EXCHEQUER, AT THE ANNUAL DINNER OF THE BRITISH BANKERS' ASSOCIATION (MAY 19TH, 1935).

Some years ago I spoke in the City and ventured to lay down what seemed to me four main objectives which would have to be obtained before we could expect to see a great revival in oversea trade, and I will repeat them now because they seem to me still to hold good. In the first place, I put a rise in wholesale prices, particularly in those of the primary commodities. Well, there has already been some movement in that direction, and the improvement which has thereby been brought about in the condition of the great agricultural countries has in turn been reflected by the increase in our own export trade, which has been such a welcome feature of the last twelve months.

The second point was the lowering of excessive tariffs and the removal of quotas, exchange controls, and other similar restrictive measures. Here, again, it seems to me I see some signs of changing opinion—changing in the right direction. But, unfortunately, in this field economics are very apt to get mixed up with politics and with psychological reactions which are not amenable to sober reasoning, and for that reason, perhaps, progress is rather slow in that way.

The third objective was a return to a common international gold standard. I am not unaware of the constant stream of unofficial suggestions which comes, sometimes from this country and sometimes from other countries, that we here should take the lead in promoting some sort of stabilisation here and now. I fully realise all the difficulties which arise from the constant fluctuations of exchange, and I think it not at all unnatural that those faced with difficulties of that kind should show some impatience at the long delay in arriving at a settlement which, if it could be made on satisfactory lines, would so greatly benefit every country in the world.

But exchange rates cannot be controlled without reference to other economic factors. The exchange rates are the outcome of the exchange of goods and of capital transfers, and, just as it is no use trying to anchor a ship if the anchorage is always shifting, so it seems to me that it would be futile to attempt to bring about stabilisation in that way until we can see some prospect of stability of conditions after the stabilisation has been effected. All I can say, therefore, is that stabilisation is one of our ultimate objectives. We are now watching, and shall continue to watch, the situation with a view to taking action at any time that it seems to us that action is likely to bring about useful results.

My last point was the resumption of international lending.

---

ANNEX III.

OPINIONS AND DECLARATIONS IN FAVOUR OF THE RESTORATION OF MONETARY STABILITY.

I.

1. On May 13th, 1935, at Washington, Mr. Morgenthau, Secretary of the Treasury, delivered a speech entitled "The American Dollar", in which he drew special attention to the foreign monetary policy of the United States. His conclusions were as follows:

"(1) You have an absolutely sound dollar.

"(2) The monetary policy of this Administration rescued us from chaos, held the foot through the most trying period of our recovery programme, and is now the spearhead as we advance steadily toward our goal.

"(3) Of the great trading nations that revalued their currencies, we were the last, until quite recently, when Belgium joined us.

"The world should know that, when it is ready to seek foreign exchange stabilisation, Washington will not be an obstacle.

"Our position was that of an innocent bystander who suffered untold loss in a fight that he did not start, and from which he could not escape. Why should we be singled out and admonished that the moral duty to restore order is primarily ours?

"Before we make any commitments, we must be sure that we will not lose what we have just regained. We are not unwilling to stabilise. However, if the great trading nations elect to continue under the present absence of rules we are no longer at a disadvantage. We revalued our currency no more than was necessary and we can go either way. Our hands are untied."

2. These conclusions should be compared with the statements made three days later by the Secretary of State, Mr. Cordell Hull.

We give below the more important passages in this statement.

"The speech delivered by the Secretary of the Treasury on May 13th was timely, clarifying and pointed in the direction toward which the world can look for a further general improvement of its affair. . . .

"Our effort to rebuild American foreign trade is being carried steadily forward—with the necessary safeguards against currency fluctuations. Signs are not lacking that other Governments, finding other methods unsatisfactory, are now disposed to direct their policy in the same direction. All progress made in extending world trade makes it easier to regularise currency relationships. Correspondingly, all progress in this direction makes it much easier and safer for Governments to arrange for an extension of trade.

"These movements supplement each other. As trade grows and currencies approach a condition of stability, the rigid control over exchanges which many Governments now exercise can be lessened or abolished. These exchange controls were imposed in many instances with a view of protecting the value of national currencies. Experience seems to show that, while they may serve this purpose during critical periods, it is at the hindrance of trade interests.

"Experience also seems to show that their use to gain trade advantage is short-lived and at the expense of other countries, which in turn take steps to counteract that advantage. The progress of trade agreements and the expansion of foreign trade are intimately related to progress made toward a greater measure of exchange stability and a better balance of prices."

II.

The Fifth Annual Report of the Bank for International Settlements, dated March 1935, contains, among other passages dealing with monetary stabilisation, the two following statements:

"With the passage of time, it becomes more and more clear that no fundamental, durable recovery can be hoped for unless and until a general stabilisation at least of the leading currencies has been brought about.



When the internal improvement that has been made in some countries with depreciated currencies has been summed up, it will be found that the number of unemployed is still twice as high as it was in the years 1927 and 1928, when these countries, under the regime of the gold standard, enjoyed the advantage of stable foreign exchange rates. It is slowly beginning to be realised in ever wider circles that an enduring economic progress presupposes more possibilities for international trade and for sound international financial relationships which, in turn, require stability of exchange rates. In the sphere of practical politics, this means stabilisation on the basis of gold. The fear has sometimes been expressed that the relinking of a currency to gold may cause a fall in prices and necessitate the taking of deflationary measures. In present circumstances, a development in the opposite direction is rather to be anticipated. The large current gold production, each year setting a new record, the mass of hoarded gold to be released when confidence is restored, the huge nominal increase in monetary gold stocks serving as the credit base which has resulted from revaluation, and the present low level of world gold prices, all justify the expectation that an increase, instead of a decline, in gold prices would probably be consequent upon a general stabilisation of the principal world currencies not already stabilised" (pages 5 and 6).

"The world is still waiting for a courageous move which, whatever risks it may appear to involve, holds out the hope of founding reconstruction on a firmer ground of monetary stability than the shifting currency values which have hampered economic revival to date.

"That move means the return to an international monetary system based on gold, which remains the best available monetary mechanism, and, as a condition thereof, a stabilisation of the world's leading currencies. As was said in the last annual report, 'The gold standard is not an end in itself. It is a machinery and a medium for permitting, facilitating, and enhancing the exchange of goods, capital and services, internally and externally. Hence those who seek the re-establishment of a common standard are not seeking some fetish or intellectual abstraction, but are searching for the better economic welfare which inevitably flows from the increasing movement of goods, services and funds, which presupposes, in turn, some trustworthy measure and medium of value and exchange to enable them to move'" (page 70).

### III.

The *eighth Congress of the International Chamber of Commerce*, which met in Paris from June 24th to 29th, 1935, adopted the following, among other resolutions (No. 2):

#### "MONETARY POLICY.

"The International Chamber of Commerce declares that stabilisation of the foreign exchange rates on the basis of gold is imperative for effective world economic recovery. Therefore, the Chamber urges the principal Governments concerned to inaugurate immediately appropriate consultations for the purpose of formulating and putting into effect an agreement for provisional stabilisation in order to enable Governments to take the speediest possible measures for adjusting their national economic and financial policies to ensure the safe functioning of an international gold standard over a long period.

"This declaration is based on the following considerations:

"1. Uncertainty as to the monetary policies of the principal trading nations and instability of the foreign exchange rates have led to a breakdown of international trade and must continue to lead to its further dislocation.

"2. Monetary uncertainty and foreign exchange instability inevitably lead to such developments as the establishment of 'compensatory' tariffs and quotas designed to protect local markets from invasion by countries with depreciated currencies; to the cessation of international long-term investments; to flights of capital and increases in the volume of international short-term debts; to exchange control and embargoes on the free movement of capital; to the hoarding of gold and foreign exchange.

"3. Postponement of stabilisation until the price-level has first been raised may lead to a deterioration of the position, since currency instability and currency depreciation may have themselves a deflationary effect. Far from hindering a rise of prices, stabilisation is one of the quickest methods of permitting natural forces to bring about a general recovery in the price-level.

" 4. Postponement of stabilisation until harmony has first been established between internal and external price-levels must lead to a deterioration of the position, since the disharmony is itself in large measure the effect of currency instability and the restrictions which have resulted from that instability.

" 5. Permanent monetary stabilisation can in practice be obtained only by the re-establishment of an international gold standard " (resolution adopted by the Congress, pages 4 and 5).

#### IV.

The following resolution on the same subject was adopted at an *international meeting of economists held at Chatham House, London*, from March 5th to 7th, 1935, under the auspices of the Carnegie Endowment for International Peace, and attended by many of the leading economists of the United Kingdom, the United States, Germany, France, Belgium, Italy, the Netherlands, etc. (resolution No. 2).

" Seeing that the instability of currencies and the chaotic condition of exchanges are among the chief causes of:

" (1) The difficulties which trade experiences every day in concluding international transactions;

" (2) Many of the barriers further restricting that trade, such as exchange restrictions, compensation and clearing treaties, quotas, and many of the increases of tariffs;

" (3) The accumulation of gold at a few centres and the hoarding of gold on an extensive scale;

" (4) The discouragement of long-term lending, the resumption of which would mean increased movement of goods and a reduction in the abnormal volume of floating balances;

" (5) A narrowing of the world's market and a decline of world prices:

" We recommend that the leading Governments, especially, in the first instance, those of France, the United Kingdom and the United States, should consult one another without delay for the purpose of coming to a provisional stabilisation of exchange on the basis of gold—allowing for the possibility of readjustment in case of need—with a view to the establishment of a stable world gold standard " (Acts of the Conference, pages 9 and 10).

---

ANNEX IV.

THE ECONOMIC CONSTELLATION REVOLVING AROUND THE UNITED KINGDOM.

The present diagram is the result of an attempt to represent in its main outlines the "complex" of commercial interests of which the United Kingdom is the centre. Various reasons, acting either jointly or severally, have created between a number of countries and the United Kingdom a nexus so strong that these countries may be likened to an economic constellation revolving around the United Kingdom. These reasons are, first, membership of the British political community, either as dominion, colony or protectorate; secondly, membership of the British monetary system or the existence of a monetary and financial system strongly influenced by that of the United Kingdom; and, lastly, an export structure in which the United Kingdom plays a very important part as purchaser.

The existence of one or more of these three reasons has been taken as a criterion in selecting the countries represented in the attached diagram. We have taken the territories, dominions, colonies and protectorates belonging to the British Commonwealth and the countries which form part of the British monetary system or whose monetary system is in close relation with the sterling bloc; we have also added the countries of which the United Kingdom is the principal customer.

It should be remarked, however, that the fact of considering certain countries as belonging to the British economic constellation<sup>1</sup> does not prevent them from belonging also to another constellation from the point of view of their exports. This is, in particular, the case as regards Canada, Costa Rica, and, in a less degree, Chile and Peru. As a corollary, it should also be mentioned that countries which do not appear in the present diagram because they manifestly belong to the American constellation are nevertheless in close relation with the United Kingdom, which is one of their most important buyers. This is the case, in particular, with Mexico and Cuba, and, on a smaller scale, with Honduras.

Lastly, it should be mentioned that for lack of sufficient statistics we have been unable to include in the diagram certain countries or territories, such as China, Iraq, the Gold Coast, Southern Rhodesia, Kenya and Uganda, etc., although the United Kingdom is an important customer of theirs. Their addition would obviously increase the percentage indicated in each of the three circles in the central part of the diagram and showing the percentage of total world trade represented by the aggregate trade (imports and exports) of the twenty-five countries considered and of the United Kingdom together.

The figures clearly indicate the part of the United Kingdom's custom taken in the trade of certain countries. Goods sold by Denmark to the United Kingdom in 1933, which represented 5.2% of British imports, amounted to 64.5% of Danish exports. Goods sent by New Zealand to the United Kingdom in 1933 represented 5.5% of British imports and 86.1% of New Zealand exports. The influence exercised by the United Kingdom on several countries figuring in the diagram will be seen to be particularly important when it is remembered that, for these countries, their exports constitute the principal item on the active side of their balance of accounts. The diagram refers to three years: 1928, taken as a normal year suitable for indicating the manner in which the economic constellation was formed round the United Kingdom<sup>2</sup> under the relatively free influence of "natural" forces in conjunction with the special characteristics and situation of the countries concerned; 1932, chosen because it represented the period immediately following the British monetary devaluation, and, lastly, 1933, which followed the entry into force of the Ottawa Agreements.

In the case of eighteen countries, we find a more or less appreciable increase in the majority of their exports to the United Kingdom in 1932 and 1933 as compared with 1928.

The conclusion may be drawn that, for a number of countries, the situation as it existed in 1928 was enhanced by the influence of such events as the fall of the pound, the Ottawa Agreements and the application of imperial preference owing to the introduction of Customs duties by the United Kingdom, and of the special agreements concluded by the United Kingdom with a certain number of countries.

The above considerations only apply to the relations of the countries in question with the United Kingdom, and *vice versa*. They do not take account of any effects exerted on third countries.

<sup>1</sup> See, after the diagram, the table indicating the foreign trade of these countries for 1928 and 1933 and its relation to world trade.

<sup>2</sup> As a supplementary item of information, it may be recalled that, out of a total of £367,909,052 exported by the United Kingdom in 1933, about 58% went to countries belonging to the economic complex considered here (adding Belgium at 2.4%), 23% to European countries outside the bloc, and 19% to the rest of the world.

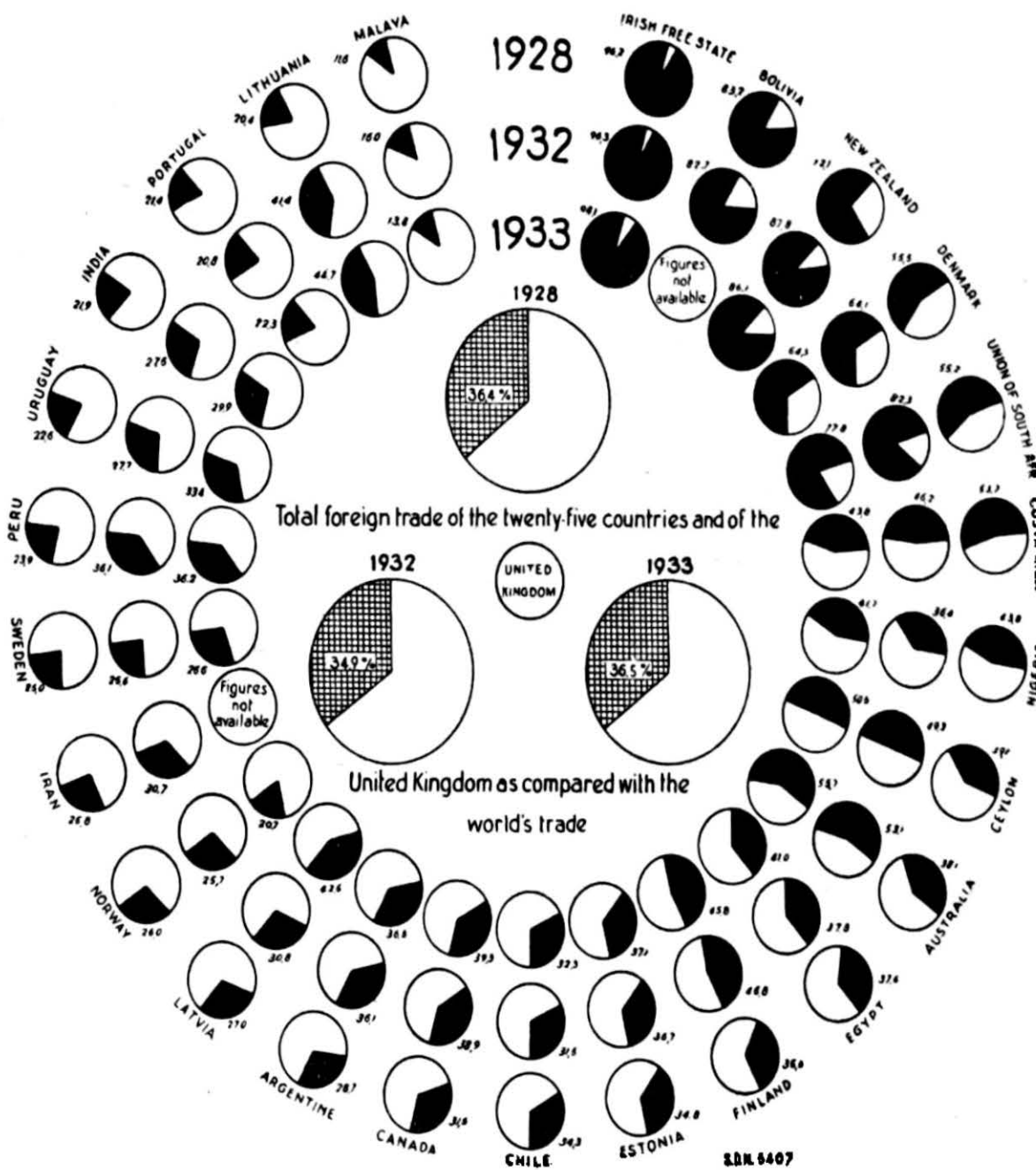
**ECONOMIC SYSTEM  
REVOLVING AROUND THE  
UNITED KINGDOM.**

The black sectors represent the proportion of each country's exports to the United Kingdom.

The discs on the outer circumference refer to the year 1928. The discs on the intermediate circumference and those on the inner circumference refer to the years 1932 and 1933 respectively.

These years were chosen for the following reasons:

- (a) 1928 is taken as a representative "normal" year;
- (b) 1932 is the year following the devaluation of the pound sterling;
- (c) 1933 is the year following the entry into force of the Ottawa Agreements.



**FOREIGN TRADE OF THE COUNTRIES BELONGING TO THE BRITISH ECONOMIC CONSTELLATION.**  
(Millions of Gold Dollars.)

Country	Imports		Exports		Total		Percentage of world trade	
	1928	1933	1928	1933	1928	1933	1928	1933
United Kingdom . . . . .	5,233	2,073	3,521	1,213	8,754	3,286	13.0	13.6
Canada . . . . .	1,222	288	1,399	422	2,623	710	3.9	2.9
India . . . . .	912	286	1,207	360	2,119	646	3.1	2.7
Argentina . . . . .	807	229	1,017	286	1,824	515	2.7	2.1
Union of South Africa . . . . .	398	167	452	303	850	470	1.3	1.9
Australia . . . . .	677	175	677	291	1,354	466	2.0	1.9
Sweden . . . . .	458	188	422	185	880	373	1.3	1.5
Denmark . . . . .	441	181	414	171	855	352	1.3	1.5
Malaya . . . . .	489	136	479	144	968	280	1.4	1.2
Norway . . . . .	271	110	180	92	451	202	0.7	0.8
Egypt . . . . .	245	88	272	95	517	183	0.8	0.8
Irish Free State . . . . .	288	117	222	63	510	180	0.8	0.7
New Zealand . . . . .	213	67	262	108	475	175	0.7	0.7
Finland . . . . .	202	57	157	77	359	134	0.5	0.6
Ceylon . . . . .	146	44	152	50	298	94	0.4	0.4
Portugal . . . . .	120	69	46	24	166	93	0.3	0.4
Iran <sup>1</sup> . . . . .	76	21	153	52	229	73	0.3	0.3
Chile . . . . .	146	22	239	44	385	66	0.6	0.3
Uruguay . . . . .	97	28	103	31	200	59	0.3	0.2
Peru . . . . .	70	15	125	38	195	53	0.3	0.2
Nigeria . . . . .	76	21	82	29	158	50	0.2	0.2
Latvia . . . . .	59	17	50	16	109	33	0.2	0.1
Lithuania . . . . .	29	14	26	16	55	30	0.1	0.1
Estonia . . . . .	35	8	34	9	69	17	0.1	0.1
Bolivia <sup>1</sup> . . . . .	23	4	41	9	64	13	0.1	0.1
Costa Rica <sup>1</sup> . . . . .	18	5	20	8	38	13	0.1	0.1
<b>Total . . . . .</b>	<b>12,751</b>	<b>4,440</b>	<b>11,752</b>	<b>4,136</b>	<b>24,503</b>	<b>3,576</b>	<b>36.5</b>	<b>33.4</b>

<sup>1</sup> Estimate.

IMPORTANCE OF FOREIGN TRADE FOR THE UNITED STATES.

EXTRACTS FROM AN ADDRESS BY THE HONOURABLE FRANCIS B. SAYRE, ASSISTANT SECRETARY OF STATE, ON APRIL 30TH, 1935, BEFORE THE ANNUAL MEETING OF THE CHAMBER OF COMMERCE OF THE UNITED STATES, WASHINGTON.

.....

Any thoroughgoing and sweeping programme of economic self-sufficiency is as impossible in the world of fact as it would be undesirable in theory. How long would the people of the United States be willing to go without coffee? Last year we imported \$133,154,000 worth of coffee. How long would we be willing to go without rubber? We imported last year \$101,532,000 worth of rubber. Are we ready to forgo the use of tin? Or to give up using silk? Or tea, or bananas or chocolate? Is it going to profit us and add to our material welfare to cease importing the vast quantities which we are now using and which we need of nickel, of manganese and tungsten ore, of newsprint and paper, of innumerable raw materials which I need not stop to name? We cannot set ourselves up as a hermit nation. If the American standard of living is to be maintained, we must trade.

But the need of foreign trading rests upon necessities more biting than our requirements of certain imports. It is the necessity of selling certain exports to avoid a violent dislocation of our whole domestic economy that burns into us the need of foreign trade. *If we cannot sell abroad our cotton, whole sections of the south face destitution.* Such destitution and economic disaster would not be confined to the producers themselves, but would be transmitted through diminished purchasing power into the business life of every town and village in the producing areas, and from these would spread injury throughout our country.

High protectionists are fond of pointing out that even in normal times the amount of *surpluses necessary to export is less than 10%* of our total domestic production, and that foreign trade is therefore of comparatively small importance and can weigh but little in the balance of our domestic prosperity. But here averages tell a false tale. In certain industries the figures run extraordinarily high. Even in 1933, when our foreign sales had sadly shrunken, we exported abroad 66% of our cotton, 39% of our leaf tobacco, 25% of our lard, 25% of our prepared milk, 46% of our dried fruits, 28% of our canned fruits, 58% of our turpentine, 34% of our lubricating oil, 37% of our aircraft engines and parts, 16% of all classes of industrial machinery combined, 41% of our refined copper, and 71% of our resin.

Do you see what that means translated into terms of human labour? Our national economy has been geared to support millions of workers in occupations which have come to be vitally dependent upon foreign markets. Strip those industries of their foreign markets and you drive millions of Americans out of the only forms of employment which many of them can live by.

Let me illustrate concretely what I mean. In the field of agriculture, if we should eliminate our foreign markets, speaking in round numbers we should have to retire about 8,900,000 acres of wheat land, about 22,800,000 acres of cotton land, about 665,000 acres of tobacco land, about 9,150,000 acres of corn land needed for raising hogs, and over 7,000,000 acres of land needed for horses to work these lands. In other words, we would have to retire over forty million acres of average farm land and let it go back to weeds and forest. This land to-day supports a farm population of some 3,200,000 people. What are you going to do with these human beings? What is to be done with the hundreds of thousands of cotton-pickers of the South, forced into idleness, and the large farming populations in the wheat lands, the corn belt, the tobacco fields?

In the industrial field an even larger problem presents itself. Estimates indicate that the industrial population directly dependent upon export sales is more than twice as large as that engaged in agricultural work and may be reckoned at about 10,000,000.

It will not do to say with those preaching economic nationalism that America would be better off if all this population were shifted to occupations not dependent upon foreign sales. Theories will not serve. We are living in a world of fact. Into what other forms of employment could this great population be shifted, even were it expedient to do so? Such a disruption would involve social and political problems beside which the "regimentation" of the present day would seem like child's play. . . .

As our whole complex economic and financial interdependence increases, our national welfare becomes more and more dependent upon an ever-increasing international trade. . . .

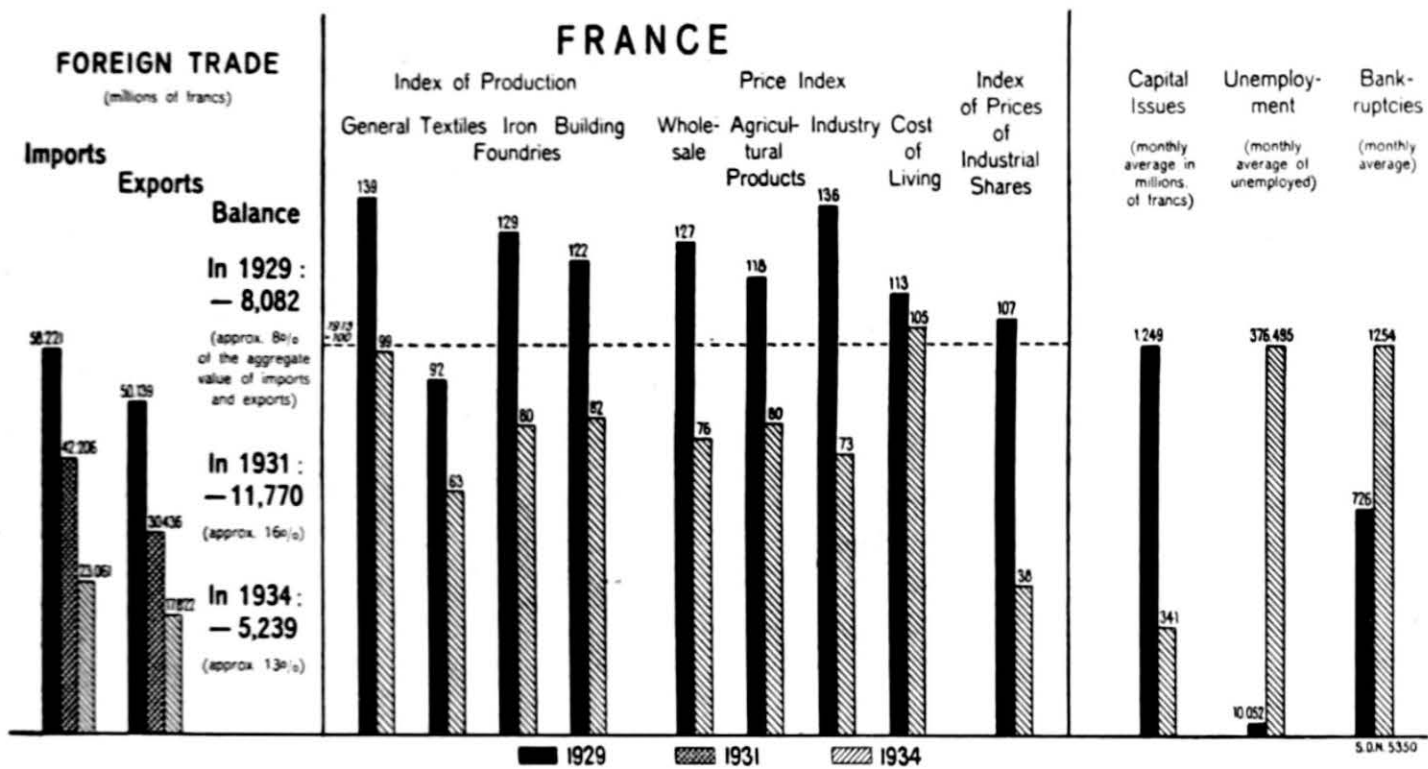
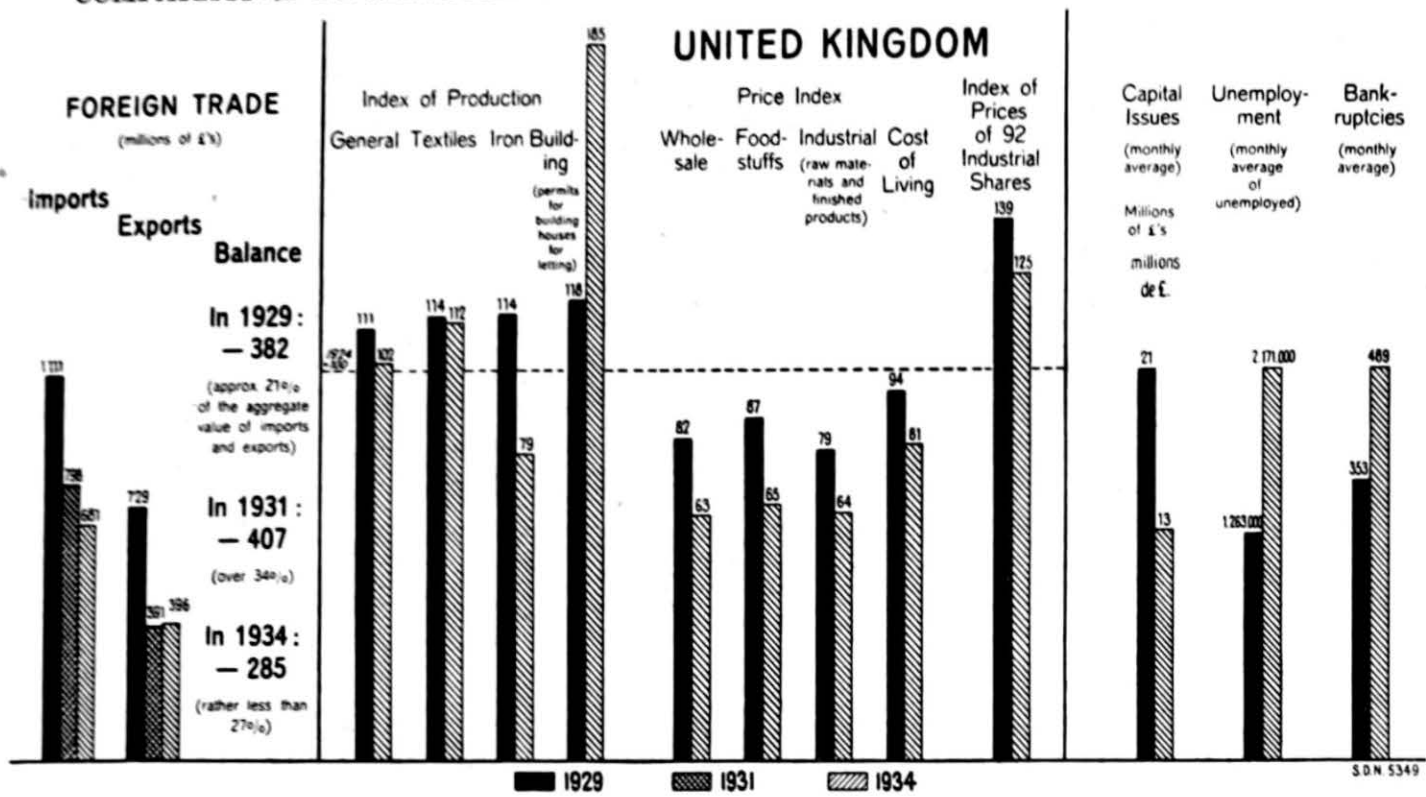
The attainment of equilibrium by the various nations will be rendered constantly more difficult, and *the proper functioning of an international monetary standard more precarious*, unless international commerce is greatly increased.

Without an increased international trade it is difficult to see how to meet the problems of international finance which press us in on every side. Indeed, the rebuilding of our international commerce and the consistent cultivation of its enormous possibilities offer the surest and the easiest way for us to secure the fullest utilisation of our natural resources and the greatest employment for our people.

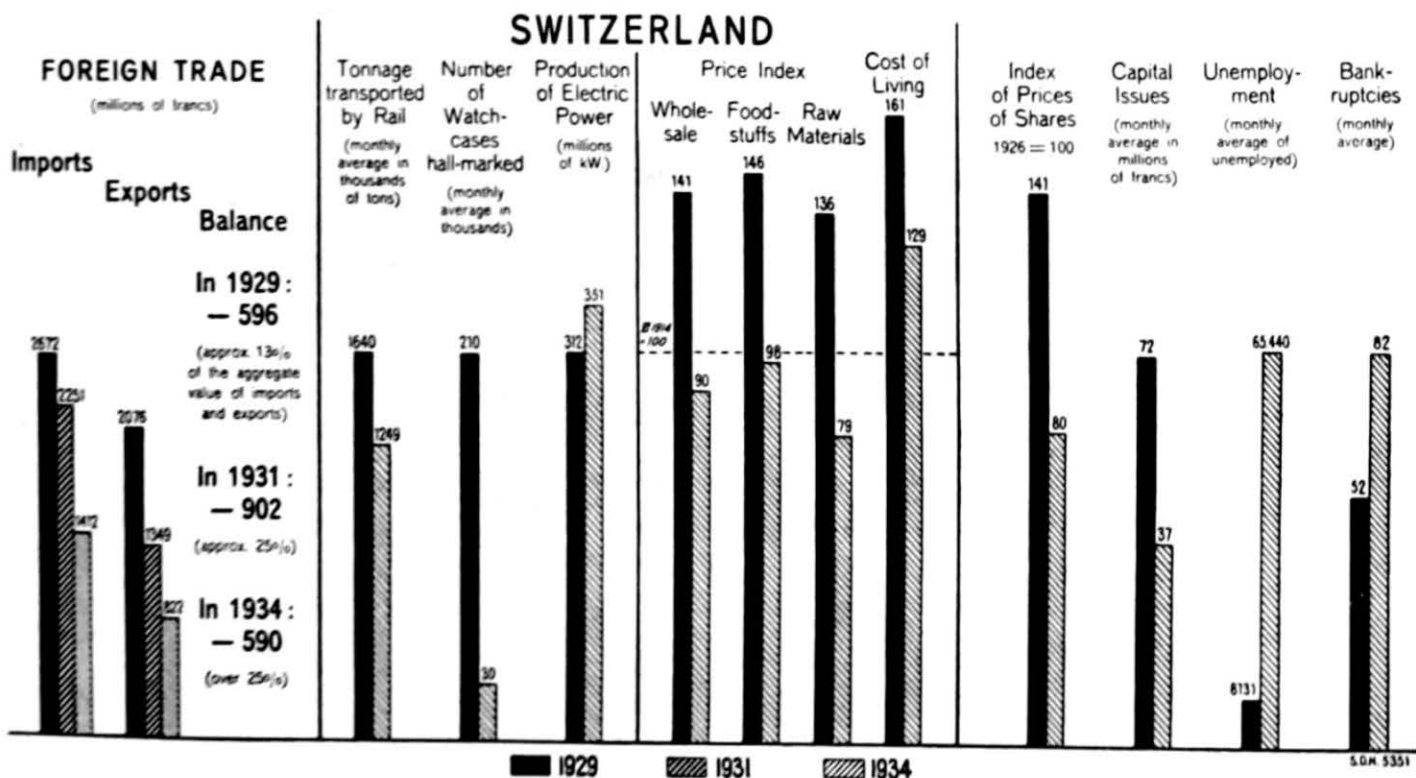
*If this be true, we must be prepared, in co-operation with other nations, to reduce the excessive barriers which have been raised against the importation of foreign goods.* We must be prepared to consider the welfare of American industry and American agricultural production from a national viewpoint, and not from the single angle of a particular industry. We must not allow powerfully entrenched special interests to monopolise profits at the expense of other groups or to the injury of the people as a whole.

---

COMPARATIVE DEVELOPMENT OF FOREIGN TRADE AND INTERNAL ECONOMY.<sup>1</sup>



In the case of the price-index and the share-index, the data have been reduced to the gold franc.



<sup>1</sup> Sources: *Statistical Year-Books of the League of Nations*; *Vierteljahrshefte für Konjunkturforschung*, Institut für Konjunkturforschung, Berlin.

United Kingdom.

		BUDGET (£ millions).		
	Fiscal year	Receipts	Expenditure	Balance
Closed accounts	1929-30 . . . . .	815	840	— 25
	1934-35 . . . . .	805	797	+ 8

GOLD RESERVE OF THE BANK OF ENGLAND (£ millions).			
1929 . . . . .	146	1934 . . . . .	193

*N.B.* — The recovery movement, appreciable in 1934, became stronger in the first half of 1935. As regards foreign trade, imports for the first half of the year amounted to £332 million, or 2 millions below the corresponding period for 1934, and exports to £207 million, or 17 millions above 1934. The general index of production for the first quarter was 104%, that of wholesale prices had undergone no modification at the end of May, and that of the prices of industrial shares amounted at the end of June to 142%. The number of unemployed, although slightly less than in 1934, was still a little over 2 millions at the end of May.

France.

		BUDGET (millions of francs).		
	Year	Receipts	Expenditure	Balance
Closed accounts,	1929-30 . . . . .	68,331	63,928	+ 4,362
Budget estimates,	1934 . . . . .	48,281	50,162	— 1,831
Provisional results,	1934 . . . . .	44,073	50,162	— 6,089

The proceeds of the turnover tax amounted to 6,385 million francs, 876 million francs below the budget estimates and 470 million francs below the proceeds of the previous year.

The income-tax yield was also much lower than the budget estimates.

The situation for the first two quarters of 1935 looks even worse. To the deficit on the State account, amounting to over 6 milliard francs, there should also be added the probable deficit on the joint fund of the main railway lines—viz., about 4 milliard francs.

The total deficit for the 1934 financial period is therefore between 10 and 11 milliards.<sup>1</sup>

GOLD RESERVE AND FOREIGN HOLDINGS OF THE BANK OF FRANCE (millions of francs).			
1929 Gold . . . . .	41,622	1934 Gold . . . . .	82,123
Foreign holdings . . . . .	26,053	Foreign holdings . . . . .	962

*N.B.* — The situation deteriorated still further in the first half of 1935. Foreign trade shows a heavy depreciation. Imports amounted to 10,605 million francs, or 2 milliards less than the corresponding period of 1934; and exports to 7,956 million francs, or over 850 millions less. The general index of production fell at the end of April to 93%, that of wholesale prices to 68%, that of industrial shares remained stationary. The number of unemployed, although much lower than in the previous months, was still about 433,000 at the end of June.

<sup>1</sup> See *Le Temps* of July 8th and 22nd, 1935, page 3 (*Le Temps financier*). Since then, the budgetary situation has been transformed, thanks to the reforms passed by the Laval Government.

Switzerland.

		BUDGET (millions of francs).		
	Year	Receipts	Expenditure	Balance
Closed accounts,	1929 . . . . .	441	419	+ 22
Budget estimates,	1934 . . . . .	423	431	— 8
Provisional results, <sup>1</sup>	1934 . . . . .	453	480	— 26

To the deficit of 26 million francs on the State account should be added the deficit on the profit and loss account of the Federal Railways for 1934—viz., 42 million francs.<sup>1</sup>

GOLD RESERVES AND FOREIGN HOLDINGS OF THE NATIONAL BANK (millions of francs).			
1929 Gold . . . . .	595	1934 Gold . . . . .	1,910
Foreign holdings . . . . .	353	Foreign holdings . . . . .	7

*N.B.* — The situation deteriorated further in the first half of 1935. Foreign trade shows a fresh decline. Imports amounted to 623 million francs, or 90 millions less than the corresponding period in 1934, and exports to 402 millions, or 2 millions less than in 1934. The tonnage of goods transported by rail reached only 1,160 thousands of tons in May. At the same date the index of wholesale prices had fallen to 88%, and in June that of share prices to 69%. The number of unemployed, although much lower than in the previous months, was still about 66,000 at the end of May.

<sup>1</sup> *Bulletin* No. 3 of the Swiss Bank Corporation, 1935.



WOOL FOR FRANCE.

The primary need of a country with a highly developed economic system, a multifarious industry and a high standard of living is *to import*. This need is greater than the need *to export*, which is subsidiary. Such a country imports in order *to live* and exports in order *to pay*.

We will take as a concrete illustration of this fundamental concept an old classical example, which is open to criticism in several respects but has a certain value—the example of the flocks of France.

Let us suppose that France is no longer willing to buy wool abroad and is at the same time prepared to stop selling her own excellent woollen goods abroad. She would thus only need enough raw material to clothe her own people.

In 1929, a normal year, France imported altogether, in round figures, 330,000 tons of wool (for which she paid to other countries, at the price then ruling, some 5,500 million francs). If we add to the quantity thus imported some 20,000 tons of home-produced wool we see that, in that year, France's requirements amounted to about 350,000 tons. During the same year she exported in the most varied forms, in round figures, 125,000 tons of wool (for which she received from abroad about 5,800 million francs).

Since, in the hypothetical case we are considering, she would only have to supply her home market, in order to ascertain the quantity of wool required we need only deduct the quantities exported from the quantities imported by and produced in France. This gives us a total of approximately 225,000 tons; since 20,000 tons are home-produced, 205,000 tons of wool will somehow have to be found.

In 1929, the French flocks amounted to approximately 10 million head. The wool produced by them could be estimated, as stated above, at some 20,000 tons. If France were to buy no more wool from abroad, the number of sheep in France would have to be increased eleven times—*i.e.*, brought up to about 110 million head.

Let us now suppose—although this is not correct because a large number of French sheep are bred, not for their wool, but for butcher's meat, for which the best pasture-land is required—that these immense flocks can graze on "uncultivated land and heath". The statistics show that from 9 to 10% of French territory consists of "uncultivated land and heath". If you work it out you will see that, if France were herself obliged to produce the wool required for clothing her population alone, *the whole territory would have to be given up to sheep-raising*, and no room would be left for cattle-breeding, the growing of cereals, fruit and vegetables, industrial plants, for forests, vineyards, etc. Hence all these products would have to be wholly imported from abroad. We are not referring, of course, to the various products which cannot be grown on French soil, such as cotton, rubber, coffee, etc., and other raw materials, such as metals, mineral oils, etc.

*This hypothesis is, of course, absurd*, as it is completely at variance with twentieth-century conditions. It might conceivably correspond to conditions in the early Middle Ages.

However, it is true to say that, in order to live in the way she wishes to, France is obliged to levy a sort of tribute in kind on a number of territories (apart from her colonies) in all quarters of the globe, and those territories, if they were joined together, would form an area four or five times the size of France. This idea can be illustrated by saying that France has two territories: a *geographical* territory bounded by her frontiers and an *economic* territory which is infinitely larger and which is determined by the requirements of her standard of living.

The same applies to any other country in a similar position economically—*e.g.*, the United Kingdom, Germany, Switzerland, Italy, Belgium, etc.

To return to our muttons, what happens in actual fact? Thanks to the enormous contribution made by *international trade*, against 5,500 millions paid to other countries for wool, France can put 5,800 millions received for her exports of woollen goods. This means that the whole population has been supplied with woollen goods without costing the French balance of payments a single centime and leaving it, on the other hand, with a profit of about 300 million francs.

If, therefore, imports are necessary to live, exports give us the means of paying for them.

It may be objected that this applies chiefly to imports of raw materials and essential foodstuffs. Why allow industrial products which we can manufacture ourselves to enter in equally large quantities? Unfortunately, there is a wide gap between these two classes of trade. In the case of raw materials, the desire of the exporting country, which

is to sell, meets the desire of the importing country, which is to buy. On the other hand, in the case of manufactured products, each country would like to sell a lot and to buy as little as possible. It is only by coming to some agreement—that is to say, *by one country opening its doors to the other*—that a large trade can be done in finished products.

The export of finished products is, in fact, the chief means by which an industrial country is able to pay for imports that are essential to preserve its standard of living. The matter becomes more complicated when, as is usually the case, an industrial country sells the greater part of its manufactured products, not to the countries which supply it with the raw materials, but to neighbouring countries which, like itself, mainly produce industrial goods.

For instance, to return to wool, in 1932 France bought 462 million francs' worth of raw materials from Australia, a large sheep-breeding country, while she sold only 77 million francs' worth of finished products to that country, since Australia obtains most of her finished products from England. On the other hand, during the same year France sold 770 million francs' worth of finished products to Switzerland and 1,249 millions' worth to Belgium. Hence these two countries provided her with the means of paying for her Australian wool.

Consequently, in the long run, France—like other industrial countries of the same type—can only obtain the things necessary for her normal life by exchanging, either directly or through one or more other countries, her industrial products against the products of the soil or agriculture of other countries. To put it more briefly, she may be said to barter national labour for strips of foreign territory.

Her partners in this exchange are, of course, sparsely populated countries, which are undeveloped industrially but which have an extensive territory rich in natural resources.

All this appears to be very complicated, but international trade will harmonise all these conflicting needs and will furnish the means of satisfying them *provided men do not check its action by undue arbitrary interference.*

---

NEW TENDENCIES IN THE TRADE POLICY OF THE UNITED STATES.

A. THE UNITED STATES ACCEPT THE METHOD OF TRADE NEGOTIATIONS.

1. In May 1934, Congress conferred on the President of the United States, for three years, very wide powers to enable him, within certain limits, to lower Customs duties by concluding tariff treaties with other States. This decision marked a radical change in the trade policy of the United States.

In order to realise its full significance, we must go back to the situation which existed before 1931.

2. Previous to that year, all countries of any importance in world economy had for long practised the "conventional method"—*i.e.*, the rate of the Customs duties which they applied to foreign commodities formed the subject of negotiations, and these negotiations generally led to a reduction of the duties.

*Only the United States and England held aloof.* These two countries remained faithful to the "autonomous method". They regarded their tariffs as a strictly domestic concern; these tariffs, when once they had been fixed by Parliament, could not be modified by negotiations with other countries.

*But if the method was the same, the effect was quite different.* England only imposed revenue duties—mostly very low—and hardly any protective duties. The duties levied by the United States, however, were among the highest in the world.

Under the most-favoured-nation clause, on the inclusion of which in their commercial treaties both countries insisted, the United States and England obtained the benefits of the laborious negotiations conducted by other countries *inter se*. On the other hand, these two countries guaranteed to all other countries *equality of treatment* by according them in their turn the most-favoured-nation clause.

But the benefits obtained were not the same. England, with her very low tariff, provided equality before an open door. The United States, with their prohibitive duties, provided equality in the face of a tariff wall that was very hard to scale.

3. At the beginning of 1931, England armed herself with a protective Customs tariff. That was a serious blow to international trade. At the same time, however, she said she was prepared to negotiate with other countries with a view to reciprocal tariff concessions. She abandoned, at the same time, both free trade and the autonomous method, the latter abandonment being, to a certain extent, intended as a corrective to any dangers inherent in the former.

The United States, on the contrary, adhered to their former methods until May 1934—*i.e.*, until the law accorded the President the powers mentioned above.

It may therefore be said that, for the first time for generations, we are now witnessing *complete machinery for negotiations covering—apart from one or two insignificant exceptions—the entire world, including the two countries whose commerce in itself constitutes one-fourth of all world trade.*

The machinery is there. Is it going to be used to lower Customs barriers? Official statements, from which we quote a few passages below, afford some hope that this will be the case.

B. LIBERAL TENDENCY OF AMERICAN TRADE POLICY ACCORDING TO OFFICIAL STATEMENTS.

Since President Roosevelt has been authorised to negotiate commercial treaties with tariff reductions, the high officials of the departments concerned have been conducting a strenuous campaign in order to make the country understand the need for accepting tariff reductions if treaties are to be concluded with other countries for the purpose of reviving trade.

Here are a few extracts from the most important of these statements.

(a) *Passages from a Speech by the Hon. Cordell Hull, Secretary of State, on November 1st, 1934, at New York.*

To find one of the main sources of our distress is not difficult. At the close of the world war, the United States, which during all of its previous existence had been a debtor to the world, suddenly found itself a creditor nation. It had no organisation or machinery to fulfil that function, and very, very few of its political or industrial leaders had the vision to comprehend what the new position of the United States meant or what possibilities it held out. No greater opportunity ever confronted a nation than was presented to us at that moment. Every circumstance conspired to favour us. Politically, we enjoyed the goodwill of virtually all countries. Economically, most of the world was hungering for the commodities of peace which we, with our production, speeded up by the war, could supply. All that was required to give us supremacy in every line of international endeavour was the wisdom to comprehend the situation and the statesmanship to take advantage of it. But we missed this opportunity. Instead of meeting the urgent demand for our goods from the countries which had their supplies exhausted by war, and permitting them to pay in such commodities as they could still produce, we raised our tariff barrier higher so as to exclude them. This would have meant an equally profitable exchange of surpluses, and so did not mean that the United States would be expected to take commodities it did not need, or did not want, or which would seriously affect our own domestic production of the same commodities on a satisfactory basis. By emergency legislation, and by regular legislation later, we served notice on our would-be customers that we would do business with them for cash only, as we did not want their products.

In his message of March 3rd, 1921, returning the so-called Emergency Tariff Bill to Congress without his approval, President Wilson pointed out that the United States had become a creditor nation and that Europe was in debt to it both governmentally and commercially. He noted that these debts could be paid only by the establishment of private credits, by the transfer of gold, or by the delivery of commodities. The first method was not possible, he said; the second was also not possible, but, even if it were, would prove embarrassing to us; and that left only the third way. President Wilson then continued:

“ If we wish to have Europe settle her debts, governmental and commercial, we must be prepared to buy from her, and if we wish to assist Europe and ourselves by the export either of food or raw materials or finished products, we must be prepared to welcome commodities which we need and which Europe will be prepared, with no little pain, to send us.

“ Clearly this is no time for the erection here of high trade barriers. It would strike a blow at the large and successful efforts which have been made by many of our great industries to place themselves on an export basis. It would stand in the way of the normal readjustment of business conditions throughout the world, which is as vital to the welfare of this country as to the world, and it can discharge this duty by widening, not contracting, its world markets.”

This warning of President Wilson, which in the light of subsequent events may be called a prophecy, was not heeded. To the folly of the emergency tariff was added the *Fordney-McCumber tariff*, with its then unprecedentedly high rates. But, though we thus discouraged importations, we still insisted on keeping up our exports. When we found other countries unable to buy because their goods were refused even to the extent that would have been highly profitable to us and they had no cash or could arrange no credit, we provided them with both to the extent of billions of dollars. These loans, largely improvident, bore little or no relation to sound foreign loans and investments which are justifiable as a general policy. For six or seven years we played this merry game of booming business by both selling on credit and buying from ourselves. The show looked so good to those who never thought to peep behind the scenes or to examine the fragile supports of the stage that they determined to continue the engagement. The *Hawley-Smoot Act* of 1930 lifted the tariff rates still higher into the realm of fantasy. About that time we decided we would like to have some of the money which we had lent foreigners to buy our goods paid back. Then, to our amazement, we found much of this could not immediately be paid, and probably never would be. So a great deal of our glittering volume of exports became simply a present of several billion dollars' worth of commodities to other peoples.

How many times many of you, in looking back over these last years, must have regretted that this country failed to sense and seize the great opportunity that was offered to it just after the war! Is there any intelligent, unprejudiced student of events who does not now realise the soundness of President Wilson's warning given thirteen years ago?

The appalling repercussions of the 1930 Tariff Act upon our own domestic prosperity brings home the lesson that in this day and age the tariff is no longer a purely domestic issue. We learned that a prohibitive protective tariff is a gun that recoils upon ourselves.

With a cessation of our foreign lending, we have found that we cannot continue to export without importing goods. The blocked balances which our exporters are now facing in various parts of the world are the conclusive proof that exports cannot continue indefinitely without an expansion of imports. . . .

The objective of the United States which we are all vitally concerned to reach is full, stable and permanent business recovery, and experience teaches that this requires both a domestic and international programme. The purpose is to promote the maximum amount of production that can be consumed at home and sold abroad, thereby giving the fullest employment to labour. *In the foreign field, this calls for a liberal commercial policy of fair trade methods and practices and friendly relations*; and to attain the desired end we hope to enlist the simultaneous co-operation of other important nations in the work of effectively abolishing existing destructive trade barriers which the experience of the past few years has demonstrated are discredited relics of the medieval mercantile period. . . .

In entering upon the negotiation of trade agreements, we are willing frankly to admit that we have erred in the past, that we have now repented and wish to do works meet for repentance. Just as we set the vicious example of erecting the trade barriers of high tariffs which induced others to follow us, so now we are asking other nations to join us in an attempt to undo the damage our collective action has worked. We wish to break down all the artificial and excessive impediments put in the way of world commerce, not only in our own interest, but for the benefit of all others as well, since only by restoring the whole world can individual countries hope, in this day of rapid communication and interdependence, to remain economically healthy long. . . .

(b) *Passages from a Statement by the Hon. Cordell Hull on March 23rd, 1935.*

By the trade agreements programme, now well under way, we are seeking to persuade other countries to join us in breaking down excessive barriers to trade, so that its movements may be less hampered and its volume increased. Agreements already concluded with Cuba, Brazil, and Belgium, and others which are in prospect, indicate that many other nations are willing to co-operate. . . .

Trade control measures are becoming day by day increasingly complicated and restrictive. These measures are designed to protect the balance of payments of foreign countries, to prevent an abnormal outflow of gold. Of one thing we may be sure: so long as our merchandise export surplus is balanced by gold imports, the signal is given to our foreign customers to impose ever-increasing restrictive measures against our exports. . . .

It is, therefore, urgent in the interest of American trade and world recovery to exert a determined leadership in the direction of liberal commercial policies, in order to restore the equality of treatment upon which alone our foreign commerce can thrive.

The United States stands at the crossways. Of all the countries in the world, it is in the freest position to assume a world leadership in the adoption of saner commercial policies. . . .

For six years nations have vainly striven separately to restore prosperity. But I would emphasise as strongly as I can the fact that these efforts at national recovery have not fully succeeded because of the destruction of international trade. It follows that a vigorous effort to rebuild that trade is essential if we do not wish the struggle back towards prosperity to be too long delayed. . . .

ANNEX IX.

INCREASING IMPORTANCE OF THE WORLD'S GOLD RESERVES.





















Information derived from the *Fifth Annual Report of the Bank for International Settlements* and the *Statistical Year-Book of the League of Nations (1934-35)*.

(a) In 1929, the world's gold reserves, estimated at nearly 66 milliard Swiss francs, supplied a cover of 48% for a bank-note circulation of about 116 milliards, and was amply sufficient for the needs of international trade amounting to over 355 milliards. Imports and exports of goods, services and capital, being neither limited nor directed by arbitrary interference, were in almost complete balance, small movements of gold being sufficient for the payment of debit balances.

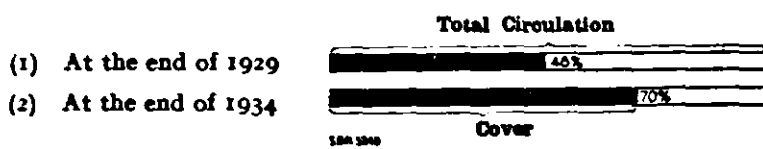
In 1934, the position was entirely changed. The gold reserves amounted to approximately 67 milliards of Swiss francs as against a circulation reduced to slightly over 98 milliards. The cover had therefore risen from 48% to 70%. At the same time, the value of international exchanges of goods had fallen by two-thirds, to 121 milliards. But as the little that remained of international trade was subject to all kinds of restrictions (quotas, clearings, etc.) directing it into the channel of purely bilateral equation, and as the international movement of capital had all but come to a standstill, or was liable to the disorderly flurries of fear or speculation, the result is that spontaneous and general equation was greatly reduced and occurred only with difficulty, whereas gold took the road more and more frequently and in ever-increasing amounts

(b) Hand in hand with this abnormal state of affairs goes the maldistribution of gold, the main feature being the enormous accumulation of the yellow metal in the United States and France. This fact becomes even more remarkable after a glance at the diagram on the following page in which the value of the different countries' gold reserves is compared with the value of their foreign trade. We notice that the United States and France possess three-fifths of the world's gold reserves, while their foreign trade is only one-sixth of world trade. The case of the United Kingdom is the exact reverse, the value of that country's foreign trade being four times greater than its gold reserves, and the latter only slightly more than a quarter of those of France. Germany has a foreign trade representing close on 9% of the total of international trade, but her gold reserves, amounting to 188 million Swiss francs on December 31st, 1934, are so small that we have been unable to depict them graphically on the diagram.

(c) If to the visible gold reserves are added the probable amounts of hoarded gold, it will be seen that the gold at present at the world's disposal is amply sufficient to provide a basis for an economic revival on the largest scale.

GOLD RESERVES OF THE BANKS OF ISSUE AND OF GOVERNMENTS.				AGGREGATE FOREIGN TRADE, 1934 (IMPORTS AND EXPORTS).			
At July 31st, 1934 (in millions of Swiss francs).							
		%			%		
U.S.A.		37.5	25,216		0.5	11,547	
France		24.8	16,675		6.9	8,306	
United Kingdom		7.2	4,849		13.9	16,779	
U.S.S.R.		3.4	2,277		1.4	1,742	
Spain		3.4	2,268		1.2	1,472	
Switzerland		2.8	1,910		1.9	2,235	
Belgium		2.7	1,805		3.2	3,911	
Netherlands		2.6	1,754		3.0	3,646	
Italy		2.4	1,585		2.8	3,414	
Other countries		13.2	8,911		56.2	68,092	
	<small>ARK 5346</small>			<small>SRN 5347</small>			
<b>Total</b>		<b>100</b>	<b>67,250</b>		<b>100</b>	<b>121,144</b>	

PERCENTAGE OF GOLD COVER  
OF BANK-NOTES IN CIRCULATION  
IN ALL COUNTRIES EXCEPT THE  
U.S.S.R.



At the end of 1929, the aggregate value was 116,350 million Swiss francs, and that of the gold reserves was 55,869 millions of francs.

At the end of 1934, these figures were 98,470 and 67,250 million francs respectively.

HOARDED GOLD AT THE END OF  
1934 AND COMPARISON WITH THE  
GOLD RESERVES OF THE BANKS  
OF ISSUE AND OF GOVERNMENTS.

(In millions of Swiss francs)

Gold reserves (visible): 67,250

Hoarded (hidden reserves): 22,686

India	(estimate)	13,650
China	"	336
Egypt	"	1,700
Other countries	"	7,000
Total		<u>22,686</u>

Geneva, September 9th, 1935.

LEAGUE OF NATIONS

**ECONOMIC COMMITTEE**

**REPORT TO THE COUNCIL ON THE WORK  
OF ITS FORTY-THIRD SESSION**

*Held at Geneva from September 2nd to 6th, 1935.*

The following members of the Committee were present:

- M. ELBEL (*Chairman*).
- M. C. V. BRAMSNAES.
- M. CARVALE (replacing M. Di Nola).
- M. COMOLLI (replacing M. Brebbia).
- M. DOLÉZAL.
- M. HIRSCHFELD.
- M. IBL (replacing M. Peroutka).
- M. DE NICKL.
- Mr. J. H. ROGERS.
- M. B. ROSENBLUM.
- Mr. E. ROWE-DUTTON (replacing Sir Frederick Leith-Ross).
- M. R. SCHÜLLER.
- M. STUCKI.

Also present:

- M. F. VAN LANGENHOVE, corresponding member.

CONTENTS.

	Page
1. International Economic Relations . . . . .	I
2. Export and Import of Meat and Meat Preparations . . . . .	I

I. INTERNATIONAL ECONOMIC RELATIONS.

At the close of its forty-second session, the Committee informed the Council that it would shortly submit to it a comprehensive report on the position of international economic relations, and that when drawing up the report it intended to consult the Financial Committee on points falling more directly within that Committee's competence.

The Economic Committee has now the honour to submit to the Council the said report (document C.344.M.174.1935.II.B).

Chapters I and II have been communicated to the Financial Committee which has offered no criticisms.

2. EXPORT AND IMPORT OF MEAT AND MEAT PREPARATIONS.

In its last report, the Economic Committee stated that it intended to convene a Committee of Experts for the purpose of seeking suitable bases for an international agreement to facilitate the import and export of meat and meat preparations.



The experts met from June 25th to 29th, 1935, and drew up articles showing what provisions should, in their opinion, be inserted in a convention to facilitate international trade. These provisions will be found in the annex to the present report.

In submitting this text, the experts proposed that the result of their work should be communicated to the various Governments in order that they might make any observations that might suggest themselves. It would then be possible to prepare a final draft.

The Economic Committee endorsed this view and requests the Council to take action on this proposal.

#### Annex.

### DRAFT PROVISIONS FOR AN INTERNATIONAL SANITARY CONVENTION ON THE INTERNATIONAL COMMERCE IN MEAT AND MEAT PREPARATIONS.

#### Article I.

1. The High Contracting Parties agree that the observance of the provisions of the present Convention are such as to afford countries which import the products specified below, originating in their respective territories, the best guarantees that they are perfectly sound and are also innocuous from the point of view of the transmission of epizootics.

2. Accordingly, the High Contracting Parties will not impose on the importation of the following products conditions or sanitary rules other than those defined in the present Convention:

- (a) Fresh, chilled or frozen meat;
- (b) Salted or smoked meat or meat otherwise prepared;
- (c) Preserved meat;

derived from the bovine, ovine or porcine species.

#### Article II.

The importation of the products enumerated in Article I shall only take place through the Customs Offices and ports open for traffic in these products.

#### Article III.

The undertaking laid down in Article I shall not affect the right of the importing country to carry out an inspection on the entry of the products enumerated in the said article into its territory.

#### Article IV.

1. The products referred to in Article I shall be derived from animals which have undergone a health inspection, including an inspection of the live animal which must take place at the time of slaughter and a further inspection after slaughter.

2. Products derived from animals found to be in a feverish or overworked condition or to be suffering from any lesion or disease such as might impair the soundness of the said products shall be excluded from consignments for export.

3. The ante-mortem inspection of the animal shall be followed immediately after slaughter by a veterinary inspection including an examination of the organs, viscera and muscular tissues. Special attention shall be paid to the examination of the lymphatic system and serous membranes.

4. The discovery of lesions, diseases or deterioration affecting the soundness of the meat shall entail rejection for export purposes.

#### Article V.

In establishments in which meat and meat products intended for export are prepared, manufactured or handled, the following health conditions shall be observed:

(a) The establishment shall be properly lighted and ventilated. The premises and all appliances, such as tables, machines and receptacles of all kinds shall be of such material and construction as to be easily and thoroughly cleaned.

(b) The preparation, manufacture and handling of the products shall be carried out at every stage under conditions of the strictest cleanliness and under a continuous veterinary supervision.

(c) The employees of all establishments handling products intended for export shall be shown to be free from tuberculosis and other transmissible diseases, and shall observe, particularly

as regards their person, their clothing and the utensils which they employ, the rules of hygiene prescribed by the competent authority.

(d) A slaughtered animal or parts of a slaughtered animal utilised for the preparation of foodstuffs intended for export shall not be exposed to contact liable to involve their contamination or deterioration.

The same conditions shall apply to the period during which the products remain in the refrigeration chambers.

(e) In the course of inspection, every precaution must be taken to prevent confusion in the elimination of meat found to be unfit for export.

#### *Article VI.*

Each High Contracting Party shall be entitled to require, in regard to meat intended for import into its territory, that the meat:

(a) *In the case of intercontinental traffic:*

1. It shall have been placed in a cooler immediately after dressing, inspection and the affixing of the veterinary mark.

2. Shall be wrapped in thin cloth in the case of chilled meat; in muslin and in packing cloth in the case of frozen beef; in thin cloth in the case of frozen mutton and in one or two wrappers in the case of frozen pork.

(b) *In the case of traffic between countries of the same continent or neighbouring continents:*

1. Shall be placed in a cooler immediately after inspection and the affixing of the veterinary mark.

2. Is the object of full precautions as regards cleanliness and hygiene, especially when no use is made of wrappers.

3. Shall be loaded in vehicles, isothermic chambers or cold holds, specially reserved for such foodstuffs.

In general, the use, in all types of packing, of straw, hay, or any other material liable to spread contagious diseases of animals is strictly prohibited.

#### *Article VII.*

Preserved meat shall be clearly and indelibly marked with the following particulars:

(a) Name of country and manufacture.

(b) Nature of product;

(c) Date of manufacture;

(d) Evidence of inspection;

(e) That sterilisation is incomplete, where this applies.

#### *Article VIII.*

Each High Contracting Party retains the right to refuse to allow the importation of meat or meat preparations to which have been added colouring matter or preservatives not authorised by its national legislation.

#### *Article IX.*

1. Each consignment of the products enumerated in Article I shall be accompanied by a certificate of origin and of soundness, drawn up for the application of the terms of the present Convention.

Each piece of meat shall bear a visible inspection stamp.

The packages shall bear labels or rustless metal marks to prove that inspection has taken place. As regards packing cases, this mark may be made by a branding iron.

2. The High Contracting Parties retain the right to require that fresh chilled or frozen meat shall be accompanied on importation by a statement giving the date of slaughter of the animals from which it is derived.

#### *Article X.*

1. Apart from the guarantees of soundness provided in the foregoing articles, the High Contracting Parties may require a statement to the effect that the products imported are not dangerous from the point of view of the transmission of epizootic diseases.

2. When the live-stock of the importing country is free from an epizootic disease prevalent in the country of origin of the products referred to in Article I, the importation of such products may be prohibited.

3. Where bovine plague appears in the country of origin, the export of the meat referred to in paragraphs (a) and (b) of Article I is forbidden.

*Article XI.*

The present Convention does not affect the right of each High Contracting Party to require that meat when imported should be presented either in the form of the entire carcass or in quarters or specified pieces.

*Article XII.*

If, notwithstanding the fulfilment of all the formalities and conditions provided in the present Convention, the goods are found at the time of inspection referred to in Article IV to show clear traces of lesions, diseases or deterioration, the importing country may reject them. An official document stating the reasons for rejection shall be delivered to the party concerned.

*Article XIII.*

Nothing in the present Convention shall affect the provisions of any other convention, treaty or agreement which has been or may hereafter be concluded between any of the High Contracting Parties under which treatment more favourable than that laid down in the present Convention is or may be granted to the importer of the products referred to in Article I.

*Article XIV.*

The High Contracting Parties undertake to create, where such does not exist, and to maintain in their respective countries an official veterinary health organisation for the purpose of carrying out the measures provided in the present Convention.

This organisation shall consist of a Government veterinary service which shall be responsible for:

- (a) Superintending the premises and establishments referred to in the aforesaid Convention;
  - (b) Inspecting live-stock and animal products;
  - (c) Issuing certificates regarding the origin of the live-stock and the sanitary condition of the products derived therefrom.
-

Genève, le 4 décembre 1935.

SOCIÉTÉ DES NATIONS

**CONVENTION  
INTERNATIONALE POUR LA SIMPLIFICATION  
DES FORMALITES DOUANIERES**

Signée à Genève le 3 novembre 1923.

Application des articles 10 et 11 de cette Convention.

SIXIÈME SÉRIE<sup>1</sup>

15

LEAGUE OF NATIONS

**INTERNATIONAL CONVENTION  
RELATING TO THE SIMPLIFICATION  
OF CUSTOMS FORMALITIES**

Signed at Geneva, November 3rd, 1923.

Application of Articles 10 and 11 of this Convention.

SIXTH SERIES<sup>1</sup>

<sup>1</sup> Pour les séries précédentes, voir documents C.198.M.75.129.II, C.563.M.224.1930.II, C.913.M.479.1931.II.B, C.698.M.335.1932.II.B et C.321.M.165.1935.II.B.

<sup>1</sup> For previous series, see documents C.198.M.75.129.II, C.563.M.224.1930.II, C.913.M.479.1931.II.B, C.698.M.335.1932.II.B and C.321.M.165.1935.II.B.

LISTE DES AUTORITÉS RECONNUES COMPÉTENTES POUR DÉLIVRER  
DES CARTES DE LÉGITIMATION (ARTICLE 10, ALINÉA 8.)

LIST OF THE AUTHORITIES RECOGNISED AS COMPETENT TO ISSUE  
IDENTITY CARDS (ARTICLE 10, PARAGRAPH 8.)

ALLEMAGNE<sup>1</sup> — GERMANY.<sup>1</sup>

Preussen — Prusse — Prussia.

1. Der Minister des Innern in Berlin. — Le Ministre de l'Intérieur. — The Minister of the Interior.
2. Die Regierungspräsidenten. — Les présidents des Régences. — The Presidents of Administrative Districts.
3. Die staatlichen Polizeiverwaltungen. — Les autorités de police de l'Etat. — The State Police Authorities.
4. Die Landräte und die landrätlichen Hilfsbeamten in: — Les sous-préfets et les fonctionnaires auxiliaires des sous-préfectures à: — The Administrative Heads and Assistant Administrative Officials of: Neuenhaus (Grafschaft Bentheim), Norderney und Borkum.
5. Die Ortspolizeibehörden in den Städten, sowie ferner: — Les autorités locales de police dans les villes et, en outre: — The local Police Authorities of the Town and also:

Im Reg.-Bez. Königsberg:

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Pillau, Kreis Fischhausen, für die Gemeinden: Camstigall, Neutief (Frische Nehrung).

Im Reg.-Bez. Westpreussen:

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Christburg, Kreis Stuhm, für die Amtsbezirke Baumgarth, Adl. Bruch, Lichtfelde, Posilge, Sparau, Trankwitz.

Im Reg.-Bez. Breslau:

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Canth, Kreis Neumarkt, für die Ortschaften Beilau, Kammendorf, Sachwitz, Fürstenau, Ocklitz, Landau, Neudorf, Polsnitz, Schimmelwitz, Jürtsch, Borganie, Mettkau.

Im Reg.-Bez. Liegnitz:

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Haynau, Kreis Goldberg-Haynau, für den Amtsgerichtsbezirk Haynau.

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Schlawa, Kreis Frystadt N./Schl., für den Amtsbezirk Schlawa.

Im Reg.-Bez. Oppeln:

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Ottmachau, Kreis Grottkau, für die Amtsbezirke Woitz, Klein-Mahlendorf, Lobedau, Ellguth, Zedlitz, Lindenau.

Im Reg.-Bez. Merseburg:

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Stolberg/Harz, Kreis Sangerhausen für die Amtsbezirke Rottleberode, Breitenstein, Schwenda, Schloss Stolberg.

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Heringen/Helme, Kreis Sangerhausen, für die Amtsbezirke Uthleben, Görsbach, Heringen (Schloss).

<sup>1</sup> Cette liste annule et remplace la liste publiée dans le document C.563.M.224.1930.II.  
This list cancels and replaces the list published in document C.563.M.224.1930.II.

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Kelbra, Kreis Sangerhausen, für die Amtsbezirke Berga, Rossla-Harz, Rossla/Schloss, Alte Stolberg, Questenbergsche Forsten, Bennungen, Agnesdorf, Dietersdorf, Breitung.

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Artern/Unstrut, für die Amtsbezirke Gehofen, Schönfeld.

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Ortrand, Kreis Liebenwerda, für den Amtsbezirk Grossthiemig.

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Mühlberg, Kreis Liebenwerda, für den Amtsbezirk Fichtenberg.

Im Reg.-Bez. Schleswig:

Die Ortspolizeibehörde in: — Les autorités locales de police de: — The local Police Authorities of: Marne, für die Amtsbezirke Marne (Land), Kronprinzenkoog, Friedrichskoog, Marner- und Meldorfer-Vorlande.

6. Die Polizeidistriktskommissäre. — Les commissaires de police de districts. — The Police Inspectors for the Districts.

7. Die folgenden ländlichen Ortspolizeibehörden: — Les autorités locales de police de campagne ci-après: — The following local Country Police Authorities of:

Im Reg.-Bez. Königsberg:

Kreis Fischhausen: Cranz (zugleich für die Amtsbezirke Rossiten, Wosegau, Michelau, Grünhoff, Laptau, Radau, Schugsten, Fritzen, Plutwinnen, Kirschnehmen) und Rauschen (zugleich für die Amtsbezirke Neukuhren, St. Lorenz, Warnicken, Gr. Kuhren, Gr. Dirschkeim);

Kreis Rastenburg: Korschen;

Kreis Labiau: Lauknen.

Im Reg.-Bez. Potsdam:

Kreis Niederbarnim: Erkner, Hohenneuendorf, Kalkberge, Neuenhagen;

Kreis Oberbarnim: Heegermühle, Wolfswinkel;

Kreis Beeskow-Storkow: Bad Saarow;

Kreis Osthavelland: Henningsdorf, Velten (zugleich für die Amtsbezirke Bärenklau, Bötzw), Bornstedt (für die Amtsbezirke Bornim, Bornstedt), Falkensee;

Kreis Ostprienitz: Zechlin;

Kreis Teltow: Neu-Babelsberg, Stahnsdorf, Grossbeeren, Mahlow, Eichwalde, Zeuthen, Wildau, Königswusterhausen, Senzig, Zossen.

Im Reg.-Bez. Frankfurt a. O.:

Kreis Kottbus: Kolkwitz, Ströbitz;

Kreis Guben: Neuzelle;

Kreis Landsberg a. W.: Vietz;

Kreis Sorau: Döbern;

Kreis Spremberg: Welzow;

Kreis Züllichau-Schwiebus: Stentsch, Tschicherzig.

Im Reg.-Bez. Stettin:

Kreis Ückermünde: Torgelow.

Im Reg.-Bez. Stralsund:

Kreis Rügen: Sassnitz.

Im Reg.-Bez. Breslau:

Kreis Breslau (Land): Brockau;

Kreis Glatz: Altheide-Bad, Bad Kudowa;

Kreis Reichenbach: Peterswaldau;

Kreis Schweidnitz: Saarau;

Kreis Trebnitz: Obornigk;

Kreis Waldenburg: Polsnitz, Wüstewaltersdorf, Wüstegiersdorf, Görbersdorf;

Kreis Gr. Wartenberg: Dalbersdorf, Goschütz, Klein-Schönwald, Rudelsdorf, Schollendorf, Neu Stradam, Tschechenhammer, Neumittelwalde.

Im Reg.-Bez. Liegnitz:

Kreis Görlitz (Land): Penzig;

Kreis Hirschberg: Bad Warmbrunn, Schreiberhau, Arnsdorf (Riesengeb.) und Krummhübel;

Kreis Hoyerswerda: Bernsdorf O.-L.;

Kreis Landeshut: Rothenbach;

Kreis Lauban: Wigandsthal;

Kreis Löwenberg: Bad Flinsberg.

Kreis Rothenburg O.-L.: Niesky O.-L.; Weisswasser O.-L.;

Kreis Sagan i. Schles.: Freiwaldau, Halbau (zugleich für den Amtsbezirk Burau);

Kreis Schönau: Jannowitz, Kauffung;

Kreis Sprottau: Mallnitz, Oberleschen, Primkenau.

**Im Reg.-Bez. Oppeln:**

Kreis Cosel: Kandrzin, Klodnitz, Slawentzitz;  
Kreis Gleiwitz: Brynnek, Gr. Kottulin, Langendorf, Schloss Tost, Schwieben, Tworog;  
Kreis Gr. Strehlitz: Gogolin, Zawadzki;  
Kreis Neustadt: Schloss Oberglogau, Zellin.

**Im Reg.-Bez. Magdeburg:**

Kreis Gardelegen: Weferlingen;  
Kreis Jerichow I: Biederitz;  
Kreis Jerichow II: Kirchmöser;  
Kreis Wanzleben: Gross-Ottersleben;  
Kreis Stendal: Tangerhütte.

**Im Reg.-Bez. Merseburg:**

Kreis Liebenwerda: Falkenberg, Mückenberg;  
Kreis Torgau: Annaburg.

**Im Reg.-Bez. Schleswig:**

Kreis Steinbutg: Horst;  
Kreis Süderdithmarschen: Brunsbüttelkoog (zugleich für die Amtsbezirke Brunsbüttel und Eddelack);  
Kreis Südtondern: Neukirchen, Süderlügum, Ladelund, Medelby, Leck, Keitum (für die Bewohner der Insel Sylt ausser Westerland), Alkersum (für die Bewohner des Amtsbezirks Osterlandföhr auf der Insel Föhr), Nebel (Insel Amrum) Süderende (für die Bewohner des Amtsbezirks Westerlandföhr auf der Insel Föhr);  
Kreis Pinneberg: Lockstedt, Amtsvorsteher auf Helgoland;  
Kreis Plön: Laboe (zugleich für den Amtsbezirk Lutterbek), Elmschenhagen, Wankendorf (zugleich für den Amtsbezirk Perdöl), Schönberg (zugleich für die Amtsbezirke Barsbek, Prasdorf, Stakendorf);  
Kreis Segeberg: Wienersdorf, Hagen, Kaltenkirchen, Kisdorf, Henstedt, Nahe, Borstel, Glasau, Seedorf, Pronsdorf, Alveslohe, Bornhöved, Tarbek;  
Kreis Herzogtum Lauenburg: Friedrichsruh, Schwarzenbek, Börnsen, Düneberg; Amtsvorsteher in Wentorf;  
Kreis Oldenburg: Lensahn;  
Kreis Bordesholm: Heikendorf (zugleich für die Amtsbezirke Oppendorf und Schönkirchen), Tungendorf (zugleich für die Amtsbezirke Grossenaspe, Boostedt, Wasbek, Wittorf und Husberg), Suchsdorf (für die Amtsbezirke Kronshagen, Quarnbek, Achterwehr und Felde);  
Kreis Schleswig: Arnis, Süderbarup.

**Im Reg.-Bez. Münster:**

Die Ämter mit Ausschluss von Waltrop, Herten und Westerholt; das Amt Datteln ist nur zuständig für die Gemeinden Ahsen und Flaesheim, das Amt Marl für die Gemeinden Altendorf-Ulfkotte, Hamm-Bossendorf und Polsum.

**Im Reg.-Bez. Minden:**

Sämtliche Ämter.

**Im Reg.-Bez. Arnsberg:**

Sämtliche Ämter.

**Im Reg.-Bez. Kassel:**

Kreis Fulda: Bad Salzschlirf;  
Kreis Hanau (Land): Bergen-Enkheim;  
Kreis Rotenburg: Bebra;  
Kreis Schmalkalden: Steinbach-Hallenberg, Brotterode;  
Kreis Witzenhausen: Bad Sooden a. W.;  
Kreis Grafschaft Schaumburg: Bad Nenndorf;  
Kreis der Twiste: Arolsen, Mengeringhausen;  
Kreis des Eisenbergs: Corbach;  
Kreis der Eder: Bad Wildungen.

**Im Reg.-Bez. Wiesbaden:**

Kreis Dillenburg: Driedorf, Strassebersbach, Sinn;  
Kreis Montabaur: Höhr, Grenzhausen;  
Kreis St. Goarshausen: Camp. a. Rh. (mit Bornhofen);  
Main-Taunus-Kreis: Flörsheim, Bad Soden;  
Oberlahnkreis: Weilmünster.

**Im Reg.-Bez. Koblenz:**

Sämtliche Ämter.

**Im Reg.-Bez. Düsseldorf:**

Sämtliche Ämter.

Im Reg.-Bez. Köln:  
Sämtliche Ämter.

Im Reg.-Bez. Trier:  
Sämtliche Ämter.

Im Reg.-Bez. Aachen:  
Sämtliche Ämter.

Im Reg. Bez. Sigmaringen:  
Kreis Sigmaringen: Achberg.

Bayern — Bavière — Bavaria.

I. BEZIRKSÄMTER — OFFICES DE DISTRICTS — DISTRICT OFFICES.

N <sup>o</sup>	Nom — Name	Reg. — Adm. District	N <sup>o</sup>	Nom — Name	Reg. — Adm. District
1	Aibling Bad	Obb.	54	Hof	Ofr.
2	Aichach	Obb.	55	Hofheim	Ufr.
3	Altötting	Obb.	56	Homburg	(Saargebiet)
4	Alzenau	Ufr.	57	Illertissen	Schw.
5	Amberg	Opf.	58	St. Ingbert	(Saargebiet)
6	Ansbach	Mfr.	59	Ingolstadt	Obb.
7	Aschaffenburg	Ufr.	60	Kaiserlautern	Pf.
8	Augsburg	Schw.	61	Karlstadt	Ufr.
9	Bamberg	Ofr.	62	Kaufbeuren	Schw.
10	Bayreuth	Ofr.	63	Kelheim	Nb.
11	Beilngries	Opf.	64	Kemnath	Opf.
12	Berchtesgaden	Obb.	65	Kempten	Schw.
13	Bergzabern	Pfalz	66	Kirchheimbolanden	Pf.
14	Bogen	Nb.	67	Kissingen	Ufr.
15	Brückenau	Ufr.	68	Kitzingen	Ufr.
16	Burglengenfeld	Opf.	69	Königshofen i. Gr.	Ufr.
17	Cham	Opf.	70	Kötzting	Nb.
18	Coburg	Ofr.	71	Kronach	Ofr.
19	Dachau	Obb.	72	Krumbach	Schw.
20	Deggendorf	Nb.	73	Kulmbach	Schw.
21	Dillingen	Schw.	74	Kusel	Pf.
22	Dingolfing	Nb.	75	Landau (Pf.)	Pf.
23	Dinkelsbühl	Mfr.	76	Landau a. I.	Nb.
24	Donauwörth	Schw.	77	Landsberg	Obb.
25	Ebermannstadt	Ofr.	78	Landshut	Nb.
26	Ebern	Ufr.	79	Lauf	Mfr.
27	Ebersberg	Obb.	80	Laufen	Obb.
28	Eggenfelden	Nb.	81	Lichtenfels	Ofr.
29	Eichstätt	Mfr.	82	Lindau	Schw.
30	Erding	Obb.	83	Lohr	Ufr.
31	Erlangen	Mfr.	84	Ludwigshafen	Pf.
32	Eschenbach	Opf.	85	Mainburg	Nb.
33	Feuchtwagen	Mfr.	86	Mallersdorf	Nb.
34	Forchheim	Ofr.	87	Marktheidenfeld	Ufr.
35	Frankenthal	Pf.	88	Markt Oberdorf	Schw.
36	Freising	Obb.	89	Mellrichstadt	Ufr.
37	Friedberg	Obb.	90	Memmingen	Schw.
38	Fürstenfeldbruck	Obb.	91	Miesbach	Obb.
39	Fürth	Mfr.	92	Miltenberg	Ufr.
40	Füssen	Schw.	93	Mindelheim	Schw.
41	Garmisch	Obb.	94	Mühldorf	Obb.
42	Gemünden	Ufr.	95	Münchberg	Ofr.
43	Germersheim	Pf.	96	München	Obb.
44	Gerolzhofen	Ufr.	97	Nabburg	Opf.
45	Grafenau	Nb.	98	Naila	Ofr.
46	Griesbach	Nb.	99	Neuburg a. D.	Schw.
47	Günzburg	Schw.	100	Neumarkt i. O.	Opf.
48	Gunzenhausen	Mfr.	101	Neunburg v. W.	Opf.
49	Hammelburg	Ufr.	102	Neustadt a. A.	Mfr.
50	Hassfurt	Ufr.	103	Neustadt a. H.	Pf.
51	Hersbruck	Mfr.	104	Neustadt a. S.	Ufr.
52	Hilpoltstein	Mfr.	105	Neustadt a. W. N.	Opf.
53	Höchstadt a. A.	Ofr.	106	Neu-Ulm	Schw.



N <sup>o</sup>	Nom — Name	Reg. — Adm. District	N <sup>o</sup>	Nom — Name	Reg. — Adm. District
107	Nördlingen . . . . .	Schw.	133	Sonthofen . . . . .	Schw.
108	Nürnberg . . . . .	Mfr.	134	Speyer . . . . .	Pf.
109	Obernbürg . . . . .	Ufr.	135	Stadtsteinach . . . . .	Ofr.
110	Oberviechtach . . . . .	Opf.	136	Staffelstein . . . . .	Ofr.
111	Ochsenfurt . . . . .	Ufr.	137	Starnberg . . . . .	Obb.
112	Parsberg . . . . .	Opf.	138	Straubing . . . . .	Opf.
113	Passau . . . . .	Nb.	139	Sulzbach . . . . .	Opf.
114	Pegnitz . . . . .	Ofr.	140	Tirschenreuth . . . . .	Opf.
115	Pfaffenhofen . . . . .	Obb.	141	Tölz Bad . . . . .	Obb.
116	Pfarrkirchen . . . . .	Nb.	142	Traunstein . . . . .	Obb.
117	Pirmasens . . . . .	Pf.	143	Uffenheim . . . . .	Mfr.
118	Regen . . . . .	Nb.	144	Viechtach . . . . .	Nb.
119	Regensburg . . . . .	Opf.	145	Vilsbiburg . . . . .	Nb.
120	Rehau . . . . .	Ofr.	146	Vilshofen . . . . .	Nb.
121	Riedenburg . . . . .	Opf.	147	Vohenstrauß . . . . .	Opf.
122	Rockenhausen . . . . .	Pf.	148	Waldmünchen . . . . .	Opf.
123	Roding . . . . .	Opf.	149	Wasserburg . . . . .	Obb.
124	Rosenheim . . . . .	Obb.	150	Wegscheid . . . . .	Nb.
125	Rothenburg o. T. . . . .	Mfr.	151	Weilheim . . . . .	Obb.
126	Rottenburg . . . . .	Nb.	152	Weissenburg i. B. . . . .	Mfr.
127	Scheinfeld . . . . .	Mfr.	153	Wertingen . . . . .	Schw.
128	Schongau . . . . .	Obb.	154	Wolfartshausen . . . . .	Obb.
129	Schrobenhausen . . . . .	Obb.	155	Wolfstein . . . . .	Nb.
130	Schwabach . . . . .	Mfr.	156	Würzburg . . . . .	Ufr.
131	Schwabmünchen . . . . .	Schw.	157	Wundsiedel . . . . .	Ofr.
132	Schweinfurt . . . . .	Ufr.	158	Zweibrücken . . . . .	Pf.

II. STADTRÄTE DER UNMITTELBAREN STADTGEMEINDEN — CONSEILS MUNICIPAUX DES COMMUNES AUTONOMES — MUNICIPAL COUNCILS OF THE AUTONOMOUS COMMUNES.

N <sup>o</sup>	Nom — Name	Reg. — Adm. District	N <sup>o</sup>	Nom — Name	Reg. — Adm. District
1	Amberg . . . . .	Opf.	31	Lindau (Bodensee) . . . . .	Schw.
2	Ansbach . . . . .	Mfr.	32	Ludwigshafen . . . . .	Pf.
3	Aschaffenburg . . . . .	Ufr.	33	Marktredwitz . . . . .	Ofr.
4	Augsburg . . . . .	Schw.	34	Memmingen . . . . .	Schw.
5	Bad Kissingen . . . . .	Ufr.	35	München . . . . .	Obb.
6	Bad Reichenhall . . . . .	Obb.	36	Neuburg a. d. D. . . . .	Schw.
7	Bamberg . . . . .	Ofr.	37	Neumarkt . . . . .	Opf.
8	Bayreuth . . . . .	Ofr.	38	Neustadt a. H. . . . .	Pf.
9	Coburg . . . . .	Ofr.	39	Neustadt b. C. . . . .	Ofr.
10	Deggendorf . . . . .	Nb.	40	Neu-Ulm . . . . .	Schw.
11	Dillingen . . . . .	Schw.	41	Nördlingen . . . . .	Schw.
12	Dinkelsbühl . . . . .	Mfr.	42	Nürnberg . . . . .	Mfr.
13	Dorauwörth . . . . .	Schw.	43	Passau . . . . .	Nb.
14	Eichstätt . . . . .	Mfr.	44	Pirmasens . . . . .	Pf.
15	Erlangen . . . . .	Mfr.	45	Regensburg . . . . .	Opf.
16	Forchheim . . . . .	Ofr.	46	Rodach . . . . .	Ofr.
17	Frankenthal . . . . .	Pf.	47	Rosenheim . . . . .	Obb.
18	Freising . . . . .	Obb.	48	Rothenburg o. T. . . . .	Mfr.
19	Fürth . . . . .	Mfr.	49	Schwabach . . . . .	Mfr.
20	Günzburg . . . . .	Schw.	50	Schwandorf . . . . .	Opf.
21	Hof . . . . .	Ofr.	51	Schweinfurt . . . . .	Ufr.
22	Ingolstadt . . . . .	Obb.	52	Selb . . . . .	Ofr.
23	Kaiserslautern . . . . .	Pf.	53	Speyer . . . . .	Pf.
24	Kaufbeuren . . . . .	Schw.	54	Straubing . . . . .	Nb.
25	Kempten . . . . .	Schw.	55	Traunstein . . . . .	Obb.
26	Kitzingen . . . . .	Ufr.	56	Weiden . . . . .	Opf.
27	Kulmbach . . . . .	Ofr.	57	Weissenburg i. B. . . . .	Mfr.
28	Landau . . . . .	Pf.	58	Würzburg . . . . .	Ufr.
29	Landsberg . . . . .	Obb.	59	Zweibrücken . . . . .	Pf.
30	Landshut . . . . .	Nb.			

III. BEZIRKSAMTSAUSSENSTELLEN — SERVICES EXTÉRIEURS DES OFFICES DE DISTRICTS  
BRANCH OFFICES OF DISTRICT OFFICES.

1. Des Bezirksamts Berchtesgaden *in Bad Reichenhall* . . . . . Obb.
2. Des Bezirksamts Kaiserslautern *in Landstuhl* . . . . . Pf.
3. Des Bezirksamts Kusel *in Waldmohr* . . . . . Pf.

*Anmerkung.*

Obb.	=	Oberbayern (Haute-Bavière — Upper-Bavaria).
Nb.	=	Niederbayern (Basse-Bavière — Lower Bavaria).
Ufr.	=	Unterfranken (Basse-Franconie — Lower Franconia).
Ofr.	=	Oberfranken (Haute-Franconie — Upper Franconia).
Mfr.	=	Mittelfranken (Franconie moyenne — Middle Franconia).
Opf.	=	Oberpfalz (Haut-Palatinat — Upper Palatinate).
Pf.	=	Pfalz (Palatinat — Palatinate).
Schw.	=	Schwaben (Souabe — Swabia).

**Sachsen — Saxe — Saxony.**

Die Amtshauptmannschaften in: — Les sous-préfectures de: — The Provostries of:

Annaberg	Glauchau	Oschatz
Auerbach	Grimma	Pirna
Bautzen	Grossenhain	Plauen
Borna	Kamenz	Rochlitz
Chemnitz	Leipzig	Schwarzenberg
Dippoldiswalde	Löbau	Stollberg
Dresden	Marienberg	Zittau
Döbeln	Meissen	Zwickau
Flöha	Olsnitz i. V.	Amtsh. Zweigamt-Sayda
Freiberg		

Die Standräte in: — Les municipalités de: — The Town Councils of:

Adorf i. V.	Klingenthal	Pulsnitz
Annaberg i. Erzgeb.	Königstein a. E.	Radeberg
Aue i. Erzgeb.	Kötzschenbroda	Radebeul
Auerbach i. V.	Leipzig	Reichenbach i. V.
Bad Schandau	Leisnig	Lommatzsch
Bautzen	Lengsfeld i. V.	Lössnitz i. Erzgebirge
Bischofswerda i. Sa.	Lichtenstein-Callenberg	Marienberg i. Sa.
Borna Bez. Leipzig	Limbach i. Sa.	Markkleeberg
Buchholz i. Sa.	Löbau i. Sa.	Markneukirchen i. V.
Burgstädt i. Sa.	Frankenberg i. Sa.	Riesa/Elbe
Chemnitz	Freiberg	Rochlitz i. Sa.
Colditz	Freital	Rodewisch i. V.
Crimmitschau	Geithain	Rosswein
Dippoldiswalde	Geringswalde	Sayda i. Erzgebirge
Döbeln	Markranstädt i. Sa.	Schneeberg
Dresden	Meerane i. Sa.	Schöneck i. V.
Ebersbach	Meissen	Schwarzenberg i. Erzgebirge
Ehrenfriedersdorf i. Sa.	Mittweida	Sebnitz i. Sa.
Eibenstock	Mylau i. V.	Stollberg i. Erzgebirge
Falkenstein i. V.	Netzschkau i. V.	Taucha Bez. Leipzig
Geyer	Neustadt i. Sa.	Thum i. Sa.
Glauchau	Neustädtel	Treuen i. V.
Grimma	Nossen	Waldenburg i. Sa.
Groitzsch	Öderan	Waldheim i. Sa.
Grossenhain	Olbernhau i. Erzgeb.	Werdau
Hainichen	Ölsnitz i. V.	Wilsdruff
Hartha i. Sa.	Oschatz	Wurzen
Heidenau	Pegau	Zittau
Hohenstein-Ernstthal	Penig	Zschopau
Kamenz i. Sa.	Pirna a. E.	Zwickau
Kirchberg i. Sa.	Plauen i. V.	

**Württemberg — Wurtemberg.**

I. Polizeipräsidium in Stuttgart — La présidence de police de Stuttgart — The Central Police Authorities of Stuttgart.

II. Die Oberämter: — Les sous-préfectures de: — The Provostries of:

1. Aalen	5. Biberach	9. Calw
2. Backnang	6. Blaubeuren	10. Crailsheim
3. Balingen	7. Böblingen	11. Ehingen
4. Besigheim	8. Brackenheim	12. Ellwangen

- |                  |                 |                              |
|------------------|-----------------|------------------------------|
| 13. Esslingen    | 30. Ludwigsburg | 47. Saulgau                  |
| 14. Freudenstadt | 31. Marbach     | 48. Schorndorf               |
| 15. Gaildorf     | 32. Maulbronn   | 49. Spaichingen              |
| 16. Geislingen   | 33. Mergentheim | 50. Stuttgart Amt (Amtsober- |
| 17. Gerabronn    | 34. Münsingen   | amt)                         |
| 18. Gmüd         | 35. Nagold      | 51. Sulz                     |
| 19. Göppingen    | 36. Neckarsulm  | 52. Tett nang                |
| 20. Hall         | 37. Neresheim   | 53. Tübingen                 |
| 21. Heidenheim   | 38. Neuenbürg   | 54. Tuttlingen               |
| 22. Heilbronn    | 39. Nürtingen   | 55. Ulm                      |
| 23. Herrenberg   | 40. Oberndorf   | 56. Urach                    |
| 24. Horb         | 41. Oehringen   | 57. Vaihingen                |
| 25. Kirchheim    | 42. Ravensburg  | 58. Waidlingen               |
| 26. Künzelsau    | 43. Reutlingen  | 59. Waldsee                  |
| 27. Laupheim     | 44. Riedlingen  | 60. Wangen                   |
| 28. Leonberg     | 45. Rottenburg  | 61. Welzheim                 |
| 29. Leutkirch    | 46. Rottweil    |                              |

**Baden — Bade — Baden.**

1. Das Bezirksamt, Polizeipräsidium: — L'Office de district, la Présidence de police de: — The District Office and the Police Authorities of:

Mannheim

Karlsruhe

2. Das Bezirksamt, Polizeidirektion: — L'Office de district, la Présidence de police de: — The District Office and the Police Authorities of:

Freiburg  
Heidelberg

Pforzheim

3. Die Polizeidirektion in: — La direction de police de: — The Police Authorities of:

Baden-Baden

4. Die Bezirksämter: — Les offices de districts de: — The District Offices as follows:

Adelsheim  
Bretten  
Bruchsal  
Buchen  
Bühl  
Donau eschingen  
Emmendingen  
Engen  
Ettlingen  
Kehl  
Konstanz  
Lahr

Lörrach  
Messkirch  
Mosbach  
Müllheim  
Neustadt  
Oberkirch  
Offenburg  
Pfullendorf  
Rastatt  
Säckingen  
Schopfheim  
Sinsheim

Staufen  
Stockach  
Tauberbischofsheim  
Ueberlingen  
Villingen  
Waldkirch  
Waldshut  
Weinheim  
Wertheim  
Wiesloch  
Wolfach

**Thüringen — Thuringe — Thuringia.**

Der Gemeinde- (Stadt-) Vorstand — Les maires — The Burgomasters.

**Hessen — Hesse.**

Kreisamt: — L'office de circonscription de: — The District Office of:

Darmstadt  
Bensheim  
Dieburg  
Erbach  
Heppenheim  
Gross-Gerau

Offenbach  
Giessen  
Alsfeld  
Büdingen  
Friedberg  
Lauterbach

Schotten  
Mainz  
Alzey  
Bingen  
Oppenheim  
Worms

**Hamburg — Hambourg — Hamburg.**

Polizeibehörde in Hamburg — Les autorités de police à Hambourg — The Police Authorities of Hamburg.

Amtsverwalter in Cuxhaven — L'administrateur du district à Cuxhaven — The District Administrator of Cuxhaven.

**Mecklenburg — Mecklenbourg — Mecklenburg.**

A. Räte der Städte: — Les municipalités de: — The Town Councils of:

1. Boizenburg	19. Laage	37. Rostock
2. Brüel	20. Lübz	38. Schönberg
3. Bützow	21. Ludwigslust	39. Schwaan
4. Criwitz	22. Malchin	40. Schwerin
5. Bad Doberan	23. Malchow	41. Burg Stargard
6. Dömitz	24. Marlow	42. Stavenhagen
7. Feldberg	25. Mirow	43. Sternberg
8. Friedland	26. Neubrandenburg	44. Bad Sülze
9. Fürstenberg	27. Neubukow	45. Tessin
10. Gadebusch	28. Neukalen	46. Tetrow
11. Gnoien	29. Neustadt-Glewe	47. Waren (Müritz)
12. Goldberg	30. Neustrelitz	48. Warin
13. Grabow	31. Parchim	49. Wesenberg
14. Grevesmühlen	32. Penzlin	50. Wismar
15. Güstrow	33. Plau	51. Wittenburg
16. Hagenow	34. Rehna	52. Woldegk
17. Krakow	35. Ribnitz	
18. Kröpin	36. Röbel	

B. Landräte der Kreise: — Les sous-préfets des districts de: — The District Officers of:

1. Güstrow	5. Neustrelitz	9. Schwerin
2. Hagenow	6. Parchim	10. Waren (Müritz)
3. Ludwigslust	7. Rostock	11. Wismar
4. Malchin	8. Schönberg	

**Oldenburg — Oldenbourg — Oldenburg.**

Stadtmagistrat in: — Les conseillers municipaux à: — The Town Officers of:

Oldenburg	Delmenhorst	Rüstringen
-----------	-------------	------------

Amtshauptmann in: — Le sous-préfet à: — The District Officer of:

Oldenburg	Jever	Vechta
Westerstede	Brake	Cloppenburg

Regierungspräsident in Eutin — Le président de régence à Eutin — The President of the Administrative District of Eutin,

Bürgermeister in: — Le maire de: — The Burgomaster of:

Birkenfeld	Nohfelden	Herrstein
------------	-----------	-----------

Stadtbürgermeister Idar-Oberstein — Le maire de la ville d'Idar-Oberstein — The Urban Burgomaster of Idar-Oberstein.

**Braunschweig — Brunswick.**

a) Polizeipräsidium: — La présidence de la police de: — The Head of the Police Authorities of:

Braunschweig.

b) Kreisdirectionen: — Les directions de districts de: — The District Authorities of:

Braunschweig	Helmstedt	Holzminden
Wolfenbüttel	Bad Gandersheim	Blankenburg a. Harz

**Anhalt.**

a) Die Oberbürgermeister in: — Le premier bourgmestre de: — The first Burgomaster of:

Dessau Köthen Zerbst und Bernburg	} als Polizeibehörde — en sa qualité de chef de l'autorité de police — in his capacity as Head of the Police Authorities.
--	--

b) Die Bürgermeister in: — Le maire de: — The Burgomaster of:

Jessnitz Raguhn Wörlitz Oranienbaum Gröbzig Radegast Coswig	Lindau Leopoldshall Güsten Sandersleben Nienburg Hecklingen Ballenstedt	Gernrode Hoym Harzgerode Güntersberge Grossalsleben
---	---	---

als Polizeibehörde — en sa qualité de chef de l'autorité de police — in his capacity as Head of the Police Authorities.

c) Die Kreisämter, Abteilung Inneres, in: — Les offices de circonscriptions, section de l'intérieur de: — The District Offices, Home Department of:

Köthen Zerbst	Bernburg	Ballenstedt
------------------	----------	-------------

**Bremen — Brême — Bremen.**

Polizeidirektion Bremen.  
Bremisches Amt Bremerhaven.  
Bremisches Amt Vegesack.

**Lippe.**

Der Bürgermeister als Ortspolizeibehörde in: — Le maire en sa qualité de chef de l'autorité locale de police de: — The Burgomaster in his capacity as Head of the Local Police Authorities of:

Detmold Lemgo Bad Salzungen Lage	Schötmar Blomberg Barntrup Horn	Oerlinghausen Schwalenberg
---	--	-------------------------------

Der Amtmann in: — Le préfet de: — The Administrative Head of:

Detmold Brake	Blomberg	Schötmar
------------------	----------	----------

**Lübeck — Lubeck.**

Polizeiamt in Lübeck — L'office de police de Lübeck — The Police Authorities in Lübeck.

**Schaumburg-Lippe — Schaumbourg-Lippe — Schaumburg-Lippe.**

Der Landrat des Kreises: — La sous-préfecture du district de: — The Rural Council of:

Bückeberg	Stadthagen
-----------	------------