

**ADDENDA TO THE REPORT ON THE WORK
OF THE LEAGUE, 1935/36, Part I**
(document A.6.1936).

Page 24. — Before the second paragraph beginning with the words “Before the Council met on December 18th . . .” add the following paragraph :

“The Ethiopian Note of December 12th (*Official Journal*, January 1936, page 41) commented as follows on the suggestions submitted by the United Kingdom and France : ‘As the Ethiopian Government understands it, the proposals submitted to it consist, as far as it is concerned, in the following settlement : Ethiopia, the victim of an act of aggression which has been formally recognised as such by the Council and by the Assembly, is invited : (1) to cede to its Italian aggressor, in a more or less disguised form and under the pretext of a fallacious exchange of territories, about half of its national territory, in order to enable the aggressor country to settle part of its population there ; (2) to agree that the League of Nations should confer upon this aggressor, in a disguised form, control over the other half of its territory pending future annexation.’ ”

Page 26. — After the first sentence of the last paragraph but one ending with the words “. . . which had flown over the town the day after the bombardment”, add the following sentence :

“The Italian Government added that Dessie was one of the largest military centres in Ethiopia, and that photographs taken by Italian airmen after the bombardment showed that buildings and tents bearing Red Cross emblems appeared to be intact.”

Page 31. — At the end of note¹ at the foot of the page, add the following sentences :

“ The United Kingdom Government, on the strength of ‘ the reliable evidence available to them ’ (in particular the reports of the Medical Officer in charge of the ambulance), asserted that the ambulance had been bombed deliberately and without provocation of any kind. In its Notes, the Italian Government asserted that fire was opened, either from the actual site of the British ambulance or from the immediate neighbourhood of that ambulance, on the Italian aeroplanes on three successive days—viz., March 3rd, 4th and 5th ; that two Italian aeroplanes were hit by the anti-aircraft fire, and that armed Ethiopians had taken refuge amongst the tents of the ambulance and from there opened fire on the aeroplanes in question.”

Page 33. — In the last line but one after the words “. . . should take place at Ouchy ”, add the following sentences :

“ The Italian delegation was further prepared to consider any means of keeping the Committee of Thirteen informed of the progress of the negotiations. The Ethiopian delegation repeated its previous rejection of the proposal for direct negotiations.”

Page 50. — At the foot of the page, add the following footnote (reference to second line “ put the measures into operation ”¹):

“ ¹ On the eve of the application of sanctions, the Italian Government handed simultaneously to all the Governments represented on the Co-ordination Committee a Note dated November 11th, 1935, in which it repeated its protest against the steps taken to the detriment of Italy and contended that the arguments contained in the Italian memorandum had not received sufficient consideration, and, further, that those provisions of the Covenant of the League which corresponded to the situation denounced had not been applied. The Note stated : ‘ (1) that numerous sections of the population, headed by their civil and religious authorities, had placed themselves under Italian protection, that slavery had been abolished

in the occupied territory, and that the peoples set free looked upon Italy, not as an aggressor State, but as a Power with the right and the power to carry out the civilising mission devolving under Article 22 on the more advanced nations ; (2) that each individual Government remained the judge of, and responsible for, concerted measures of pressure adopted at a Co-ordination Conference which was not in any respect an organ of the League of Nations ; (3) that the first measure proposed (the arms embargo), far from hastening the end of the conflict, served to enhance its serious character and possibly to prolong its duration, and was incidentally in patent conflict with the proposals of the League of Nations Committee, which recognised that the arms traffic in Ethiopia should be made subject to strict international control ; (4) that the economic and financial sanctions were applied for the first time to Italy, without any standards of graduation or progressive enforcement and under conditions of fact and of law which the Italian Government and people regarded as unfair and arbitrary ; (5) that the sanctions and counter-sanctions would undoubtedly have the most serious moral and psychological consequences throughout the world ; (6) that Italy, as one of the founders of the League of Nations, had not desired up to the present to dissociate herself from the League in spite of the opposition to the action taken by the League against herself, because she desired to prevent a dispute such as the present conflict from giving rise to more serious complications.' The Note, in conclusion, asserted that the Italian Government had taken every necessary step to prevent further dangers arising out of the situation thus created. The Italian Government drew the attention of the States Members to the responsibility attaching to the measures applied and to the serious character of their consequences."

Page 65. — After the first paragraph ending with the words ". . . arrived at between the British and other Governments", add the following paragraph :

" This *note verbale* of January 24th, which was communicated on the same day to all the Governments participating in sanctions, contained the following observations : 'According

to the interpretation given by the French Government, which is referred to in the British memorandum, Article 16 would imply complete solidarity between each of the Members of the League of Nations in respect of that one of them which had been attacked by the covenant-breaking State, if *this attack* was clearly brought about by the application of the provisions of the said article, the execution of which had been decided upon *in common*. Now it would be difficult, even from a merely formal point of view, to contest the fact that, prior to the above-mentioned exchanges of views, measures of an extraordinary nature had been taken by a Power extraneous to the Italo-Ethiopian conflict, without information thereof having been given to the League of Nations, while the examination of the controversy by the Council of the League of Nations was still pending and therefore before there was any possibility of invoking Article 16 of the Covenant The agreements communicated by the British Government were arrived at on the basis of a hypothesis not only arbitrary, but completely inconsistent, because such a hypothesis received the Italian Government's most complete denial through their solemn and repeated declarations These declarations have been confirmed, not only by the attitude adopted by the Italian Government towards the economic and financial measures applied in their regard, but also by Italy's constant collaboration, by means of concrete words and deeds, in the maintenance of security and the organisation of peace in Europe Such initiatives and military agreements, in sectors extraneous to the Italo-Ethiopian conflict create an atmosphere of serious, unrest and therefore a danger to European peace.' "

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

Official No. : A. 6 (a). 1936.

Geneva, September 15th, 1936.

LEAGUE OF NATIONS

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**REPORT ON THE
WORK OF THE LEAGUE
1935/36**

Part II.

Series of League of Nations Publications

GENERAL ✓

1936. 6.

NOTE BY THE SECRETARY-GENERAL.

The Annual Report on the Work of the League is issued, as usual, in two parts. Part I, distributed on July 20th, 1936, covered the work of the League from the session of the Assembly held in September 1935 to the end of June 1936. Part II covers the work of the League from the end of June to the end of August 1936.

This second part of the Report has two annexes, printed separately, namely :

“Ratification of Agreements and Conventions concluded under the Auspices of the League of Nations” (document A.6(a).1936, Annex I — V), and

“Note by the Secretary-General on the Economic Situation” (document A.6(a).1936, Annex II).

September 15th, 1936.

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A. WORK OF THE LEAGUE.

1.

POLITICAL QUESTIONS.

I. DISPUTE BETWEEN BOLIVIA AND PARAGUAY.

The Minister for Foreign Affairs of the Argentine Republic, as President of the Buenos Aires Peace Conference, states that, at a meeting held on August 21st, the Conference adopted the following resolutions :

(1) The repatriation of prisoners of war has been completed, and the sum owing to Paraguay in respect of maintenance expenses will therefore be paid to that State ;

(2) The Conference again assumes responsibility for the supervision of the neutral zone between the fronts which separate the Bolivian and Paraguayan forces.

The representatives of Bolivia and Paraguay had also signed an Agreement for the resumption of diplomatic relations.

At a formal session of the Peace Conference on August 25th, the representatives of Bolivia and Paraguay announced that diplomatic relations had been resumed between the two countries. The President of the Conference points out that in view of this development the questions outstanding between Bolivia and Paraguay may be regarded as closed, since the question remaining for consideration by the Conference in connection with the Chaco dispute must be settled by the normal peaceful means.¹

II. SETTLEMENT OF THE ASSYRIANS OF IRAQ.

At its meeting on June 25th, the Council Committee received a letter from the French Government, dated June 23rd, in which

¹ Document C.340.M.215.1936.VII.

the latter thought it necessary to draw the Committee's attention to certain difficulties attending the execution of the plan for the settlement of the Assyrians in the Ghab. Some of these difficulties were connected with the financing of the settlement ; in the detailed execution of the plan, certain contingencies were likely to swell very materially the initial deficit. Other difficulties of a more serious nature were due to the political evolution in the Levant States ; and the French Government, which was endeavouring to prepare for the emancipation of the Levant States under its mandate, considered that it was to be feared that the settlement of the Assyrians in the Ghab — according to a programme which would take several years to carry out, and which would call for large contributions from the local budgets — would encounter various obstacles and difficulties of a political nature.

In view of the situation reported by the French Government, the Committee realised that it would be useless to endeavour to remedy the difficulties of a financial nature if it was not first satisfied that the political obstacles were not such as to prevent any solution of the problem. It therefore asked the French representative on the Committee to give the latter, on behalf of his Government, explanations supplementing and defining more clearly the particulars contained in its letter of June 23rd.

At the meeting on June 30th, the French representative made a statement in which he drew the Committee's attention to the recent political developments in the Levant. The scheme for the reclamation of the Ghab and the settlement of Assyrians in that valley, which was attended by very serious risks, both technical and political, had little chance of success unless the Nationalist opposition to the establishment of a Christian minority in that district could be kept in check by the mandatory administration. When France had envisaged the execution of the plan of settlement in the Ghab, it had been on the assumption that she would retain, throughout the period of its application, all her powers and responsibilities in the mandated countries. Recent political developments had, however, led the French Government to contemplate a substantial anticipation of the transfer of the responsibilities of government to the local administration, as compared with original expectations. Once this transfer had been effected, the political difficulties would

appear in all their force and would, indeed, grow very acute, and the local administration would be unable to overcome them. In those circumstances, France considered that, even if the local Government were inclined to agree to take over the obligations contracted, she would have to advise against such a transfer. The French Government therefore felt bound to call the Committee's attention to the advisability of abandoning the plan of settlement in the Ghab.

After examining the situation as a whole, the Committee came to the conclusion that it was no longer able to pursue the execution of the plan of settlement, and it therefore proposed its definite abandonment.

At its meeting on July 4th, the Council approved the report and its conclusions. It instructed the Committee to continue its efforts and, in particular, to make a general study of the situation so as to be in a position to inform the Council definitely whether, and if so to what extent, it was at present possible to settle, elsewhere than in Iraq, the Assyrians of that country who still wished to leave it.¹

The Council also authorised the Committee to take any steps of an administrative and technical nature which the abandonment of the Ghab plan might render immediately necessary ; and the Committee has since given suitable instructions to the Trustee Board at Beirut.

In its resolution, the Council reminded the Iraqi Government of the undertakings entered into by it as regards the protection of minorities, and expressed the belief, that the Assyrians would refrain from any action which might give cause for complaint regarding their conduct. Lastly, the Council invited the Iraqi Government to bring the Committee's decision to the knowledge of the Assyrians living in Iraq.

The representative of Iraq assured the Council that, until a satisfactory solution had been found, the Assyrians in Iraq

¹ The consultation, undertaken in May, of the Assyrians living in the mountains on the northern frontier of Iraq made it possible to obtain definite results for all ex-Ottoman Assyrians living in Iraq and their descendants : out of 21,671 persons registered by the Local Committee in Iraq, 14,259 declared that they wished to leave the country, 59 said they desired to remain, while 7,353 left the decision to their tribal chiefs, who have not yet announced their wishes but are understood to be opposed to leaving the country. Of the 14,259 indicated above, 2,000 have been transferred to the Khabur in Syria in accordance with the Committee's decision of May 8th (see Report on the Work of the League, Part I, page 18).

The 6,000 Assyrians who had already been settled in Syria before the end of last year are not included in the above figures.

would continue to enjoy full security. The French representative said that the Assyrian colony already settled in Syria would continue to enjoy the guarantees which the mandate or any other regime that might be substituted therefor would always afford to the minorities ; and the United Kingdom representative, while expressing the disappointment which His Majesty's Government felt at the breakdown of the Ghab plan as a result of political developments which nobody could foresee, noted with satisfaction that the Committee proposed to pursue its efforts to find another solution for the problem of the settlement of the Assyrians.¹

III. ITALO-ETHIOPIAN CONFLICT.

A. *Meetings of the Council and Assembly.*

Resumption of the Ninety-second Ordinary Session of the Council, June 26th, 1936.

On June 26th, the ninety-second ordinary session of the Council, which had been adjourned on May 13th, was resumed.

The Italian Government had sent no representative, but expressed the hope that "when the present situation was cleared up it would be able to resume its collaboration with the League."

As the Assembly had been summoned for June 30th to discuss the Italo-Ethiopian question, the Council decided not to resume consideration of it until then.

A like decision was reached in regard to the question of the reform of the Covenant, which was raised at the meeting on June 26th by the representative of Chile.

Resumption of the Assembly Session, June 30th.

The Assembly met on June 30th. After taking note, with profound regret, of the resignation of its President, H.E. M. Beneš, President of the Czechoslovak Republic, it proceeded to elect his successor. The choice fell upon the first delegate of Belgium, M. Van Zeeland.

Before calling upon the Argentine delegate, whose Government had asked for the meeting of the Assembly,² the President

¹ Reference documents C.282.M.171.1936.VII ; C.284.M.173.1936.VII ; Minutes of the Ninety-second Session of the Council.

² See document A.6.1936, page 44, Note 2.

read a note from the Italian Government, which, as a sequel to its previous communications, “wished to recall and make clear a number of points relating particularly to more recent events”, with a view to arriving at an equitable judgment of the situation.

The note pointed out that the Italian Government's attitude had been characterised by its willingness to take all initiatives into consideration and to allow no opportunity of negotiating a settlement to pass unheeded. After enumerating the attempts made to that end, the Italian Government surveyed the subsequent events: the Negus, menaced by the revolt of the people and the warriors, left Addis Ababa and took refuge abroad; the rudimentary governmental organisation of Ethiopia ceased to exist; and Italian intervention was urged to protect the foreign Legations. Italy was therefore compelled to accept such responsibilities as were entailed by the situation.

The note referred to the need of the Ethiopian populations to have their fundamental claims to life and personal and religious freedom, etc., safeguarded, as well as their need to be guided towards such forms of civilised organisation and economic, social and cultural progress as Ethiopia had proved quite unable to achieve by her own means. The need to be raised to a more human standard of living had been unquestionably demonstrated by the Ethiopian population, who had risen against the regime of the Negus and welcomed the Italian troops as liberators and heralds of justice, civilisation, and order — who had, in short, confidently and quite spontaneously accepted the new order established by Italy.

The note concluded with the following paragraphs:

“Italy views the work she has undertaken in Ethiopia as a sacred mission of civilisation, and proposes to carry it out according to the principles of the Covenant of the League of Nations and of other international deeds which set forth the duties and tasks of the civilising Powers. Italy assures equitable treatment to the native populations, by promoting their moral and material well-being and their social progress. In order to associate the native populations with this task of social improvement, native personalities will sit on an Advisory Body already formed under the ægis of the general Government. Religious beliefs will be fully respected and all cults will be freely exercised provided they do not run counter to public order and moral principles. The free use of their original language is guaranteed

to each of the races which inhabit Ethiopia. Slavery and forced labour, which were a blot of infamy on the old regime, are now abolished. Taxes levied on the people will be used exclusively to meet local requirements.

“ Italy on her part is willing to accept the principle that natives should not be compelled to perform military duties other than local policing and territorial defence. Measures will be taken to guarantee freedom of transit and communications and equitable treatment for the trade of all countries.

“ Italy will consider it an honour to inform the League of Nations of the progress achieved in her work of civilising Ethiopia, of which she has assumed the heavy responsibility.

“ The Italian Government is fully convinced that loyal and effectual co-operation between countries meets the aspiration of all peoples towards a better and higher future.

“ While expecting the League of Nations to appraise the situation now existing in Ethiopia in a spirit of fair understanding, the Italian Government declares itself ready to give once more its willing and practical co-operation to the League of Nations in order to achieve a settlement of the grave problems upon which rests the future of Europe and of the world. It is in this spirit that Italy acceded, amongst others, to the Treaty of Rio de Janeiro of October 10th, 1933.

“ The Italian Government expresses the conviction, generally held elsewhere, that the League of Nations requires adequate reform, and it is ready to participate in the study and enactment of such reform.

“ The Italian Government is fully aware of the rôle which devolves upon Italy and of its own responsibility in the solution of problems which concern the future of all peoples; it has, therefore, no preconceived ideas or prejudicial reservations as to the international formulæ or instruments to be used to this end, while intending to appraise them merely in the light of their efficiency in attaining the common aim.

“ Nevertheless, the Italian Government cannot but recall the abnormal situation in which Italy has been placed and the necessity for the immediate removal of such obstacles as have been and are in the way of the international co-operation which Italy sincerely seeks, and to which she is prepared to give a tangible contribution for the sake of, and the maintenance of, peace.”

The representative of the Argentine, M. Cantilo, then explained why his Government had asked for the Assembly to meet.

“ If ”, he concluded, “ American ideas cannot be harmonised with the manner of applying the Covenant, if we cannot secure

the practical universality of a principle of justice, and if the attempt to do so might create a danger to peace or might prove incompatible with the forms devised to secure it, the Argentine Republic would be obliged to reconsider the possibility of continuing its collaboration. In any case, you can be sure that, in calling for the meeting of this Assembly, we have acted with the highest intentions and inspired by a spirit of sincere co-operation. We considered that it might constitute a new and a great effort towards peace, imbuing all its Members with the same desire for conciliation and harmony, in order that they might hasten on the solutions which still have to be sought . . . ”

The first delegate of Ethiopia, His Majesty Haile Selassie I, then addressed the Assembly. After referring to “ the various stages of the Ethiopian drama ”, he concluded as follows :

“ On behalf of the Ethiopian people, a Member of the League of Nations, I ask the Assembly to take all measures proper to secure respect for the Covenant. I renew my protest against the violations of treaties of which the Ethiopian people has been the victim. I declare before the whole world that the Emperor, the Government and the people of Ethiopia will not bow before force, that they uphold their claims, that they will use all means in their power to ensure the triumph of right and respect for the Covenant.

“ I ask the fifty-two nations who have given the Ethiopian people a promise to help them in their resistance to the aggressor : What are they willing to do for Ethiopia ?

“ I ask the great Powers, who have promised the guarantee of collective security to small States — those small States over whom hangs the threat that they may one day suffer the fate of Ethiopia : What measures do they intend to take ?

“ Representatives of the world, I have come to Geneva to discharge in your midst the most painful of the duties of the head of a State. What answer am I to take back to my people ? ”

In the course of the discussion, which was continued at the meetings on July 1st, 2nd and 3rd, the delegations represented at the Assembly were able to state their views both on the existing situation and on the conclusions which they thought should be drawn from it immediately or with a view to the future.¹

On July 3rd, the General Committee of the Assembly was asked to select the points in the discussions which might be included in a draft text for submission to the Assembly.

¹ For the text of the speeches, see records of the nineteenth, twentieth, twenty-first, twenty-second, twenty-third and twenty-fourth plenary meetings of the sixteenth session of the Assembly.

On the same day, the Ethiopian delegation handed in two draft resolutions, which were referred to the General Committee to be added to the other texts placed at its disposal.

The Ethiopian delegation's draft resolutions were as follows :

“ I. The Assembly recalls the terms of Articles 10 and 16 of the Covenant, to which it declares its faithful adherence. Accordingly, it proclaims that it will recognise no annexation obtained by force.”

“ II. The Assembly, desirous of affording Ethiopia the assistance to which Article 16 entitles it, in order that it may defend its territorial integrity and political independence, decides to recommend to the Governments of the States Members to give their guarantee to the loan of £10,000,000, which will be issued by Ethiopia under the conditions to be fixed by the Council after an opinion has been given by the Financial Committee of the League of Nations.”

Adoption by the Assembly of the Two Recommendations drafted by its General Committee, July 4th.

On July 4th, the General Committee unanimously ¹ recommended a draft text to the Assembly. It pointed out that, in one of its parts, this text related — taking into account the views

¹ The Mexican delegate, who was a member of the General Committee, did not take part in the proceedings of that Committee and of the Assembly on July 3rd and 4th. The Mexican delegation explained its decision by the following communication, addressed to the President of the Assembly :

“ Sir,

“ As a member of the General Committee of the Assembly, I would ask you to be good enough to communicate to the General Committee and the Assembly the following :

“ The Mexican delegation, in conformity with the general attitude taken by its country in the dispute between Ethiopia and Italy ;

“ Realising at the same time the intentions and determination of the great majority of the countries attending the present session of the Assembly and the limitations which those intentions and determination inevitably impose on Mexico's participation in this concrete instance as regards the adoption of resolutions and recommendations in connection with the conflict between Ethiopia and Italy ;

“ And whereas it would be inconsistent both with its international rôle and with its spirit of co-operation to adopt in such circumstances an attitude of systematic obstruction, since the vote of Mexico would prevent unanimity in the Assembly on the measures which it is about to adopt :

“ Declares that it will not participate in the proceedings and votes of the League of Nations in regard to the Italo-Ethiopian dispute for such period as it considers advisable.

“ I have the honour, etc.,

“ (Signed) N. BASSOLS.”

expressed in the debate — to the question which formed the subject of the first draft resolution of the Ethiopian delegation. “As regards the second of these draft resolutions”, it added, “the General Committee observes that a similar request had been made by the Ethiopian delegation to the Council, and refers in this connection to the report by the Committee of Thirteen of January 23rd, 1936, which was approved by the Council”.

The text drafted by the General Committee was as follows :

I.

“The Assembly,

“ (1) Having met again on the initiative of the Government of the Argentine Republic, and in pursuance of the decision to adjourn its session taken on October 11th, 1935, in order to examine the situation arising out of the Italo-Ethiopian dispute ;

“ (2) Taking note of the communications and declarations which have been made to it on this subject ;

“ (3) Noting that various circumstances have prevented the full application of the Covenant of the League of Nations ;

“ (4) Remaining firmly attached to the principles of the Covenant, which are also expressed in other diplomatic instruments, such as the declaration of the American States, dated August 3rd, 1932, excluding the settlement of territorial questions by force ;

“ (5) Being desirous of strengthening the authority of the League of Nations by adapting the application of these principles to the lessons of experience ;

“ (6) Being convinced that it is necessary to strengthen the real effectiveness of the guarantees of security which the League affords to its Members :

“ Recommends that the Council :

“ (a) Should invite the Governments of the Members of the League to send to the Secretary-General, so far as possible before September 1st, 1936, any proposals they may wish to make in order to improve, in the spirit or within the limits laid down above, the application of the principles of the Covenant ;

“ (b) Should instruct the Secretary-General to make a first examination and classification of these proposals ;

“ (c) Should report to the Assembly at its next meeting on the state of the question.

II.

“ The Assembly,

“ Taking note of the communications and declarations which have been made to it on the subject of the situation arising out of the Italo-Ethiopian dispute :

“ Recalling the previous findings and decisions in connection with this dispute :

“ Recommends that the Co-ordination Committee should make all necessary proposals to the Governments in order to bring to an end the measures taken by them in execution of Article 16 of the Covenant.”

This text having been submitted to the Assembly for discussion at its plenary meeting on the afternoon of July 4th, Dedjazmatch Nasibu, delegate of Ethiopia, read a declaration in which Ethiopia asked the Assembly to give its verdict by an unequivocal vote. The Ethiopian delegation expressly demanded the discussion of its draft resolutions, “ in order that an explicit vote might provide the Ethiopian people with the honest reply to which it was entitled ”.

The delegate of Panama, M. Solis, said that he would not vote on the General Committee's two proposals. “ They do not ”, he said, “ meet either the Italian point of view, the Ethiopian point of view, the point of view of the principles of international law and the prestige of the League of Nations, or the anxieties absorbing the attention of the world ; they do not even represent a real, deep desire to furnish a constructive solution of the dispute . . . ”¹

The delegate of Canada, Mr. Massey, said that, in accepting the General Committee's two texts, the Canadian delegation understood that the provisions of the first resolution in no way prejudiced the views which might be submitted by Governments concerning the constitution of the League nor the decisions which might be taken at the September Assembly.

Mr. te Water, delegate of the Union of South Africa, said that, in view of the considerations which he had advanced in the Assembly on July 2nd, he could not vote on the resolution submitted by the General Committee.

¹ The delegate of Panama amplified his views in a communication dated July 6th, circulated as document C.314.M.195.1936.VII.

M. Turbay, delegate of Colombia, said that his delegation accepted the first proposal submitted by the General Committee as a fresh affirmation of the principles embodied in the conclusions of his delegation's initial declaration, made by the President of that delegation on July 1st, 1936. As to the General Committee's second proposal, the Colombian delegation reserved the right to state in the Co-ordination Committee the reasons why it had no objection to the recommendations submitted for the Assembly's approval.

The text drawn up by the General Committee was then put to the vote as a whole. Forty-four delegations voted in favour, one (the Ethiopian) voted against, and there were four abstentions. This text, being in the form of a recommendation, was therefore adopted by a majority.

As to the two draft resolutions submitted by the Ethiopian delegation, which the latter had declared that it maintained, the Assembly, in the case of the first of these drafts, shared its General Committee's view that "in one of its parts the General Committee's text (which the Assembly had just adopted) related, taking into account the views expressed in the debate, to the question which formed the subject of the first draft resolution of the Ethiopian delegation".

That delegation's second draft resolution was put to the vote. One delegation (the Ethiopian) voted in favour, twenty-three delegations voted against and twenty-five delegations abstained from voting.

Communication to the Members of the League of the First Recommendation adopted by the Assembly on July 4th, 1936.

At its meeting on July 4th, the Council instructed the Secretary-General to give effect to the first recommendation adopted by the Assembly regarding the application of the principles of the Covenant.

In a Circular Letter dated July 7th, the Secretary-General requested the Members of the League to send him, if possible before September 1st, 1936, any proposals they might wish to make in conformity with paragraph (a) of that recommendation.

The replies to the circular letter have been distributed to the Members of the League.

B. Meeting of the Co-ordination Committee.

In conformity with the Assembly's resolution of July 4th, the Co-ordination Committee was convened for July 6th.

On its Chairman's motion, the Co-ordination Committee, after discussion, adopted the following proposal :

“ The Co-ordination Committee set up in consequence of the Assembly recommendation of October 10th, 1935, with regard to the dispute between Ethiopia and Italy, proposes that the Governments of the Members of the League should abrogate on July 15th, 1936, the restrictive measures taken by them in conformity with its Proposals IA, II, IIA, III, IV and IVB.”

The Committee also adopted the following proposal, put forward by the French and United Kingdom delegations :

“ In order to complete the documentation in the possession of Governments with reference to the application of the various proposals made by it, the Co-ordination Committee suggests that Governments should :

“ (a) Continue to complete and forward to the Secretariat the questionnaire concerning their trade with Italy and Italian possessions up to and including that relating to the month of June 1936 ;

“ (b) Furnish, before October 31st, 1936, to the Secretariat, for circulation to Governments, a memorandum setting out their experience with reference to the application of the measures enforced and such conclusions as this experience would seem to suggest ;

“ (c) Appoint experts to serve on a committee to study this documentation and submit a report to Governments.”

**IV. TREATY OF MUTUAL GUARANTEE BETWEEN GERMANY,
BELGIUM, FRANCE, GREAT BRITAIN AND ITALY,
DONE AT LOCARNO ON OCTOBER 16TH, 1925.**

At its May session, the Council postponed this question until the second part of the session to be held at the end of June.

At the meeting of June 26th, the Council decided, on the proposal of its President, not to enter into a full discussion of this item at that meeting.

V. FREE CITY OF DANZIG.

Situation in the Free City.

On June 30th last, the High Commissioner of the League of Nations at Danzig sent the Secretary-General, for the information of the Council, a report on the situation in the Free City.

On July 2nd, the Council decided to place the consideration of this report on its agenda.

In the report, the High Commissioner explained shortly how he had gained the impression, during the first months following the January session of the Council, that the Senate was endeavouring to improve the relations between the various elements of the population of Danzig. But, some weeks prior to the despatch of the report, a series of incidents had occurred which had helped to create a state of great nervousness in the Free City and had led the Polish Government to make serious representations to the Senate on behalf of the Polish citizens and of Danzig citizens belonging to the Polish minority, whose safety was threatened. Thanks to the assurances given by the President of the Senate on June 20th, the situation had considerably improved, and, in the High Commissioner's opinion, a dangerous crisis had been averted which might easily have led to external complications.

In this report, the High Commissioner also gave the Council an account of the incident that occurred during a recent visit to Danzig of the German cruiser *Leipzig*. Contrary to the custom established by various agreements concluded between Danzig and Poland, the commander and officers of the German warship had not paid a visit to the High Commissioner of the League of Nations and had given no explanation of their attitude.

An article published immediately afterwards by M. Forster, head of the National-Socialist Party at Danzig, intimated that this attitude on the part of the German officers was explained by the fact that, when another German warship had called in the previous year, the High Commissioner had invited the representatives of the Danzig Opposition at the same time as the officers of the ship. M. Forster added that the presence of the High Commissioner of the League at Danzig was

superfluous, as Polish-Danzig relations and Polish-German relations also were excellent. Lastly, he criticised the High Commissioner, alleging, in particular, that he had intervened needlessly in the internal affairs of the Free City.

On July 4th, the Council considered the High Commissioner's report in the presence of Mr. Lester, the High Commissioner, and M. Greiser, the President of the Senate, and adopted a resolution deciding that, having reached the conclusion that the incident in question was of an international character, the Polish Government was to be requested to deal with the matter on behalf of the Council through the diplomatic channel, and to furnish the Council, at its next ordinary session, with a report on the results.

The Rapporteur, the United Kingdom representative, pointed out that a dangerous internal crisis had been averted, and expressed the hope that, through the cordial collaboration of the Government of the Free City with the League's High Commissioner, the internal situation would soon be restored to normal.

As regards the draft resolution, the Rapporteur emphasised that the question was an international one and thus fell within the sphere of the responsibilities undertaken by Poland in accordance with the treaties.

M. Beck, representative of Poland, announced that, in conformity with its obligations and in response to the appeal made to it by the Council, his Government was ready to proceed to a study of the question through the diplomatic channel and would duly inform the Council of the results of its efforts.

M. Greiser said that the question dealt with in the draft resolution had been hastily placed on the Council's agenda, and confessed his surprise that the High Commissioner should have made such a request. M. Greiser had not received the High Commissioner's report until his arrival at Geneva, and his surprise at the terms of the report was even greater than at the Council's decision. He understood that the refusal by the commander of a German warship to pay a visit to the High Commissioner would be a matter of concern to the Council, but he thought it irrelevant to attempt to establish any connection between that incident and the Government of the Free City. Having been called upon for the second time in a single year to give explanations at Geneva, he thought it his duty

to go fully once and for all into all questions concerning Danzig, and to speak, not as a defender of theoretical texts or of paragraphs which were a dead letter, but as governor of 400,000 Germans, who did not want their destinies to be eternally linked to the League of Nations and who really did not understand the ideology of that institution. The people of Danzig felt that their city had not been severed from the parent State for the reasons that had always been publicly adduced. It had been said that Poland required free access to the sea through the port of Danzig. In M. Greiser's view, the Polish people was quite entitled to claim such access; but, if that had been the object in view, it was not necessary to separate Danzig from Germany, since it had been made into a so-called Free State. It almost seemed as if the sole object of the separation had been to create a permanent source of trouble and friction between Germany and Poland.

While the League, continued M. Greiser, had given no practical help to Danzig, the Council should be grateful to the Government of the Free City for having removed for ever a centre of discord that might have caused the League serious trouble.

It was not surprising that the Government of the Free City should have deferred to the imperative wish of the population to re-examine the relations between the Free City and the High Commissioner. For more than three years a National-Socialist majority had been in power in Danzig, and public confidence in it had been twice expressed by a constitutional and secret vote. The meaning of the term "democracy" was that the will of the majority should be carried out within the limits of morality and of the laws in force. The will of the majority had twice been clearly and unequivocally expressed in favour of the German National-Socialist Party; yet the High Commissioner's attitude tended to ignore those democratic principles and to allow a minority to terrorise the constitutionally established majority.

The Government of the Free City had always deferred to the Council's wishes and decisions, even when their execution ran counter to its convictions and shocked the good sense of the Danzig population. The smallest State in Europe, as the German and Polish Governments could testify, had always manifested its desire to maintain good relations with the League. It was natural that the National-Socialist majority should defend itself

against the terrorism of a minority, supported consciously or unconsciously by the High Commissioner. As head of the Government, M. Greiser could not be expected to put down a movement that supported him or to allow the partisans of that movement to be punished when they were acting in self-defence.

The Government, continued M. Greiser, had confined itself to nipping in the bud disturbances provoked by the Opposition, and had employed for that purpose means which had received the High Commissioner's approval. As thanks for this, M. Greiser had been dragged away from his peaceful work and summoned once more to Geneva. The population of Danzig, unable to understand such methods on the part of a High Commissioner, had reacted against this high-handed procedure.

Mr. Lester, who did not understand the mentality of the German population and did not even speak its language, had only himself to blame for the opposition he was arousing. M. Greiser proposed that, if the Council so desired, the population of the Free City might, by a free and secret vote in the form of a plebiscite, state whether or not it approved of the activities of the League's representative. M. Greiser would not confine himself to describing the wishes and anxieties of the Danzig Government without proposing a way out of the situation. The Council might, for example, send a new High Commissioner to Danzig, instructing him, like all the former High Commissioners, to refrain from any intervention in internal politics and to devote himself entirely to his province of foreign policy. In the event of such a reorganisation, all the rights of the Polish minority and of the Polish Government would be respected. Another solution would be that the Council, in view of the imminent reform of the League, should decide not to send a High Commissioner to Danzig in future. The League could continue to implement its guarantee through the President of the Senate, who would be responsible to the League. In this way peace and order would reign at Danzig, both internally and externally.

M. Greiser pointed out that his observations were not based on legal considerations or considerations of international law, but that he spoke as representative of 400,000 living Germans. The observance of the letter of the texts had already done enough harm and suffered enough setbacks, and, if in various quarters

the opinion had been expressed that the League had lost some of its prestige, he had shown a way of contributing greatly to the restoration of that prestige in the world.

Mr. Eden, President of the Council, observed that it was a matter of courtesy that the President of the Senate had been invited to attend the present meeting of the Council, and not with the purpose of calling in question the action of the Danzig Government. On the other hand, the League was not responsible for the setting-up of the regime of the Free City ; it had accepted the mission confided to it by the Treaty in the interests of the Free City and of Poland.

M. Beck pointed out that the question before the Council related to an incident that had occurred during the visit of a German warship to Danzig, and that did not raise the general problem or questions of the internal policy of the Free City.

As regards the general observations not connected with the immediate subject of the Council's discussion, M. Beck reserved the right to express his Government's views at a suitable time.

Mr. Lester, the High Commissioner, observed that a large part of M. Greiser's complaints were due to his belief that the High Commissioner had come to Geneva to ask for the Danzig question to be placed on the Council's agenda. That was not the case. It was evident from M. Greiser's criticisms that he had had no time to read the High Commissioner's report before speaking. That report on the general situation in Danzig would not have been submitted to the Council if the incident that had occurred during the German warship's visit had not taken place. That incident would have been inexplicable to Mr. Lester unless it were connected with the duties of his office, and accordingly it was his duty to report on it to the Council. As he could not regard it as an incident completely isolated from events in Danzig, he had thought it necessary to give the Council a very brief account of the situation.

Mr. Lester did not think it his duty to offer any observation on the formal proposals made by the representative of the Danzig Senate. President Greiser had said that he had not taken his stand on legal texts, but he should understand that the High Commissioner could not refrain from taking into account both the legal situation and the various documents which constituted the Statute of the Free City. The High Commissioner's duties,

in fact, were to uphold the various articles, and, whether those articles were regarded in some quarters as a dead letter or not, it was the High Commissioner's duty to maintain them in force.

M. Beck, referring to his previous remarks, added that, even if the President of the Senate had thought it necessary to raise problems quite beyond the scope of the discussion, nothing justified the attacks made upon the representative of the League in the discharge of his functions. He was entitled to expect the full support of the Council.

M. Delbos, representative of France, observing that moderation was essential in international relations, stressed the fact that Danzig had been placed by the treaties under the authority of the League. The League was represented at Danzig by a High Commissioner, whose duty it was to see that the treaties were observed and that the reciprocal rights of Poland and Danzig were respected. He must also see that the Constitution of the Free City and the freedom it provided for all citizens were respected.

Mr. Eden, President of the Council, said he felt sure that all his colleagues would regret, as he himself had done, the tone of the speech made by the President of the Danzig Senate. It would not be right to say that the President of the Senate of the Free City had been summoned to attend the Council. The Council was dealing with a question which concerned the external relations of the Free City, for which Poland was responsible. Moreover, whatever the merits of the question raised by the President of the Senate, the Council could not allow reflections to be made on its representative. He considered that the correct reply to the observations which the President of the Senate had thought fit to make in regard to Mr. Lester's personality would be an expression of the Council's confidence in Mr. Lester and of its entire satisfaction with the way in which he had carried out his duties. He was sure that he was voicing the unanimous feeling of his colleagues in asking Mr. Lester to accept the assurance of its confidence and its thanks for his untiring efforts.

M. Barcia, representative of Spain, M. Rüstü Aras, representative of Turkey, and Mr. Bruce, representative of Australia, supported the observations of the President of the Council.

M. Greiser said that he had not expected the Council to express any other opinion, nor, in view of the slowness of the

League's methods, to take an immediate resolution on the proposals he had submitted. After expressing his thanks to the Rapporteur, he added that he understood that Mr. Eden was considering the possibility of studying the Danzig Government's proposals subsequently, and he wished to thank him particularly for that.

He stated that, if he had opened the first offensive in favour of a revision of the relations between the League and the Free City, he had done so in public, before world opinion, not only on behalf of the Danzig population, but on behalf of the whole German people. In the coming months, he concluded, the German people expected from the League resolutions which would enable the President of the Senate of Danzig not to appear again before the League.

The President again emphasised that the Council was dealing with questions on its agenda and nothing else.

The Council adopted the resolution, and appointed a committee of three members, composed of the representatives of France and Portugal, together with the Rapporteur, to follow the developments of the question.

2.

REDUCTION AND LIMITATION OF ARMAMENTS.

LONDON NAVAL TREATY, SIGNED ON MARCH 25TH, 1936.

On May 6th, 1936, the Secretary-General invited the Governments of States Members of the League, non-signatories of the London Naval Treaty of March 25th, 1936, to communicate to the United Kingdom Government, either through his agency or direct, any observations they might wish to offer on its text.¹

By August 27th, 1936, the Secretary-General has received the following replies to his communication :

The Governments of Estonia, Honduras, Mexico, Nicaragua and Venezuela have simply acknowledged receipt. The Governments of Afghanistan, Latvia and Portugal have stated that they have no observations to make. The Greek Government has presented various observations.

¹ See *Report on the Work of the League, 1935/36, Part I, page 96.*

3.

MANDATES.

WORK OF THE PERMANENT MANDATES COMMISSION
AT ITS TWENTY-NINTH SESSION (MAY-JUNE 1936).

The Permanent Mandates Commission held its twenty-ninth session from May 27th to June 12th, 1936. It considered the annual reports of the mandatory Powers on the administration of Palestine and Trans-Jordan (1935), Syria and Lebanon (1935), Tanganyika Territory (1935), Nauru (1935), New Guinea (1934/35) and South West Africa (1935). It also examined a number of petitions, together with the mandatory Power's observations thereon.

Territories under "A" Mandate.

Palestine and Trans-Jordan.

Annual Report for 1935.

In its *general observations on Palestine*, the Commission pointed out that, at the time when it was about to begin the examination of the annual report, in accordance with its Rules of Procedure, the serious disturbances that had begun in the mandated territory in the spring of 1936 were not yet at an end. The accredited representative accordingly stated that the Commission could not expect him to attempt to analyse the causes of the present unrest in Palestine, or to anticipate the findings of the Royal Commission of Enquiry which the United Kingdom Government had decided to set up, by discussing at the present stage the matters into which that Commission would have to enquire.

The Mandates Commission noted these reservations and observed that, if the accredited representative had been able to

assure it that his Government would readily agree to the examination by the Commission of the causes of these disturbances at its autumn session, it would have postponed discussion of the report for 1935 until then. Since, in several respects, that report already gave a hint of the coming disturbances, it would have been desirable, in the Commission's opinion, to consider the report and a statement on these disturbances simultaneously. This course would, it pointed out, have allayed the misgivings which it was assuredly not alone in feeling at the thought of the postponement for some twelve months (until the report for 1936 was examined) of the statement by the mandatory Power regarding the causes, circumstances and significance of events which had been a matter of general concern for some weeks past. As, however, the mandatory Power could not at present fix the date by which it would be able to furnish the information required for a thorough examination of these disturbances, the Commission decided to deal with the report for 1935 as best it could, while reserving the right to revert later to such matters as would appear to be connected with the events in question.

The Commission expressed the hope that, when peace had been restored, the mandatory Power would furnish it at its autumn session with information as to the disturbances and their immediate causes. It regarded this as desirable, even if the mandatory Power should not yet be in a position at that date to define its policy in the light of the proceedings of the Royal Commission which it proposed to appoint.

In its *special observations* on Palestine, the Commission expressed regret that the measures taken to check illicit immigration had not proved entirely satisfactory. It could not but ask itself whether the effect of the action in reducing in advance the authorised immigration quotas — in which express allowance was made for illicit immigration — had not been to render the prevention of such immigration more difficult.

The Commission asked for particulars on the working of the Palestine (Amendment) Order in Council (1935), extending to all the inhabitants without distinction the system of judicial procedure hitherto applicable only to foreigners of certain nationalities.

The Commission noted that Palestine had again enjoyed in 1935 favourable economic and financial conditions.

With regard to the question of the treatment of imports from States which have ceased to be members of the League of Nations, the Commission was anxious to obtain full information as to the policy to be adopted in order to safeguard the interests of the territory and those of the States Members of the League.

Lastly, the Commission noted with interest that a Dangerous Drugs Ordinance had been enacted ; and also an ordinance on the sale of intoxicating liquor. It asked for details with regard to the practical effects of these ordinances.

With regard to *Trans-Jordan*, the Commission noted that, with the loyal collaboration of the Amir, peace and prosperity had fortunately been maintained. It was also glad to note the cordial relations established with Sa'udi Arabia. It likewise observed with interest that the Legislative Council had on the whole worked well. It asked for information as to the number and duties of the foreign staff on the one hand and of the Arabs on the other, and, with respect to the latter, how many were born in the territory.

Lastly, with reference to public health, the Commission was greatly interested to hear of the intention to inaugurate a mobile medical column to operate among the bedouin population.

Petitions.

The Commission considered ten petitions relating to Palestine. In its conclusions on two of these petitions, it noted that the transmission of telegrams in Hebrew characters had been introduced in certain places. It expressed the hope that circumstances would enable the administration to expedite the extension of those facilities in the near future, in order that equality among the three official languages might speedily be brought about. The other petitions did not call for any special recommendation.

Syria and Lebanon.

Annual Report for 1935.

In its *general observations*, the Commission noted that, although not formally bound to do so, the mandatory Power spontaneously gave information on the disorders that took place in Syria at the beginning of 1936. The accredited representative fully discussed with the Commission the character

of those events, their origin and the lessons to be drawn from them. The Commission welcomed this fresh evidence of close co-operation in the application of the mandates system.

The Commission observed that the situation had been eased by a modification made in the composition of the Syrian Government and by the decision to send a delegation to Paris. It further noted the mandatory Power's intention to bring about a resumption of parliamentary life, conciliation of the political aspirations of an important section of public opinion with the safeguarding of the rights of the minorities, and the conclusion of a treaty designed to regulate the future status of the country.

The Commission learned that the delegation with which the Government of the mandatory Power had begun negotiations was composed mainly of representatives of the Opposition. It was, however, assured that it was not the intention of the mandatory Power to treat with the Opposition, but to wait, before concluding an agreement, until a regular representative regime had been restored in Syria. The consultations then in progress in Paris would therefore seem to have been designed solely to determine, with all due care, the various trends of public opinion.

The Commission entirely shared the mandatory Power's anxieties with regard to the safeguarding of the rights of minorities under the system which would take the place of the mandate when the latter came to an end. It considered that it ought to emphasise the necessity of providing guarantees for effective protection, which the ordinary regime for the protection of minorities could not alone ensure in countries where, as experience had shown, a spirit of toleration was not yet evident among the majority of the population. On the other hand, it was not for the Commission at present to suggest the form which those guarantees should take, inasmuch as the study of the subject was engaging the mandatory Power's attention. The Commission was fully alive to the difficulty of the problem, which, as it stated, was one of reconciling the safeguarding of minorities — which would appear to imply a positive right of intervention — with the status of full independence which a mandated territory acquired on its emancipation from international tutelage.

While reserving judgment regarding such solutions as might in due course be submitted to it, the Commission desired to point

out at once that the information supplied up to that time by the mandatory Power, on the basis of its experience in Syria under the mandate, did not furnish evidence of the existence of a degree of maturity sufficient to justify any thoughts of the emancipation of this territory without providing for a transitional period.

In its *special observations*, the Commission stated that it had been struck by the frequency with which the High Commissioner had intervened, by decree, in the exercise of presidential powers in Syria and of constitutional powers in Lebanon. It hoped that efforts would be made to secure the normal working of the institutions.

The Commission hoped that it would shortly be possible to introduce a special penitentiary regime for young offenders. It noted that the official registration of the conversion of any Moslem to another religion continued to meet with the same opposition as in the past, and that this was scarcely compatible with the principle of "complete freedom of conscience" laid down in the mandate.

With regard to negotiations for regulating trade between the mandated territory and the two States which ceased to be Members of the League in 1935, the Commission hoped that they would result in Conventions advantageous for the mandated territory, without encroaching upon the rights accorded to Members of the League under the mandate.

The Commission, while glad to note the re-establishment of budgetary equilibrium, expressed the hope that the legitimate anxiety to reduce expenditure would not lead to economies likely to endanger the satisfactory working of the Administration.

In the field of public health, the Commission hoped that the new measures adopted to deal with malaria, which was very widespread, would be successful. It asked for information as to the results obtained.

Petitions.

The Commission considered 156 petitions concerning this territory. With regard to those concerning the administration of the Moslem Waqfs, the Commission reserved the problems raised for more exhaustive enquiry when it had received the documentary material.

With reference to another petition, the Commission drew attention to the position of those Syrians and Lebanese resident abroad who had not been able to avail themselves within the prescribed period of the right of option established by the Treaty of Lausanne. It hoped that the mandatory Power would renew the steps it had been taking to remedy this situation.

In its findings on a series of ninety-eight petitions dealing with the question of Syrian unity, the Commission noted the apprehensions which appeared to be felt by the minorities in Lebanon and Syria, and the apparent indifference towards those apprehensions of the party that was in favour of the complete liberty and unity of the territories. It considered that until the future policy of the mandatory Power, which formed the subject of all the petitions examined, had been defined, it could not give any opinion on that policy. Nevertheless, it expressed the hope that no change would be made in the present status of the territory which might have the effect of depriving the minorities of the protection they enjoyed under the tutelage of the mandatory Power, until the populations of Syria and Lebanon had furnished more convincing proofs of their spirit of mutual tolerance. Lastly, it expressed the earnest hope that the equality of treatment as between the inhabitants of Syria and Lebanon, irrespective of differences in race, religion and language, provided for in the mandate, would be fully respected at all stages of the progressive advance of those territories towards their future independence.

Territories under "B" Mandate.

Tanganyika.

Annual Report for 1935.

The Commission observed that the administrative methods adopted in the detribalised districts — a matter which bore closely upon the problem of inter-racial relations — was continuing to engage the special attention of the mandatory Power.

In December 1935, the latter communicated to the Commission a despatch, addressed by the Secretary of State for the Colonies to the Governors of Tanganyika, Kenya and Uganda, on the subject of "closer union" in East Africa. This document, which constituted the United Kingdom Government's comments

on the observations made by various bodies in the territories concerned, stated that the objections raised by the Joint Select Committee of 1931 to the proposal for "closer union" still persisted, and that there was no need in the circumstances to reopen the enquiry into the question. It was added that the policy of close co-operation between the three territories on the lines suggested by the above-mentioned Committee would be steadily pursued. In taking note of this declaration, the Commission drew attention to the considerations of principle regarding the question of "closer union" put forward in its report to the Council on the work of its twenty-third session (1933).

The Commission noted the reasons for which the mandatory Power considered that the issue of a common stamp for Tanganyika, Kenya and Uganda was in accordance with the fiscal interests of the mandated territory. It repeated the hope, expressed last year, to be furnished with an explicit statement as to the compatibility of this issue with the provisions of the mandate.

The Commission noted that the financial situation of the territory appeared to be very satisfactory and, in particular, that revenue had considerably increased. On the other hand, it was concerned at the growth of the public debt, which was mainly due to the deficit on the railways. It was anxious to know what steps would be taken to fund the public debt. In his comments on the Commission's observations, the accredited representative of the mandatory Power stated that, apart from certain small short-term loans obtained from the Colonial Development Fund, there had been no increase in the volume of the public debt since 1932. The deficits incurred on the railways did not add to the volume of debt. Most of the debt related to public loans which could not be converted before the date mentioned in the public prospectus issued when each loan was raised. The earliest date by which a public loan could be repaid was 1948 (the Guaranteed Loan, 1948-1968, of £2,070,000, raised in 1928).

While noting the objections raised to direct taxation of the income of the non-native sections of the population, the Commission hoped that those objections would not prove insuperable. It was of opinion that the communities in question should contribute according to their capacity to the revenue of the country. In his comments, the accredited representative pointed out that

there was direct taxation of the income of non-natives under the Non-Native Poll Tax, of which full details were given in the annual report for 1935.

Having learnt that it was proposed to make Mombasa (Kenya) a fortified port and that the East African territories would share the cost, the Commission asked that — if it was intended that a contribution should be made out of the Tanganyika budget — it should have full particulars of the matter.

The Commission hoped to find an appreciable improvement in the conditions of life and labour amongst the natives employed in the gold-mining district of Lupa.

The Commission asked for information as to the results of the experiments made in the Dar-es-Salaam official laboratory with the object of finding a method of denaturing methylated spirits so effectively as to prevent the natives from drinking them.

Petitions.

The Commission considered three petitions relating to this territory without, however, making any special recommendation to the Council.

Territories under “C” Mandate.

South West Africa.

The Commission was informed that the commission set up to study the constitutional problems that had arisen in the territory had completed its work and that its report would be communicated to the Mandates Commission in the near future. On this occasion, the accredited representative stated again that the mandatory Power would never take any action in respect of the problems concerned until it had first communicated its intentions to the League of Nations.

The Commission was glad to hear that the year under review had been one of political quiet among the various sections of the population. It expressed the hope that the method of conciliation followed by the mandatory Power would continue to ensure a peaceful atmosphere.

While congratulating the mandatory Power on the improved financial position of the territory, the Commission again noted with concern the steady increase of the territory's indebtedness to the mandatory Power and asked that it would be supplied in future with a general statement defining the Administration's financial policy.

The Commission expressed the hope that future reports would include a special chapter on labour, giving information on such matters as the recruiting of labourers and their transport, conditions of employment, wages, housing, the possibility for labourers' families to accompany the labourers, and all connected subjects.

The Commission noted with satisfaction the efforts made in matters of education and, in particular, the opening of a first Government native school in a native reserve. It hoped that it may be found possible to open similar schools in other native reserves.

The Commission noted with concern the general health conditions in the mines and the considerable increase in the death rate as compared with recent years. It expressed the hope that steps would be taken to reduce the sickness and death rates by adequate arrangements for the medical examination of natives in the recruiting areas and improved provision for the treatment of the sick labourers. In his comments on the Commission's observations, the accredited representative of the mandatory Power pointed out that, while the death rate for 1935 compared unfavourably with that for the years 1933 and 1934, when the number of natives employed in the mines was much below normal, it nevertheless showed a considerable improvement on the corresponding figures for 1931 and 1932, when the number of those employed was more comparable with the figure for 1935. The matter had been, however, and would continue to be, the close concern of the mandatory Power.

Nauru.

The Commission noted that the health of the natives was less good in 1935 than in previous years, owing to a prolonged drought and a shortage of fresh food. It hoped that steps would be taken to ensure a proper food supply in all possible

circumstances, in order to strengthen the resistance of the natives to disease.

The Commission noted with satisfaction that steps had been taken to improve the condition of the Chinese labourers and asked for information as to the improvements secured by the new ordinance dealing with co-operative societies.

New Guinea.

Annual Report for 1934/35.

The Commission again expressed the hope that the Administration would rapidly succeed in extending its authority to the areas not yet brought under effective control. It noted that access to certain areas over which the Administration had not yet established full control was henceforward to be forbidden to all persons other than natives. At the same time, the Commission was happy to note the efforts being made to increase the administrative personnel. It hoped that the hands of officials, in their dealings with the representatives of all private interests, would be strengthened and that they would make themselves familiar with the dialects spoken in their areas.

The Commission asked for information as to the opposition shown in the territory to an ordinance restricting the activities of foreign shipping companies. It noted that the mandatory Power had officially declared that it was in the interest of the Commonwealth and that of the territory to promulgate an ordinance providing for these restrictions. The Commission asked to be informed as to the advantages which, in the opinion of the mandatory Power, the territory would derive from this system.

The Commission hoped that steps would be taken to enable the native population to share in the increasing prosperity of the territory and asked for information as to the number of half-castes in the territory and as to their social condition.

The Commission took note of the new order regarding native labour. It expressed the hope that the Government would give its closest attention to improving the present system of recruitment and re-engagement of labour, and more particularly to exercising stricter control over the recruiting agents. It viewed with concern the intensive recruitment of labour which

would appear to have been going on in certain districts, and noted with satisfaction that a number of districts had been declared "closed areas".

The Commission noted that the scheme to place the education of the natives entirely in the hands of the missions had been abandoned, and asked for information on the subject in future reports. It wondered whether the amount spent on education (£3,903 : representing just over 1% of the budget) was proportionate to the resources of the territory and to the sums spent on the other services of the administration.

Petition.

The Commission examined one petition from New Guinea, but did not make a special recommendation to the Council on the subject.¹

¹ *Reference document* : Minutes of the Twenty-ninth Session of the Permanent Mandates Commission, document C.259.M.153.1936.VI.

4.

SLAVERY.¹

The Report of the Advisory Committee of Experts on Slavery on the work of its third (extraordinary) session was considered by the Council on July 4th, 1936. On May 13th, 1936, the Council had authorised the publication of this report and had decided to examine it at a public meeting in the near future.²

The Council paid a tribute to the memory of M. Gohr, Belgian member and Chairman of the Committee, who had taken part in all the League's work on slavery since 1924.³

On the proposal of its Rapporteur, the representative of the United Kingdom, the Council took note of the Committee's report and endorsed its conclusions. It decided to communicate its resolution to all the Members of the League and to such non-member States as are parties to the 1926 Convention.

As regards the documents communicated by the Italian Government on slavery in Ethiopia, the Council deferred any decision on their transmission for the time being.

¹ *Principal reference documents* : Report of the Advisory Committee of Experts on Slavery on the Work of its Third (Extraordinary) Session (April 15th to 24th, 1936), document C.189(1).M.145.1936.VI ; Minutes of the Ninety-second Session of the Council, third meeting (May 13th, 1936), *Official Journal*, June 1936, pages 541-543, and fifth meeting (July 4th, 1936), *Official Journal*, July 1936, pages 758 and 759.

² See Report on the Work of the League, 1935/36, Part I, page 111.

³ M. Louwers (Belgian) was appointed as M. Gohr's successor on the Committee.

5.

ECONOMIC AND FINANCIAL QUESTIONS.

A. WORK OF THE FINANCIAL ORGANISATION.

THE FISCAL COMMITTEE.

The Fiscal Committee met in June 1935. An account of its work appeared in last year's report. The next session will be held this October.

The revised draft Convention on the allocation of the taxable income of international enterprises, which the Committee framed last year, has been submitted to Governments, and their observations will be considered by the Committee.

The Sub-Committee set up to study the extension of the provisions of the draft Convention to insurance enterprises and to investigate the problem of the allocation of property taxes will submit its findings to the Committee.

Enquiries have also been conducted in thirteen countries,¹ with the collaboration of experts in those countries, as to the assessment of the taxable income of industrial and commercial enterprises. The Committee will consider what action might appropriately be taken in the light of these enquiries, the object of which is to facilitate the conclusion and application of conventions on double taxation. It will, at the same time, consider what problems of fiscal technique and terminology might offer a useful field for international study.

The Committee will, further, examine the problem of the adaptation of fiscal systems to variations in economic activity.

¹ Austria, Belgium, United Kingdom, Free City of Danzig, Denmark, France, Greece, Hungary, Italy, Netherlands, Sweden, Switzerland, United States of America.

Some ten conventions on double taxation and administrative and judicial assistance in fiscal matters were concluded in 1935, so that the number of conventions that may be regarded as the indirect result of the League's work in the fiscal sphere is now about 150.

B. ECONOMIC INTELLIGENCE.

I. PUBLICATIONS.

Money and Banking, 1935/36.

This volume was formerly published under the title *Commercial Banks*. It reviews and analyses monetary and banking developments in some forty-seven countries during 1934/35 and the first quarter of 1936.

Volume I (*Monetary Review*) gives a broad sketch of the different monetary policies pursued in France and the gold *bloc*, the United Kingdom and the sterling *bloc*, the United States, Japan, Germany and certain South-American and other countries. It traces the effects of monetary expansion and contraction on general business activity and shows the relationship between changes in central and commercial bank credit and interest rates, price movements, exchange rates, public finances, etc.

Volume II (*Commercial Banks*) reviews developments in each country individually and gives details regarding the reorganisation of certain banking systems in the recent past. All the more important aspects of monetary and economic developments which have a bearing on central and commercial banking are discussed. New chapters contained in this volume refer to China, Egypt, Luxemburg and Paraguay.

Review of World Trade, 1935.

The *Review of World Trade* for 1935 compares the trade of the world, of continental groups and of individual countries in 1935 with that in preceding years. It shows the changes in the value and quantum of trade and in the price-relationships and relative importance of the main groups of commodities of which

it is composed, special attention being devoted to the trade in capital goods and in the principal raw materials and foodstuffs. It examines the effects of recent currency developments and of the increasing application of the principle of "bilateralism" on the volume and direction of international trade.

Statistical Year-Book of the League of Nations, 1935/36.

The *Statistical Year-Book, 1935/36*, is, as usual, a comprehensive collection of economic and financial data — mainly derived from official sources — accompanied by social and demographic statistics. It contains statistics for all countries of the world on the following subjects :

Territory and population ;

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

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

International trade and balance of payments ;

Transport (merchant shipping, railways, air traffic) ;

Public finance (budgets, public debts) ;

Banks and currency questions (circulation, reserves of gold and foreign assets, exchange rates, discount rates, bank deposits, share prices, yield from bonds, issues of capital, etc.) ;

Prices (wholesale and retail price indices, prices in gold francs).

This year's edition contains a number of improvements. The tables for industrial and mineral production have been amplified. Statistics of the dairy industry have been added to the particulars of agricultural production. The table showing budgetary accounts has been entirely revised so as to show the main divisions of revenue and expenditure (ordinary, extraordinary, proceeds of loans, emergency expenditure, etc.). There is a descriptive analysis of statistics of issues on a number of the leading capital markets. There is a new table showing the development of air traffic in the various countries.

In order to facilitate comparisons, the data in a number of tables are expressed in percentages of the 1929 figures — in particular, in tables relating to employment, wages, exchange rates and share prices, index numbers of wholesale and retail prices and indices of production.

In addition to the detailed tables showing the composition of population by age-groups, and the death rate by sex and by age-groups, the *Year-Book* contains for the first time a table relating to the fertility rates of various peoples.

World Production and Prices, 1935/36.

This volume presents a thoroughly revised world index of primary production and a new world index of industrial activity.

These two indices are analysed in detail and supplemented by a considerable amount of information and statistical data in Chapter I. The first section of this chapter deals with the production and stocks of primary products; the second section analyses industrial activity in general in connection with industrial unemployment and industrial profits; the third section is concerned with the production and consumption of primary products and with the connected manufacturing industries considered severally.

In Chapter II of the volume, a comparison is made of the quantitative changes during recent years in world production and world trade, and also in merchant shipping. Chapter III contains a study of recent price tendencies both in world markets and in various individual countries.

World Economic Survey, 1935/36.

The *World Economic Survey, 1935/36*, covers the period from July 1935 to the beginning of August 1936. It consists mainly of an analysis of the degree and nature of the economic recovery so far achieved. While the situation in different countries is considered in the light of national statistics, the whole analysis is conceived in an international setting. Consideration is therefore given to the effects of rearmament expenditures and to changes in international equilibrium.

Particular attention is given to the development of commercial and financial policy. The spread of clearing arrangements,

the new German policy in international trade and the effects of bilateral trade treaties are the subject of a special chapter. There are also chapters on Public Finance and the Trend of Consumption, in addition to those on Production, Prices and Profits, Banking and International Trade.

The first chapter provides a narrative of events up to the end of March and is devoted mainly to recovery in such countries as the United Kingdom and the United States. The last chapter brings this narrative up to the middle of August and, in addition, describes the situation in the countries of the gold *bloc*.

II. BUSINESS CYCLE RESEARCH.

In 1930, its Second Committee called the attention of the eleventh Assembly to the necessity of undertaking a systematic enquiry into the recurrence of periods of economic depression. In support of this proposal, the Second Committee stated in its report :

“ When we consider the immense losses to which the world is subjected in the course of a period of economic stagnation like that through which we are at present passing, we cannot but be struck by the almost complete powerlessness to discover any means of avoiding such catastrophes. The Committee takes the view that this problem is one of those the study of which calls imperatively for co-ordinated and concerted action.”

The Assembly approved this proposal in a resolution dated October 2nd, 1930.

In 1931, the twelfth Assembly took up the question and adopted the following resolution :

“ Approves the proposal that, in order to co-ordinate the work now being conducted on the problem of the recurrence of periods of economic depression, the League should convene meetings of experts and representatives of those economic councils, research institutes and other organisations that are actively engaged on this question, and should appoint a qualified economist and adequate staff for this purpose . . . ”

This work was begun in 1933 by the Financial Organisation, which had in the meantime secured financial help from the Rockefeller Foundation.

An exhaustive examination has been made of the opinions of qualified experts who have been studying the problem of the trade cycle, with the object of determining — before proceeding further — the points on which there is agreement or disagreement. The results of this study were communicated for criticism to the experts mentioned and revised in the light of the replies received. The measure of agreement on many of the phenomena of the cycle was considerable and seemed sufficient to justify an attempt to construct a general synthesis of theories as a preliminary basis of discussion and of subsequent statistical test.

This synthesis was submitted recently to a certain number of economists who came to Geneva for the purpose, and is now being modified with a view to later publication. The next stage in the work will be to subject the whole body of doctrines to a careful statistical test.

6.

COMMUNICATIONS AND TRANSIT.

I. NATIONAL PUBLIC WORKS.

The sixteenth Assembly of the League of Nations (September 1935), after considering the documentary material that had been collected on the subject of national public works,¹ asked the Communications and Transit Organisation to arrange for it to be examined systematically and in detail by experts, with a view to further and more thoroughgoing research in the future.

In pursuance of this decision, the Advisory and Technical Committee for Communications and Transit appointed a few specially qualified experts to examine the material in question and draw such conclusions as might be of general interest.

The experts' report² begins with the observation that the particulars supplied by the various Governments, highly instructive though they are, are not suitable for mutual comparisons — partly because a very wide field has had to be covered and partly on account of the considerable variations in the structure of the different countries, their economic conditions, their habits, and the nature of their populations. Consequently, such few fundamental and generally valid principles as can be based upon this material must be received with some degree of caution. Moreover, it is extremely difficult to make practical recommendations applicable to all countries, because very few of the Governments have explained the reasons for the methods they have employed.

The enquiry does reveal, however, that most Governments are definitely convinced that public works have influenced

¹ Document C.482.M.209.1934.VIII.

² Document C.276.M.166.1936.VIII.

economic recovery and unemployment. Referring to this subject, the experts express the view that really satisfactory results can best be obtained by speeding up, in a period of depression, works undertaken during prosperity, rather than by slowing them down. It would also, they think, be desirable on general grounds to draw up programmes of work beforehand, so that operations during periods of depression do not have to be improvised, with disastrous results to the economic system as a whole. They fully admit that public works alone cannot suffice to eliminate unemployment and bring the depression to an end.

The experts then go on to explain the methods employed by different Governments in administering and financing their public works.

They mention certain difficulties encountered in the course of their work. Apart from differences in the manner in which the facts were presented by Governments, the material supplied by a single country often gave evidence of a variety of methods and forms of explanation, depending on the particular authority in the country from which the material was obtained. The experts therefore suggest that Governments might endeavour to secure closer co-ordination in this field between their administrative authorities.

Owing to the depression, moreover, Governments have in some cases had to arrange for the execution of works by unusual methods, whether on the administrative and technical side or as regards the financing of the works (*e.g.*, by drawing upon the reserves of social insurance funds). Further particulars of the reasons for these various methods and the results they have produced would have been welcomed.

Lastly, the experts express the opinion that their report and the preliminary statement accompanying it should be brought to the notice of the Governments, which would then be able to consider how far the various solutions adopted and the observations made could be used for purposes of guidance.

Consideration might also be given to these observations with the object of more precisely circumscribing the ground to be covered, in case a fresh enquiry into the question of national public works should be decided upon.

As suggested by the experts, their report has been transmitted to the Governments.

II. DISPUTES REGARDING THE REORGANISATION OF THE RAILWAYS
OF THE FORMER AUSTRO-HUNGARIAN MONARCHY.

*Petition submitted in virtue of Article 320 of the Treaty of
St.-Germain by the Zeltweg-Wolfsberg
and Unterdrauburg-Woellan Railway Co., Ltd.*

The arbitrators appointed by the Council in May 1933 to decide the disputes standing in the way of an agreement between the Zeltweg-Wolfsberg and Unterdrauburg-Woellan Railway Company, Limited, and the States territorially concerned, gave their award on May 12th, 1934. This award finally settles the substantive question at issue.

In a letter dated May 11th, 1936, the Zeltweg-Wolfsberg and Unterdrauburg-Woellan Railway Company asked the Council of the League that the Arbitral Tribunal should again be convened to give an authoritative interpretation of its award or to amplify it on a particular point.

This request from the petitioning company is on the provisional agenda of the Council's session of September 1936.

7.

HEALTH QUESTIONS.

MEETING OF THE BUREAU OF THE HEALTH
COMMITTEE IN MOSCOW.

At the invitation of the Union of Soviet Socialist Republics Commissariat of Public Health, the Bureau of the Health Committee held one of its periodical sessions at Moscow from June 22nd to 29th, a number of experts being also present. The discussions, in which the People's Commissary for Public Health and his staff took part, dealt chiefly with rural hygiene and nutrition — two subjects in the study of which the Health Organisation already enjoys the collaboration of scientists and specialised institutes in the Union.

After the close of the session, a number of the members of the Bureau and of the experts made a tour through the country as guests of the Soviet Union Government, visiting Leningrad, Gorki, Rostov-on-Don, Tiflis, Batum, Sochi, Novorossisk, Yalta, Sevastopol, Zaporozhe and Kiev. They thus had an opportunity of studying public health in its various aspects: under the Federation of Republics and under the autonomous Republics; municipal hygiene; hygiene of rural districts; village hygiene; household and farm hygiene.

In connection with the study of these various subjects, visits were paid to a variety of institutions such as institutes of experimental medicine; the advanced medical training college; institutes of bacteriology, plague research, hydrotherapy, and dietetics; maternity homes, crèches, kindergartens, dispensaries, dairies; watering-places and health resorts; sanatoria, rest-homes, pioneer camps, "kolkhozes", "sovkhozes"; factories of agricultural machinery, ball-bearings and motor-vehicles; a hydro-electric works, etc.

Special attention was devoted to the subjects which the Health Organisation is already studying with the assistance of scientists of the Soviet Union — namely, biological standardisation, anti-malaria work, and nutrition and housing questions.

As regards biological standardisation, the Union has, at Moscow, an institute for the control of sera and vaccines which applies the international serum standards established by the Health Organisation to the titration of the sera prepared by the numerous institutes of bacteriology throughout the country. The output of these institutes is very large, as may be seen from the impressive number of preventive inoculations against typhoid fever, dysentery, and diphtheria. This attempt at mass prophylaxis deserves to be closely watched.

In connection with malaria, the group visited the zone near Gorki where experiments on the therapeutical value of the new synthetic drugs which are potential substitutes for quinine are being conducted in conjunction with the Malaria Commission of the Health Organisation. The malariologists of the Union have made a very large number of clinical observations, and their results will amplify the material for the Malaria Commission's new report.

In the sphere of nutrition, the Soviet Union has introduced innovations. The collective kitchens and factory restaurants, which provide special diets for certain pathological conditions, deserve study on the spot. The scientific basis of this mass feeding is provided by the work of the Nutrition Institutes, of which the Moscow Institute is typical. A problem which will entail wider research is that of the proper nutritive ration for different trades and different expenditures of muscular effort. The Union is already in possession of a large quantity of material relevant to this point.

There is no need to leave Moscow to see what importance is attached in the Union to town-planning and housing questions. Factories and blocks of flats are being constructed; great arteries are being pierced, and a new plan of extension has been drawn up. Nor are the great efforts of the last few years regarded as sufficient: more buildings are to be constructed at an even more rapid pace, and new underground railways are being made to serve outlying districts. It will be seen that

the Health Organisation has a great deal to gain from the co-operation of the architects, engineers, and hygienists of the Union of Soviet Socialist Republics in the study of urban housing problems.

Furthermore, now that, thanks to the action of the "kolkhozes", hygiene is penetrating further into the rural districts, the whole question of hygienic rural housing is coming to the fore. This is another subject with which the Health Organisation is concerned, and in the study of which the assistance of hygienists and sanitary engineers of the Soviet Union is highly desirable.

8.

TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS.

WORK OF THE PERMANENT CENTRAL OPIUM BOARD.

The Permanent Central Opium Board held its twenty-eighth session in Geneva from August 21st to September 1st, 1936.

At this session the Board drew up its report to the Council on its work during the past year. The principal subject dealt with in the report is the situation in the manufacturing countries during the year 1935 as regards the dangerous drugs covered by the 1931 Drugs Limitation Convention.

The tables published by the Board in this report indicate the quantities of narcotic drugs manufactured by various countries in excess of the quantities authorised to be manufactured for the year 1935 : amounting to 2,303 kg. for morphine, 68 kg. for diacetylmorphine and 269 kg. for cocaine. Surplus manufacture occurred, however, in fewer of the principal manufacturing countries in 1935 than was the case in the preceding year. Moreover, some of the surplus quantities manufactured are apparent only — *i.e.*, were actually consumed or utilised for legitimate purposes during the year, and most of the others are satisfactorily accounted for. This goes to show that the difficulties inherent in the working of the Limitation Convention are gradually being overcome.

The total manufacture of morphine was 31,427 kg. — *i.e.*, 4,649 kg. more than in 1934. The increased quantity was due mainly to morphine manufactured for use as such. The Board concludes that the average manufacture of morphine for the last three years appears to correspond approximately to the annual consumption, the fluctuations in manufacture being mainly due to variations in stocks.

On the other hand, the marked decrease in the manufacture of diacetylmorphine continued in 1935 : 39% less than in 1934.

Considerable decreases of manufacture were noted, particularly in the case of Germany and Japan. There was an increase in the manufacture of cocaine of 538 kg., the amount manufactured in 1935 being 4,002 kg. Taking the manufacture over the last three years, however, it appears to be more or less constant and represents normal consumption requirements.

In connection with its task under the drug Conventions of watching the course of the international trade, the Board had to deal during the year with a number of cases of excess of imports over estimates. Only in 12 cases (as compared with 29 cases in 1934) the quantities involved justified the application of Article 14, which prescribes that, on receipt of a notification from the Board, Governments will not, unless in exceptional circumstances, authorise any new exports to the countries in question until a supplementary estimate has been furnished. The Board notes with satisfaction that in 1935 there was a considerable decrease of importation in excess, both as regards the number of cases and as regards the total quantities involved.

9.

INTERNATIONAL ASSISTANCE TO REFUGEES.

I. NANSSEN INTERNATIONAL OFFICE FOR REFUGEES.

The Governing Body of the Nansen International Office for Refugees is submitting to the Assembly a report for the year ending June 30th, 1936, on the Russian, Armenian, Assyrian, Assyro-Chaldean, Saar and Turkish refugee problems.¹ Reference has already been made in Part I of the Annual Report on the Work of the League for 1936 to most of the questions covered by the report of the Governing Body.²

II. REFUGEES COMING FROM GERMANY

In agreement with the Secretary-General, the High Commissioner convened at Geneva on July 2nd, 1936, an inter-governmental Conference to adopt a provisional Arrangement concerning the status of refugees coming from Germany, the draft of which had previously been communicated to the Governments concerned.

The Conference sat for three days under the Presidency of M. Guani, Uruguayan Minister Plenipotentiary in London, Permanent Delegate of Uruguay accredited to the League of Nations.

The representatives of the following countries were present : Belgium, United Kingdom, Czechoslovakia, Denmark, Ecuador, Irish Free State, France, Latvia, the Netherlands, Norway, Poland, Roumania, Sweden, Switzerland and Uruguay.

¹ Document A.23.1936.XII.

² See Part I of this report, pages 206-214 (document A.6.1936).

The United States of America and Finland sent observers.

The Conference adopted, with various modifications, the draft provisional arrangement submitted to it.¹

The Arrangement was signed by six Governments — namely, Belgium, Denmark, France, the Netherlands, Norway and Switzerland.

The Danish and French Governments having acceded to the Arrangement without any reservation concerning ratification, the Arrangement came into force on August 4th, 1936, in accordance with the provisions of its final clauses.

The representatives of the other Governments having signed *ad referendum*, the Arrangement will come into force for each of them as soon as the Secretary-General of the League of Nations has received the necessary confirmation.

The provisional Arrangement provides that the contracting Governments shall issue to refugees coming from Germany, and lawfully residing in the countries to which the Arrangement applies, an identity certificate analogous to the Nansen Passport issued in accordance with previous agreements concerning Russian, Armenian and other refugees. For the issue of these identity documents, the provisional Arrangement contains a definition of the term “refugee coming from Germany”.

In addition to provisions concerning the issue, renewal and legal effects of the new identity certificate, the Arrangement contains certain administrative provisions under which the Governments undertake, subject to measures dictated by reasons of national security or public order, not to resort to expulsion or sending back to the frontier.

The provisional Arrangement contains certain rules concerning the legal standing of refugees and, in particular, the determination of the law governing their personal status, rights acquired under the national law, and the right to appear before the courts as plaintiff or defendant.

Final clauses provide that the Arrangement may be denounced at any time and that denunciation shall take effect forty-five days after the receipt of notification.

¹ The text adopted is reproduced *in extenso* in the annex to the report of the High Commissioner for Refugees coming from Germany, submitted to the seventeenth session of the Assembly (see document A.19.1936.XII).

In concluding its work, the Inter-governmental Conference recommended that the system defined under the provisional Arrangement should come into force as soon as possible, and that such Governments as might require parliamentary sanction for certain parts of the Arrangement should nevertheless put into effect without delay those parts thereof which could be put into force by purely administrative decisions.

Lastly, the Inter-governmental Conference proceeded to a preliminary discussion concerning the desirability of concluding a Convention which would embody, not merely the matters dealt with in the provisional Arrangement, but also clauses concerning access of refugees to the labour market and provisions concerning social assistance and welfare.

The observations made in this connection show that the situation is not yet sufficiently ripe for such action, but that the administrations concerned are prepared to give favourable consideration to any useful proposals that the High Commissioner might submit to them on this subject.

10.

INTELLECTUAL CO-OPERATION.

WORK OF THE INTERNATIONAL INTELLECTUAL CO-OPERATION ORGANISATION.

I. WORK OF THE INTERNATIONAL COMMITTEE ON INTELLECTUAL CO-OPERATION AND ITS SUBORDINATE COMMITTEES.

At its eighteenth ordinary session, held at Geneva from July 6th to 18th, 1936, under the chairmanship of Professor Gilbert Murray, the Committee on Intellectual Co-operation considered the work done during the period 1935/36 by the Permanent Committee, the Committees of Experts, and the International Institute of Intellectual Co-operation.

The Committee also sat as Governing Body of the International Institute of Intellectual Co-operation, under the chairmanship of M. Herriot. After approving the Institute's accounts for the period 1935, it adopted the draft budget for 1936, submitted to it by the Directors' Committee and the Director of the Institute, and reached decisions on various administrative questions concerning the management of the Institute. During the year which preceded the session, the Executive Committee and the Directors' Committee of the Institute held three sessions — on December 19th and 20th, 1935, April 6th and 7th, 1936, and July 11th, 1936. At this last meeting, the Executive Committee examined, as usual, the whole programme to be submitted to the Committee on Intellectual Co-operation, and decided what questions seemed to call for more detailed consideration.

The Advisory Committee on League of Nations Teaching sat at Geneva on July 8th and 9th; the Committee of Scientific Experts on July 9th and 10th. The results of their work are described below.

The Permanent Committee on Arts and Letters met this year at Budapest from June 8th to 12th, 1936. The meeting was organised in conjunction with the Hungarian National Committee on Intellectual Co-operation, with the generous assistance of the Hungarian Government. The "Conversation" turned on the problem of the humanities; an account of it is given in the section below on "Conversations".

*Composition of the International Committee
on Intellectual Co-operation and of the Permanent Committee
on Arts and Letters.*

Important changes occurred this year in the composition of the *International Committee on Intellectual Co-operation*. One of its most eminent members, M. Loder, who had resigned for reasons of health, died shortly afterwards. At its session in September 1935, the Council appointed in his place M. J. Huizinga, Professor of History in the University of Leyden. The Committee had also to deplore the loss of M. Rocco, who had devoted himself since 1925 to the cause of intellectual co-operation, and was one of the main promoters of its development.

Under the system of rotation, the Committee was deprived of the collaboration of three of its members. M. Gösta S. Forsell has been replaced by M. Nørlund, Professor of Physics in the University of Copenhagen, whose scientific experience will be invaluable; M. von Srbik's place has been taken by Count Degenfeld-Schönburg, as representative of German culture; M. Francisco García Calderón, novelist and essayist, will continue Latin-American collaboration. The terms of office of Mr. Sarvapalli Radhakrishnan and M. Castillejo have been extended for another three years.

The Committee renewed the composition of the *Permanent Committee on Arts and Letters* and appointed, in place of the late M. Jules Destrée, M. Paul Hymans, Belgian Minister of State, and in place of the retiring members, M. Paribeni, M. Costa du Rels, M. Ostberg, M. Pirandello (Italy), M. Bojer (Norway), and Mlle. Gabriela Mistral (Chile).

It noted with regret that, owing to its very limited financial resources, it was unable to secure certain valuable co-operation, and expressed the hope that the Council and Assembly would

consider how the membership of the Permanent Committee on Arts and Letters might be so increased as to allow of the nomination of persons representative of those great world cultures which are not at present represented, and whose co-operation in the Committee's work is highly desirable.

*Revision of the Statute
of the Intellectual Co-operation Organisation.*

Like the other committees which advise the League Council, the Committee on Intellectual Co-operation has been called upon to revise its Rules of Procedure. Finding that, for the Intellectual Co-operation Organisation, this was a particularly complex problem, the Committee passed a resolution asking the Council's leave to postpone the submission of the new draft rules, and appointed a special committee to study the revision and adjustment of the Statute of the Intellectual Co-operation Organisation as a whole.

Intellectual Co-operation at the Paris Exhibition of 1937.

In 1935, M. Herriot, Chairman of the French National Committee, extended to his colleagues on behalf of the French Government an invitation to hold the nineteenth annual session of the International Committee on Intellectual Co-operation in Paris, in connection with the Universal Exhibition of Modern Art and Technique. The Executive Committee accepted this invitation, and negotiations were conducted between the Commissariat-General for the Exhibition, the Secretariat of the Organisation, and the International Institute of Intellectual Co-operation. As a result, preparations have been made for an "Intellectual Co-operation Month", which will comprise :

(1) The nineteenth annual session of the International Committee on Intellectual Co-operation ;

(2) The session of the Permanent International Studies Conference ;

(3) A "Conversation" under the auspices of the Permanent Committee on Arts and Letters ;

(4) The second General Conference of National Committees on Intellectual Co-operation.

These meetings will last from June 28th to July 31st, 1937.

II. " CONVERSATIONS ".

The " Conversations " inaugurated by the Committee on Arts and Letters in 1931 have undergone a remarkable development. The Intellectual Co-operation Committee has felt it necessary to ensure the greatest possible measure of continuity in this Committee's work, and has instructed its Bureau to draw up a list of subjects for future " Conversations ". It regarded with favour the proposal of the Polish member of the Committee, M. Bialobrzewski, for the organisation of a " Conversation " among scientists on the effects of new theories and recent discoveries in physics on intellectual life. Recognising the great interest of the student organisations' proposal for a students " Conversation ", it instructed its Secretariat to enquire into the possibilities, in the hope that such a " Conversation " might reveal the various trends of thought current among university youth.

Budapest " Conversation ".

At the invitation of the Hungarian Government, and by arrangement with the Secretary-General of the League of Nations, the Permanent Committee on Arts and Letters organised from June 8th to 12th, 1936, at Budapest, a " Conversation " on " The Rôle of the Humanities in the Training of Modern Man ".

The participants were of two classes : Some were members of a delegation of the Permanent Committee on Arts and Letters specially appointed for the " Conversation ", and consisting of members or substitute members of the Committee, while others had been directly invited by a Hungarian Organising Committee, in agreement with the Secretariat of the Intellectual Co-operation Organisation and the Paris Institute.

Of all the " Conversations " organised by the Permanent Committee on Arts and Letters, that of Budapest was one of the most interesting and most carefully prepared. Written contributions had been sent in advance by some of the persons invited. These served as a basis of discussion, and enabled the debates to be conducted, if not in a strictly methodical, at any rate in a consecutive manner. The teaching of the humanities and its present value were dealt with in a very large number of statements. Nevertheless, particularly at the end, the discussion assumed

a wider scope, dealing with the more general theme of the "training of contemporary man" and with the definition of modern humanism.

The Hungarian authorities and intellectuals accorded a particularly warm welcome to the participants, laying special stress on the fact that this was the first meeting to be held in Hungary under League auspices.

The Budapest "Conversation" was held in an extremely favourable atmosphere, and the method inaugurated by the Permanent Committee on Arts and Letters once again proved its practical interest and value.

Buenos Aires "Conversation".

On the occasion of the Congress of the Federation of P.E.N. Clubs, which is to be held at Buenos Aires in September next, a meeting of Latin-American and European authors has been arranged on the initiative of M. Antonio Aita, General Secretary of the Argentine P.E.N. Club. The theme chosen, "Present Relations between European and American Cultures", will afford an opportunity of ascertaining the present state of intellectual relations between America and Europe; comparing the influences that they exert on one another at the present time with the influences exerted in the recent past; and perhaps determining the direction of future collaboration.

III. INTERNATIONAL RELATIONS.

Permanent International Studies Conference.

The scientific study of international relations, within the ambit of the Intellectual Co-operation Organisation, has developed considerably within the past year. By way of collaboration between scientific circles in different countries, a new international organisation is in process of formation, having a common secretariat and well equipped — thanks to the constant growth and steadily improving organisation of national institutions. Its field of activity takes in the whole group of questions which dominate foreign policy and the mutual relations of States, including those great problems which, although they do not, properly speaking, fall into the category of international relations,

are nevertheless of common interest, politically or socially, to the majority of peoples — monetary, agricultural, internal economic, and unemployment problems, to mention only a few. The need for constant co-operation is felt in this field quite as much as in other branches of intellectual activity, if not more. Centres specialising in this type of work need to be kept informed of what is being done beyond their national boundaries.

One of the most striking features of the enterprise is the development of organisations which seek to elucidate the different aspects of the always controversial problems of foreign policy — both old institutions undergoing improvement and new ones just established. As all these organisations are associated in the International Studies Conference, a more elastic formula of collaboration has been worked out, ensuring contact, not only with its regular members, but also with institutions and committees which, though pursuing the same ends, are not yet fully qualified for actual membership.

The Institute is faced with a great task with which it could not easily have coped but for substantial aid from the Rockefeller Institution, which has made a generous grant for the expansion of its International Relations Service, while also devoting large sums to the development of national institutions specialising in the study of these contemporary phenomena.

The Permanent International Studies Conference sat at Madrid from May 27th to May 30th, 1936, under the presidency of Professor Gascon y Marin, President of the Federación de Asociaciones Españolas de Estudios Internacionales, at whose invitation Madrid was selected. The sessions devoted to the discussion of *methods of peaceful change* were held under the direction of Professor James T. Shotwell, and those at which the *university teaching of international relations* was discussed, under that of Professor Ehrlich, President of the Committee of Polish Institutions.

The questions discussed included: (1) Demographic questions; (2) Raw materials; (3) Markets; (4) Colonial questions; (5) National and racial questions; (6) Questions relative to the Danube region.

The Institute will publish the results of the Madrid debates in the *Bulletin of Intellectual Co-operation*, and will also make systematic preparations for further discussions.

As Chairman of its Executive Committee, the Conference elected Professor Gascon y Marin in place of Professor Eisenmann, who was chosen Honorary President of the Committee.

It accepted, for 1937, the invitation of the French Committee for the Co-ordination of International Studies to sit at Paris from June 28th to July 4th inclusive.

The International Committee on Intellectual Co-operation announced that it was prepared to give its wholehearted support and use every means in its power in promoting the development of this activity, which it regarded as a highly important factor in bringing about a better understanding between the nations.

Bilateral Intellectual Agreements.

A study on the intellectual agreements reached between a number of countries was submitted to the Committee last year. After considering it, the Committee asked the Institute to see whether a collection of these agreements could be published, with statements where possible of the results obtained. Much material has been collected with the help of the National Committees and the Government delegates. In spite, however, of the goodwill of the Government offices to which questions have been addressed, the work is not yet quite complete ; but it is proceeding satisfactorily.

Broadcasting Problems.

At its meeting on September 28th, 1935, the Assembly considered a revised draft Convention on the use of broadcasting in the interests of peace, and decided that it could be submitted for final examination to a diplomatic conference to be convened in connection with the 1936 Assembly. It requested the Council to summon this meeting. The Council, at its session in January 1936, decided to call the Conference and to invite the Members of the League of Nations and the following States : Germany, the United States of America, Brazil, Costa Rica, the Free City of Danzig, Egypt, Iceland and Japan. It will meet at Geneva on September 17th, 1936.

Up to the present, the following States : Austria, Belgium, United Kingdom, Bulgaria, Colombia, Czechoslovakia, Denmark, Ecuador, Finland, Hungary, the Irish Free State, Latvia,

Lithuania, Nicaragua, New Zealand, Norway, Poland, Roumania, Sweden and the Union of Soviet Socialist Republics, have replied to a letter from the Secretary-General stating that they will send representatives to the Conference.

Bolivia, Brazil, Costa Rica, the Dominican Republic, India, Mexico and Venezuela state that they will communicate their decision later.

The following States will not be represented at the Conference : Australia, China, Estonia, Guatemala, Iceland and Iran.

The Union of South Africa particularly regrets that it will be unable to take part in the Conference. It says that it is in full agreement with the principles embodied in the Convention, but wishes to subject the text to a careful study, which cannot be completed before the date of the Conference. It reserves the right to accede to the Convention after its entry into force, as provided under Article 10 of the draft Convention.

IV. COLLABORATION OF THE INTELLECTUAL CO-OPERATION ORGANISATION WITH CHINA.

In the domain of intellectual co-operation, relations between the League and China have been maintained regularly, through the Chinese National Committee on Intellectual Co-operation at Shanghai and the Sino-International Library at Geneva. Mention should also be made of the important part played by M. Li-Yu-Ying, President of the National Academy at Peiking, in promoting closer relations between China and the Institute of Intellectual Co-operation.

The Chinese Committee on Intellectual Co-operation has continued its endeavours to make the work of the Intellectual Co-operation Organisation known in China. It has published in Chinese the report of the International Committee on Intellectual Co-operation on its sixteenth plenary session and the volume issued by the Institute after the Frankfort "Conversation" on Goethe. But the most important achievement of the Chinese Committee in 1936 was the publication of the "Handbook of Cultural Institutions in China", edited by W. Y. Chyne, Assistant Secretary-General to the Committee, containing information regarding 150 cultural societies, 100 libraries, 25 museums, 11 observatories, 88 institutes and other research

organisations, 42 technical and professional schools, 45 universities, and 38 university colleges. This handbook has also been published in Chinese.

Through the Chinese Committee also, negotiations were conducted with Chinese scientific circles in order to secure the participation of Chinese scientists in the work of the International Studies Conference held at Madrid from May 27th to 30th, 1936. The Chinese scientific circles concerned are also being kept informed of the progress of the work of the Institute of Intellectual Co-operation in connection with the co-ordination of sociological studies, and will be asked to take part in due course.

Mention should likewise be made of the negotiations entered into, through the Institute, to secure Chinese participation in the intellectual co-operation section of the Paris International Exhibition of 1937, and the publication by the Institute of a study by M. Jean Escarra on "La science et l'enseignement du droit en Chine". This forms a sequel to the book published by the Institute in 1932 on "The Reorganisation of Education in China". Finally, the Institute has continued to take an interest in Chinese students in European and American universities.

V. EDUCATION.

Work of the Advisory Committee on League of Nations Teaching.

At its second session, in 1935, the Advisory Committee had contemplated an enquiry into the branches of education best suited to demonstrate the interdependence of modern nations and the scope of the principles of the Covenant. For that purpose, a detailed programme of work, to be spread over several years, had been prepared. It included in the first place an examination of the methods of presentation, within the scope of history courses, of the fundamental principles and the work of the League and an endeavour to ascertain the best way of demonstrating the interdependence of peoples and the need for international collaboration in the teaching of geography. Secondly, the Committee decided to study the part played by the teaching of modern languages in the formation of a spirit of international co-operation.

In conformity with this programme, the Advisory Committee was called upon at its third session to deal mainly with problems of history and geography teaching. The Committee's method of work since its reorganisation in 1933 is admirably adapted to specialisation. Besides a small number of regular members, who ensure continuity and maintain close contact with the other aspects of intellectual co-operation, the Committee is able to call in special experts on the most important questions on its agenda. Thus at its third session it had as assessors Inspectors-General of Secondary Education responsible for the preparation of history and geography programmes, and educationists who had specialised in those subjects. A number of suggestions from professional organisations, and detailed memoranda submitted by the assessors themselves and by other qualified persons, added greatly to the interest of the discussions.

The Advisory Committee once again stated its view that the teaching of both history and geography offers frequent opportunities of imbuing the younger generation with the concept of an international order, the necessity for international co-operation, and the ideas of humanity and peace which are at the root of the Covenant. In both spheres it decided to continue and extend the consultations it had previously undertaken, and it has in contemplation, as aids to teachers of these two subjects, the publication of plans of study, textbooks and other documents on the League of Nations and the preparation of appropriate geographical material.

As regards the teaching of modern languages, the Committee merely took note of the memorandum from the International Bureau of Education on the enquiry in progress, the results of which will be carefully examined at the next session.

The Advisory Committee has always shown great interest in publications dealing with the League of Nations, and in this connection it considered the recent book entitled "The Aims, Methods, and Activity of the League of Nations", and the last number of the *Bulletin of League of Nations Teaching*. It noted with keen satisfaction that these publications gave the general public valuable information and supplied teachers with material calculated to enlarge and enliven their instruction. It expressed the hope that the *Bulletin* would again be published at more frequent intervals.

At its previous session, the Committee, through the Committee on Intellectual Co-operation, had conveyed to the sixteenth Assembly its hope that the necessary funds might be provided for a study-tour by educational experts. The Committee noted that the Assembly had not seen its way to accede to this request and again laid stress on the great importance attaching to this plan, which, it thought, would greatly help to promote among schoolteachers a better comprehension of other nations.

The Committee heard a detailed report by Mr. S. H. Bailey, Lecturer at the London School of Economics and Political Science, on the comparative study he had compiled on the basis of the Secretariat's enquiry concerning the present state of the teaching of international relations in higher education in different countries. The Committee was gratified to learn that this study would shortly appear in English, and hoped that arrangements would be made to have it circulated in the interested quarters and, if necessary, translated into other languages.

The Committee also considered a proposal from the Swedish Broadcasting Company, supported by the Ministers for Foreign Affairs of the four northern countries, that regular co-operation should be established between the competent sections of the Secretariat and the broadcasting companies and adult education associations, with the idea of providing study-circles interested in international relations with suitable material in the form of publications and broadcasts. The Committee felt that this suggestion might offer it new fields of work, and therefore decided to transmit it to the Assembly.

The Committee on Intellectual Co-operation approved the whole of the Advisory Committee's programme of work and its proposals for the agenda of its next session ; it decided that the session should be held at Paris during the " Intellectual Co-operation Month " to be organised in July 1937 as part of the Universal Exhibition of Modern Art and Technique.

Revision of School Textbooks.

At its sixteenth session, the League Assembly approved a declaration drawn up by the International Committee on Intellectual Co-operation, and requested the Council to forward it to the States Members of the League and to non-member States, inviting their accession.

Up to August 1st, 1936, replies had been received from the following States :¹ Australia, Brazil, the United Kingdom, Bulgaria, Colombia, Costa Rica, the Free City of Danzig, Denmark, Egypt, Estonia, Finland, France, Hungary, Iceland, India, Liechtenstein, Luxemburg, Mexico, Monaco, the Netherlands, New Zealand, Sweden, Switzerland, the United States of America, and Uruguay.

The great majority of these replies are favourable, and various Governments have indicated the steps already taken or contemplated for the revision of school textbooks and the elimination of biased statements in accordance with the principles laid down by the Intellectual Co-operation Organisation.

The Hungarian Government reports that there already exists in Hungary a commission of the kind advocated in the declaration. It is, however, only prepared to sign the declaration on the basis of reciprocity.

International Educational Bibliography.

The first attempt at an international educational bibliography, published last June by the International Institute of Intellectual Co-operation in conjunction with the national centres, has been very well received by educationists. The experts found it preferable to confine this first experiment to problems of essentially international interest.

This year, the Institute, in agreement with them, has extended the scope of its information ; it has compiled a list of general headings bearing also on questions of pedagogy proper and on the philosophy of education.

Organisation of Higher Education.

The Committee of Directors of Higher Education has not met in 1936, but its members have remained in constant touch with the Institute in order to put the final touches to the first volume, which summarises the Committee's work. This book, which has just been published, deals with the organisation of higher education in Germany, Spain, the United States of America, France, Great Britain and Northern Ireland, Hungary, Italy and Sweden, the organisation of scientific research outside

¹ See document C.328.M.205.1936.XII.

educational establishments, and University statistics, and also includes bibliographical notes.

It embodies the results of patient research and enquiry carried on over a period of three years by the most highly qualified authorities with the aid of the official services concerned, and the fruits of the discussions and comparative studies of the Committee of Directors of Higher Education.

Meeting of International Student Organisations.

The Committee of International Student Organisations has just completed its tenth year of existence. The small Committee, which held its usual annual meeting in Paris at the end of 1935, felt that the completion of the first decade could not be better celebrated at the plenary meeting of 1936 than by a general review of the work done by the Committee as such and by its members during that period. It seemed desirable, if not indeed necessary, to weigh the experiences, the successes and failures of the past, to draw up a balance-sheet of results, and to deduce from it how present methods could best be adapted to altered conditions. Consequently, the 1936 meeting in the new Palace of the League of Nations, at Geneva, at which M. Oscar de Halecki presided, had "Students and International Co-operation" as the principal subject on its agenda.

Each organisation had prepared a memorandum treating this subject from its own point of view and in the light of its own experience, dwelling on four special aspects of the problem : (a) fundamental ideas or motives which justify the creation of international student organisations and animate their activities ; (b) methods followed by these organisations in the past ; (c) suggestions for the extension of their work ; (d) intellectual co-operation and students.

Furthermore, bearing in mind that it had become a body representative of the whole student world, and had special responsibilities as such, the Committee decided, in order to gain a better grasp of all the trends of opinion among students, to enquire into the possibility of organising "Conversations" which would bring together, not only the delegates of the affiliated organisations, but also students, professors and other qualified persons whose tendencies and views are not adequately represented in its membership.

VI. UNEMPLOYMENT AMONG INTELLECTUALS.

The International Committee on Intellectual Co-operation discussed in its many aspects the question of unemployment among intellectuals, and more particularly among University youth. It decided to call the attention of the Assembly and the Council to this tragic problem, and requested the International Institute of Intellectual Co-operation to pursue its enquiries in conjunction with the International Labour Office by collecting data on the state of unemployment among intellectuals and the opportunities for providing them with employment, this information to be as precise and accurate as possible. It recommended the establishment of university information bureaux, as capable of rendering valuable service in this field. It also approved the creation of an international information centre in connection with the Institute.

VII. FINE ARTS.

1. *International Museums Office.*

International Convention for the Protection of National Artistic and Historical Treasures.

In connection with the draft international Convention for the protection of national artistic and historical treasures, prepared by the International Museums Office, there has been a second consultation of Governments, to which a new draft was submitted under cover of a circular letter dated March 7th, 1936. As the outcome of the two consultations, numerous Governments have announced their readiness to accept the Convention. Consequently, the International Committee on Intellectual Co-operation has asked the League Council to arrange for a diplomatic conference of States Members and non-members of the League to be held in Paris in June 1937 for the purpose of adopting it.

Other Questions.

The Committee also dealt with various questions connected with the activities of the International Museums Office.

It approved the regulations for international art exhibitions drawn up by the Office, and requested the Council to authorise their transmission to the Governments Members and non-members of the League with the request that they be used as a guide in these matters.

It endorsed the Office's proposal to summon a plenary meeting of the International Commission on Historical Monuments to study problems connected with the preservation of such monuments from the standpoint of town-planning and modern architectural requirements.

It approved the agenda of the International Conference on Administrative, Legislative and Technical Problems arising in connection with Excavations on an International Basis. At the kind invitation of the Egyptian Government, this conference will be held at Cairo.

It agreed to the various co-ordination work suggested by the International Museums Office for the compilation of international lists of collections, and to the appointment of editorial committees for the purpose.

It recognised the desirability of publishing a series of comparative studies on the regulation of the trade in works of art and the international circulation of such works.

Finally, the Committee expressed its appreciation of the administrative enquiries and technical researches undertaken by the Office during the year, and sanctioned its programme of future work.

M. Salvador de Madariaga, former Ambassador, member of the Permanent Committee on Arts and Letters, was elected Chairman of the [Committee of Directors of the International Museums Office for two years.

2. International Architectural Competitions.

In September 1933, the Council of the League, on the advice of the International Committee on Intellectual Co-operation, decided to convene a committee of architectural experts to study the question of international architectural competitions. This Committee met on April 2nd and 3rd, 1936, at the International Institute of Intellectual Co-operation in Paris.

The Chairman of the Committee was M. Henry van de Velde, Director of the Institut supérieur des Arts décoratifs, of Brussels.

The International Committee of Architects was represented by M. Paul Vischer (Swiss), Mr. Cart de Lafontaine (British), and M. Em. Pontremoli (French). Another body, known as "International Meetings of Architects", was represented by M. Pierre Vágó, Secretary-General of its Central Organising Committee.

The Committee's main duty was to give the International Committee on Intellectual Co-operation practical advice which would enable it to furnish the Council of the League of Nations with further information on the question raised by the United Kingdom Government in 1933.¹

The Committee felt that it would be meeting the wishes of the International Committee on Intellectual Co-operation by suggesting a method of work which would take into consideration the desires of the chief professional organisations and at the same time allow of such precautions as must accompany any step taken in such a matter by an official institution like the League of Nations.

It considered that regulations to improve and standardise the organisation of international competitions would be highly desirable, and drew attention to the more justified criticisms² that have recently been made.

In its report of July 1933, the Committee on Intellectual Co-operation had laid particular stress on the desirability of framing draft standard regulations. The Architectural Committee considered that these regulations should be accompanied by other drafts, to supplement them or facilitate their enforcement.

The Committee on Intellectual Co-operation was of opinion that the question of regulating the organisation of international architectural competitions, including competitions in connection with certain arts associated with architecture, was of interest both to Governments and to professional associations, and that the Intellectual Co-operation Organisation might, on the lines indicated by the experts, make a useful contribution, the nature and scope of which it would have to determine. It felt that in this matter the Organisation should devote its attention mainly to remedying existing deficiencies, and accordingly recommended the Council

¹ See *Official Journal*, February 1933, pages 264 and 265.

² See document C.328.M.205.1936.XII.

of the League to authorise a scheme of consultation and study.

The Committee further noted that architecture and the associated arts raised other international problems which the Intellectual Co-operation Organisation could not ignore, and it expressed the hope that the Institute would also invite suggestions from the Committee of Architects concerning some of these problems.

VIII. EXACT AND NATURAL SCIENCES.

At its sixteenth session, the Assembly of the League gave favourable consideration to the proposals of the International Committee on Intellectual Co-operation to extend its activity in the scientific sphere, more particularly through closer co-operation with the International Council of Scientific Unions.

For this purpose, the Assembly voted a temporary special credit for a Committee of Scientific Experts to be set up to advise on various points, including the scope and character of one of the Intellectual Co-operation Organisation's most recent undertakings in the scientific sphere — the promotion of an attempt at international co-ordination.

On the basis of the Executive Committee's instructions, the Secretariat of the Organisation, in agreement with the Paris Institute, appointed the members of a Committee of Experts to formulate reasoned opinions on these preliminary questions.

This Committee met at Geneva on July 9th and 10th, 1936, under the chairmanship of M. Blas Cabrera, Director of the National Institute of Physics and Chemistry, Professor in the University of Madrid.

The Committee studied numerous questions in connection with the possibility of the Intellectual Co-operation Organisation's collaboration in the scientific field, the co-ordination of research work, etc. It drew up a detailed scheme of work, suggesting, in particular, the constitution of a Permanent Scientific Committee to carry out the scientific programme of the Intellectual Co-operation Organisation and gradually extend it as new needs arose and fresh resources became available.

The International Committee on Intellectual Co-operation noted that the programme prepared by the Committee of Scientific Experts emphasised the importance and practical value of an

extension of intellectual co-operation in the scientific field, and consequently asked the Council and the Assembly to render possible the execution of this programme, which would be spread over a period of several years, by authorising the constitution of a scientific committee on similar lines to the Permanent Committee on Arts and Letters.

IX. LITERATURE.

Three new volumes of the *Ibero-American Collection* have appeared or will appear in 1936 :

(a) “Don Casmurro”, by Machado de Assis (second of the Brazilian series) ;

(b) The “Essais” of E. M. de Hostos (a Porto Rican writer) ;

(c) “Mis Montañas”, by Gonzalez (second volume in the Argentine series).

In addition to the countries which have already provided funds for the publication of a volume or volumes (Argentine, Brazil, Chile, Cuba, Peru, Porto Rico, and Venezuela), Ecuador has officially promised a subsidy, while negotiations with Uruguay and Mexico have made considerable progress.

The *Index Translationum* continues to appear regularly. Efforts have been made, with satisfactory results, to obtain additional information direct from publishers about translations published by them, notably the titles of the original works. As to the Russian list, which presents difficulties in connection with the transliteration of the authors' names from Cyrillic into Latin characters, the Moscow Central Book Office has promised to help.

In the *Japanese Collection*, a new series of translations has been undertaken with funds supplied by the Japanese Government. The International Committee on Intellectual Co-operation has expressed the hope that the collection will include, if possible, certain works embodying the theme of the relations of Japanese culture with the West.

The International Institute of Intellectual Co-operation has proceeded this year, in the form of consultations with experts, with the study of the proposal made at the 1934 Assembly by

M. Roberto Levillier, delegate of the Argentine, that a *collection of ethnographical and historical works on the origins of American civilisation* should be published.

In 1935, the majority of the delegates, while in favour of the proposal, asked the Assembly to decide that the plan should be further considered by historians, who would be asked to reduce the proportions of the proposed collection. The financial basis of the enterprise, which must be independent of the Institute and League budgets, is not yet secure.

As regards the size and character of the collection, therefore, the Committee has decided to adhere to the opinion expressed last year. It thinks that the decisions to be taken and the conditions that must be fulfilled to allow of the execution of the programme are matters either for the Governments themselves or for the interested institutions. Its Executive Committee has been instructed to make the necessary arrangements in the course of the year.

X. LIBRARIES, ARCHIVES AND DOCUMENTATION.

In 1935, the Institute of Intellectual Co-operation was instructed to prepare a study on the building and equipment of libraries. The bibliographical work is proceeding. A detailed plan for the enquiry has been prepared after consultation with the members of the Committee of Library Experts.

The Institute has published a volume on the training of librarians, which the Secretary-General of the League has transmitted to Governments under cover of a circular letter dated January 7th, 1936, drawing their particular attention to the methods of training recommended.

The second volume of the "Guide to Archives" is in preparation; it will deal with oversea countries.

A study on documentation is almost completed, and will appear in the course of the year under the title "Documentation — Introduction to the Study of its Different Aspects".

XI. NATIONAL COMMITTEES ON INTELLECTUAL CO-OPERATION.

Since the last Assembly, efforts have been made to develop the relations with the National Committees on Intellectual Co-

operation. Following its previous policy, the International Committee has invited the National Committees of Belgium and Estonia each to delegate one member to keep in touch with its work. Furthermore, to encourage the formation of national committees in the Argentine, Venezuela, and the Irish Free State, M. Roberto Gache, Counsellor of the Argentine Embassy in Paris, M. Arocha, Permanent Delegate of Venezuela to the League of Nations, and Professor W. Magennis, of University College, Dublin, have been invited to co-operate with the International Committee. With similar ends in view, the secretariat of the Organisation and the Institute of Intellectual Co-operation have begun or continued negotiations with the following countries for the establishment of national committees : in Europe, with Spain and the Union of Soviet Socialist Republics ; in America, with the Argentine, Canada, Colombia, Uruguay, and Venezuela ; in Africa, with Egypt ; and in Asia, with Iran, Palestine, and Turkey. Certain committees, such as those in Chile and Portugal, have been reorganised. The National Committees of the Baltic States — Estonia, Latvia and Lithuania — have initiated a very interesting movement, having met to consider how they can best collaborate. A programme of joint action has already been prepared.

The Committee on Intellectual Co-operation has convened in Paris the second General Conference of National Committees, which will be held as part of the " Intellectual Co-operation Month ". The Conference will open on July 5th, 1937, under the presidency of Professor Gilbert Murray, and will last five days. The total number of acceptances so far received is thirty-two : Australia, Austria, Belgium, the United Kingdom, Bulgaria, China, Cuba, Czechoslovakia, Denmark, Estonia, Finland, France, Greece, Hungary, Iceland, India, Italy, Japan, Latvia, Lithuania, Luxemburg, Mexico, the Netherlands, Norway, Poland, Portugal, Roumania, Sweden, Switzerland, Syria, the United States of America and the Catholic Committee on Intellectual Co-operation.

The 1935 Assembly showed its interest in this proposal by adopting the following resolution :

“ The Assembly :

“ Draws the attention of Governments to the General Conference of National Committees on Intellectual Co-operation,

which is to be held at Paris in 1937, in connection with the Universal Exhibition of Civilisation ;

“ Expresses the hope that the Governments will facilitate the realisation of this project by affording substantial aid to their National Committees.”

XII. INTELLECTUAL RIGHTS.

In conjunction with the Rome International Institute for the Unification of Private Law, the Institute of Intellectual Co-operation has continued its efforts to harmonise the two main international systems which at present govern authors' rights — the Berne Convention, last revised at Rome in May 1928, and the Pan-American Convention, last revised at Havana in February 1928. The sixteenth Assembly had asked the two Institutes to get into touch with the Special Committee set up by the Pan-American Union under the presidency of Senator José Antuna. Two important meetings have been held which have made it possible to give effect to this decision : one at Rio de Janeiro in October 1935 ; the other in Paris in April 1936. The latter evolved, from the various proposals before it, a constructive formula for a worldwide agreement. Being of opinion that a new convention preserving the principles common to the two previous Conventions would be desirable, it prepared a draft text of such a convention.

As regards performers' rights, the International Committee on Intellectual Co-operation came to the conclusion that an international convention might now be contemplated as the solution of the problem, and asked the Council to draw the attention of the Governing Body of [the International Labour Office to the urgency of including the question in the agenda of a forthcoming International Labour Conference.

XIII. WORK OF THE INTERNATIONAL EDUCATIONAL CINEMATOGRAPHIC INSTITUTE.

In accordance with its instructions, the Institute of Intellectual Co-operation has endeavoured to extend its relations with the Rome Institute. The latter has assisted the Child Welfare Committee in its study of the recreational rôle of cinematography, which must necessarily be regarded as one aspect of its

educational work. It does seem very desirable that a joint programme of work should be drawn up by the Child Welfare Committee and the Rome Institute, which comes under the jurisdiction of the Intellectual Co-operation Organisation. The Educational Cinematographic Institute therefore proposes, during next year, to prepare a programme which it will submit to the Child Welfare Committee.

The Rome Institute has practically completed its "Cinematographic Encyclopædia", and proposes in the course of the year to publish, in place of its review *Interciné*, a fortnightly review entitled *Cinéma*. Although this review will be published in Italian only, it may be regarded as an international review in the sense that it will be open to contributions from all countries, and its news will be drawn from sources impartially consulted by the Institute.

In agreement with the Secretariat of the Intellectual Co-operation Organisation, the Institute has continued its efforts to obtain further accessions to the Convention for facilitating the International Circulation of Films of an Educational Character. Since the last Assembly, the Convention has been acceded to or ratified by Belgium, the United Kingdom, Cuba, Egypt, Hungary, Iraq, Latvia and Nicaragua, and the number of ratifications is now twenty.

The Institute has continued its work in the field of television, and has decided to establish an information centre, with an experimental television transmitting station and a demonstration laboratory attached.

11.

LEGAL AND CONSTITUTIONAL QUESTIONS.

I. COMPOSITION OF THE LEAGUE AND OF THE COUNCIL : CHANGES DURING 1936.

By a letter to the Secretary-General, received on July 10th, 1936, the Government of Honduras gave notice of withdrawal from the League of Nations under Article 1, paragraph 3, of the Covenant.

II. WORK OF THE INTERNATIONAL INSTITUTE AT ROME FOR THE UNIFICATION OF PRIVATE LAW. (June 15th, 1936 — September 15th, 1936).

The session of the Permanent Committee held at Trouville on August 5th and 6th, 1936, was preceded by two meetings of the Committee of Experts on Arbitration and the Committee of Experts on Contracts between Absent Persons.

Arbitration.

The Committee of Experts on Arbitration, which met from July 30th to August 1st, 1936, drew up an explanatory memorandum on the draft International Law on Arbitration at Private Law. As soon as the Governing Body, at its October 1936 session, has approved the draft and the explanatory memorandum, these will be communicated to the Council of the League of Nations.

Contracts between Absent Persons.

The Committee of Experts on Contracts between Absent Persons examined, at its session from August 3rd to 5th, 1936, the

draft it had provisionally approved at its October 1935 session, together with M. Meijers' proposals, and established the final text. At a further meeting, the Committee will adopt the text of the explanatory memorandum which is to accompany the draft.

Intellectual Rights.

Possibility of harmonising the Berne and Havana Conventions.

At its session from July 14th to July 18th, 1936, the International Committee on Intellectual Co-operation approved the conclusions reached by the Joint Committee of the International Institute on Intellectual Co-operation and the International Institute at Rome for the Unification of Private Law, appointed to study the possibility of harmonising the Berne and Havana Conventions. On this subject it expressed a hope that the Committee's proposals would be favourably received by the Inter-American Union, and would pave the way for accession to a world system for the protection of authors' rights by those States which have hitherto abstained from applying the two international Conventions in force.

The Committee examined the three solutions submitted to it. It was particularly impressed by the first of these. In this connection, it prepared a draft universal Convention for the Protection of Authors' Rights, embodying those essential principles of the two Conventions regarding which it is reasonable to suppose that unanimous agreement may be reached,¹ it being understood that this preliminary draft will not prejudice the other two solutions. The second solution contemplates the complete fusion of the two Conventions. Finally, the third solution proposes that Article 25 of the Berne Convention should be amended in such a way as to introduce the possibility of making reservations so that American States may feel able to accede.

The International Committee on Intellectual Co-operation duly emphasised the great moral and practical significance of the results already obtained by close co-operation between the two institutes. It also expressed satisfaction at the decision of the Belgian Government to establish a close connection between

¹ See document A.6.1936, Part I, page 241.

the next Conference on the revision of the Berne Convention with the special Conference that will be convened to prepare an act of universal application containing the essential principles to which reference has been made above.

Performers' Rights.

At its eighteenth plenary session, the International Committee on Intellectual Co-operation took action on the resolution of the Committee of the representatives of international institutions dealing with intellectual rights. It requested the Council of the League of Nations to be good enough to point out to the Governing Body of the International Labour Office the urgency of including the question of performers' rights in the agenda of a forthcoming International Labour Conference. It also invited the International Institute at Rome for the Unification of Private Law to continue its technical researches in close conjunction with the International Labour Office.

Obligations in respect of Alimony.

The meeting of the Committee of Experts appointed to prepare a draft international Convention on the Enforcement abroad of Obligations in respect of Alimony, and possibly to consider the feasibility of preparing a uniform law on such obligations, has been postponed until 1937.

B. PERMANENT COURT OF INTERNATIONAL JUSTICE.

INTRODUCTION.

For a complete statement of the facts concerning the organisation, the jurisdiction and the activities of the Court since the last session of the Assembly, the Secretary-General would refer to the Twelfth Annual Report of the Court. This publication, which has just appeared, will be issued to Governments, to delegates other than deputy delegates, at the next session of the Assembly, and also to their legal advisers.

The practice of the Secretariat in the years prior to 1933 had been to issue to the delegates a few extracts from the annual report of the Court in the form of a special printed document. As it was considered, however, that this document was not absolutely necessary, the Secretary-General decided in 1933, in agreement with the Registrar of the Court, to substitute for it a chapter prepared by the Registrar which would be included, for the convenience of delegates, in Part II of the Secretary-General's report to the Assembly. As this plan seemed to have worked satisfactorily, it was employed last year; it has been adopted again for the current year.

The manuscript of the present chapter was completed on August 15th, 1936.

1. COMPOSITION OF THE COURT.

On September 14th, 1935, the Assembly and the Council elected M. Harukazu Nagaoka (Japan) to replace M. Mineitcirô Adatci, deceased.

Four vacancies in the Court have occurred since the publication of the Secretary-General's report to the Assembly of

1935. On August 25th, 1935, M. Walther Schücking (Germany) died at The Hague. In a letter dated September 9th, 1935, Mr. Frank B. Kellogg (United States of America) announced his resignation as a member of the Court ; this resignation was accepted by the Assembly on September 27th, 1935, and by the Council on September 28th. On January 15th, 1936, M. Wang Chung-Hui (China) resigned ; this resignation was accepted by the Council on January 24th, 1936, subject to its acceptance by the Assembly ; in the meantime, the amendments to the Statute according to which the notification of a resignation makes the place vacant had entered into force. Finally, on July 11th, 1936, Baron Rolin-Jaequemyns (Belgium) died in Brussels.

The list of candidates for the two seats left vacant by the death of M. Schücking and the resignation of Mr. Kellogg appeared on February 24th, 1936.¹ By decisions of the Council (June 26th, 1936) and of the Assembly (July 3rd, 1936), the election for these two seats will be included in the agenda of the sessions which these bodies will hold in September 1936.

As regards the seat left vacant by the resignation of M. Wang, the Secretary-General, on May 23rd, 1936, sent invitations for the nomination of candidates ; these nominations must be communicated to the Secretary-General before August 23rd.

As to the fourth vacant seat (death of Baron Rolin-Jaequemyns), the Secretary-General sent the invitations on July 27th, 1936 ; for the convenience of the nominating groups, he had informed the Governments of this fact by telegram on July 24th.

In consequence of these deaths and resignations, and of the election which took place in 1935, the present composition of the Court is as follows : Sir Cecil Hurst (Great Britain), President ; M. Guerrero (Salvador), Vice-President ; Count Rostworowski (Poland), M. Fromageot (France), M. de Bustamante (Cuba), M. Altamira (Spain), M. Anzilotti (Italy), M. Urrutia (Colombia), M. Negulesco (Roumania), Jonkheer van Eysinga (Netherlands), M. Nagaoka (Japan).²

¹ Document A.8.1936.V.

² Until February 1st, 1936, the date of the entry into force of the revised Statute, the Court also comprised four deputy judges. These were : M. Redlich (Austria), M. da Matta (Portugal), M. Novacovitch (Yugoslavia), M. Erich (Finland).

The Chambers are composed as follows :

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

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

Chamber of Summary Procedure :² *Members* : Sir Cecil Hurst, President ; M. Guerrero, Count Rostworowski, M. Fromageot, M. Anzilotti. *Substitute Member* : M. Negulesco.¹

Since the last session of the Assembly, the Court has had before it two cases which necessitated the appointment of judges *ad hoc*. These were the Losinger & Co. case (Switzerland and Yugoslavia) and the Pajzs, Csáky, Esterházy case (Hungary and Yugoslavia). The judge appointed by the Swiss Government for the first of these cases is M. Max Huber, former member and President of the Court. The judge appointed by the Hungarian Government for the second case is M. P. de Tomcsanyi. The judge appointed by the Yugoslav Government in both cases is M. Zoričić.

2. THE REGISTRY.

The organisation of the Registry has undergone no change since the last session of the Assembly.

3. THE STATUTE.

On February 1st, 1936, the Secretary-General informed the Registrar of the Court that the Protocol concerning the revision of the Statute (Geneva, September 14th, 1929) had entered into force on that date, in accordance with the resolution adopted by the Assembly on September 27th, 1935, and the resolution of the Council of January 23rd, 1936. The new text of the Statute

¹ One seat vacant, as a consequence of the death of Baron Rolin-Jaequemyns.

² The revised Statute, which came into force on February 1st, 1936, increases from three to five the number of the members of the Chamber of Summary Procedure.

has been published by the League of Nations as document C.80.M.28.1936.V, and by the Court in the third edition (March 1936) of Volume 1 of Series D of its publications.

4. THE RULES OF COURT.

Since 1931, the Court has been making a methodical study of its Rules with a view to a "general revision" — further to the modifications to a few articles which were made in that year in order to comply with a wish expressed by the Assembly in 1930. When the revised Statute entered into force on February 1st, 1936, it was necessary for the Court to combine the preliminary results of this study — which had already had for effect the adoption in April 1935, in first reading, of draft revised Rules based on the text of the Statute then in force — with a new study of the Rules in order to bring these into harmony with the provisions of the revised Statute. This work was finished on March 11th, 1936. On that date the Court adopted a new text of the Rules, which came into force the same day, and which has been notified through the intermediary of the Secretary-General to the Members of the League of Nations, and by the Registrar direct to the other States entitled to appear before the Court.

This text is reproduced in the third edition (March 1936) of Volume 1 of Series D of the publications of the Court.

5. JURISDICTION.

(a) TREATIES.

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

Treaty of Friendship between France and Iran. Teheran, May 10th, 1929.

Convention regulating the establishment and operation of regular air lines of communication between Roumania and Czechoslovakia. Bucharest, June 20th, 1930.

Convention regarding conditions of residence and business between Roumania and Switzerland. Bucharest, July 19th, 1933.

Agreement in regard to trade and commerce between the United Kingdom and Poland. London, February 27th, 1935.

Treaty of Arbitration, Judicial Settlement and Conciliation, between Norway and Venezuela. The Hague, May 13th, 1935.

Convention concerning the employment of women on underground work in mines of all kinds. Geneva, June 21st, 1935.

Convention (revised) limiting hours of work in coal-mines (1935). Geneva, June 21st, 1935.

Convention concerning the reduction of hours to forty a week. Geneva, June 22nd, 1935.

Convention concerning the establishment of an international scheme for the maintenance of rights under invalidity, old-age, and widows' and orphans' insurance. Geneva, June 22nd, 1935.

Convention concerning the reduction of hours of work in glass-bottle works. Geneva, June 25th, 1935.

Resolution concerning the responsibilities arising out of the war in the Chaco. Buenos Aires, October 2nd, 1935.

The number of international agreements (other than the Optional Clause) conferring jurisdiction on the Court on any grounds, and published by the Registry, now amounts to more than 500.

(b) THE OPTIONAL CLAUSE.

Since the last session of the Assembly, the acceptance by the under-mentioned States of the Optional Clause annexed to the Court's Statute (Article 36, paragraph 2) has expired: Albania, Denmark, France, Netherlands, Norway, Roumania, Sweden, Switzerland, Yugoslavia.

All these States have renewed their acceptance, with the exception of Yugoslavia (date of expiration: November 24th, 1935) and Switzerland (date of expiration: July 24th, 1936).

On the other hand, the Optional Clause has been accepted by Argentina, Bolivia and Turkey. Argentina has not yet ratified her declaration of acceptance; Bolivia ratified it on July 7th, 1936; Turkey has not so far ratified the Protocol of Signature of the Court's Statute (her declaration was not made subject to ratification).

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

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

SYNOPTIC TABLE.

States which have signed the Optional Clause (52)				
without any condition as to ratification or other suspensive conditions			subject to ratification or other suspensive conditions	
but in the case of which the period of engagement has expired	but which have not ratified the Protocol of Signature of the Court's Statute	and which have ratified the Protocol of Signature of the Court's Statute	and in the case of which the condition or conditions are fulfilled	and in the case of which the condition or conditions were not fulfilled on June 15th, 1936
Brazil China Switzerland Yugoslavia	Costa Rica Nicaragua Turkey	Bolivia Bulgaria Colombia Estonia Ethiopia Haiti Lithuania Luxemburg Netherlands Panama Paraguay Portugal Salvador Spain Sweden Uruguay	Union of S. Africa Albania ¹ Australia Austria Belgium United Kingdom Canada Denmark Dominican Republic Finland ¹ France ¹ Germany Greece Hungary India Iran Irish Free State Italy Latvia New Zealand Norway ¹ Peru Roumania ¹ Siam	Argentina Czechoslovakia Guatemala Liberia Poland
States not bound by the Clause		States bound by the Clause (40)		States not bound by the Clause

¹ This State acceded to the Clause subject to ratification, but renewed its accession without attaching that condition.

I.

A. *States having signed the Optional Clause* : Union of South Africa, Albania, Argentina, Australia, Austria, Belgium, Bolivia, United Kingdom of Great Britain and Northern Ireland, Brazil, Bulgaria, Canada, China, Colombia, Costa Rica, Czechoslovakia, Denmark, Dominican Republic, Estonia, Ethiopia, Finland, France, Germany, Greece, Guatemala, Haiti, Hungary, India, Iran, Irish Free State, Italy, Latvia, Liberia, Lithuania, Luxemburg, Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Poland, Portugal, Roumania, Salvador, Siam, Spain, Sweden, Switzerland, Turkey, Uruguay, Yugoslavia.

II.

B. *Of these, the following have signed subject to ratification, and have ratified* : Union of South Africa, Albania,¹ Australia, Austria, Belgium, United Kingdom of Great Britain and Northern Ireland, Canada, Denmark, Dominican Republic, Finland,¹ France,¹ Germany, Greece, Hungary, India, Iran, Irish Free State, Italy, Latvia, New Zealand, Norway,¹ Peru, Roumania,¹ Siam, Switzerland, Yugoslavia.

C. *States having signed subject to ratification, but not having ratified* : Argentina, Czechoslovakia, Guatemala, Liberia, Poland.

D. *States having signed without condition as to ratification* : Bolivia, Brazil, Bulgaria, China, Colombia, Costa Rica, Estonia, Ethiopia, Haiti, Lithuania, Luxemburg, Netherlands, Nicaragua, Panama, Paraguay, Portugal, Salvador, Spain, Sweden, Uruguay.

E. *States having signed without condition as to ratification, but not having ratified the Protocol of Signature of the Statute* : Costa Rica, Nicaragua, Turkey.

F. *States in the case of which the period for which Clause accepted has expired* : Brazil (date of expiration : February 5th, 1935); China (date of expiration : May 13th, 1927); Switzerland (date of expiration : July 24th, 1936); Yugoslavia (date of expiration : November 24th, 1935).

III.

G. *States at present bound by the Clause* : Union of South Africa, Albania, Australia, Austria, Belgium, Bolivia, United Kingdom of Great Britain and Northern Ireland, Bulgaria, Canada, Colombia, Denmark, Dominican Republic, Estonia, Ethiopia, Finland, France, Germany, Greece, Haiti, Hungary, India, Iran, Irish Free State, Italy, Latvia, Lithuania, Luxemburg, Netherlands, New Zealand, Norway, Panama, Paraguay, Peru, Portugal, Roumania, Salvador, Siam, Spain, Sweden, Uruguay.

¹ This State had signed the Optional Clause subject to ratification, but has renewed its acceptance without this reservation.

6. ACTIVITIES.

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

General List No.	Short title	Parties
63	Danzig Constitution	(Advisory opinion)
64	Losinger & Co. case	Switzerland-Yugo- slavia
65	Pajzs, Csáky, Esterházy case	Hungary-Yugoslavia
68	Moroccan Phosphates case	Italy-France
69	Waters of the Meuse	Netherlands-Belgium

During its thirty-fifth (extraordinary) session, which was held from October 28th to December 4th, 1935, the Court dealt with the case relating to the Constitution of Danzig. It rendered its opinion on the latter date.

Objections to the competence of the Court have been presented both in the Losinger & Co. case and in the Pajzs, Csáky, Esterházy case by Yugoslavia, defendant. These preliminary objections have been dealt with by the Court during its 1936 judicial year.¹ The objections in the Pajzs, Csáky, Esterházy case (General List No. 66) were joined to the merits by an order dated May 23rd, 1936 ; and the objection in the Losinger case (General List No. 67) was joined to the merits by an order dated June 27th, 1936.

All the members of the Court sat in the cases in question.

The Pajzs, Csáky, Esterházy case has been ready for hearing since August 14th, 1936 (date of the closing of the written proceedings on the merits). According to the latest time-limits fixed in the Losinger & Co. case, the reply is to be filed by October 15th, 1936 ; the date for the filing of the rejoinder is to be fixed subsequently.

¹ The revised Statute, which entered into force on February 1st, 1936, suppresses the system of ordinary and extraordinary sessions, the Court remaining permanently in session except during the judicial vacations. According to the Rules which entered into force on March 11th, 1936, the judicial year begins on January 1st of each year ; it comprises three periods of judicial vacations which run from December 18th to January 7th, from the Sunday before Easter to the second Sunday after Easter, and from July 15th to September 15th.

In the case relating to phosphates in Morocco, the Court has fixed the time-limits for the deposit of the memorial and counter-memorial, the last expiring on October 15th, 1936 ; it has reserved the right to fix later the time-limits for the presentation of the reply and rejoinder.

The case relating to the Waters of the Meuse was introduced on August 1st, 1936, by an application of the Netherlands Government. According to the time-limits fixed, this case will be ready for hearing on April 12th, 1937.

7. CASES.

(a) - CONSISTENCY OF CERTAIN DANZIG LEGISLATIVE DECREES WITH THE CONSTITUTION OF THE FREE CITY (ADVISORY OPINION).

On August 29th, 1935, the Senate of the Free City of Danzig adopted two decrees, which came into force on September 1st, 1935, modifying the criminal law in force at Danzig. One of these decrees concerned the Penal Code ; in particular, it replaced Article 2 of this Code — according to which “ an act is only punishable if the penalty applicable to it has been prescribed by a law in force before the commission of the act ” — by the following clause :

“ Any person who commits an act which the law declares to be punishable, or which is deserving of penalty according to the fundamental conceptions of a penal law and sound popular feeling, shall be punished. If there is no penal law directly covering an act, it shall be punished under the law of which the fundamental conception applies most nearly to the said act.”

The object of the second decree was, amongst other things, to embody the following clauses in the Code of Criminal Procedure :

“ *Article 170a.* — If an act which, according to sound popular feeling, is deserving of penalty is not made punishable by law, the Public Prosecutor shall consider whether the fundamental conception of any penal law covers the said act and whether it is possible to cause justice to prevail by the application of such law by analogy (Article 2 of the Penal Code). ”

“ *Article 267a.* — If, in the course of the trial, it appears that the accused has committed an act which, according to sound

popular feeling, is deserving of penalty but which is not made punishable by law, the Court must satisfy itself that the fundamental conception of a penal law applies to the act and that it is possible to cause justice to prevail by the application of such law by analogy (Penal Code, Article 2).

“ Article 265, paragraph 1, shall apply *mutatis mutandis*.”

These decrees had been issued under the Law for the Relief of the Distress of the Population and the State, of June 24th, 1933, usually described as an “ enabling law ” ; incidentally, other similar laws had already before 1933 given the Senate power to legislate by decree in regard to certain matters.

On September 4th, 1935, the National German, the Centre and the Social-Democrat Parties at Danzig presented a petition to the High Commissioner of the League of Nations, contending that the amendments to the criminal law made under the Decrees of August 29th, 1935, fundamentally altered the whole system of the administration of justice in criminal cases and opened the doors wide to arbitrary decisions ; the introduction of these amendments constituted, on the submission of the petitioners, a violation of the Constitution of the Free City. The petition concluded with a request to the High Commissioner to support the efforts of the petitioners “ for the maintenance of legal and constitutional conditions in the Free City ”.

The High Commissioner, in a letter dated September 5th, 1935, invited the Senate as soon as possible to present any observations which it might wish to make in regard to the petition ; and on September 7th, 1935, the High Commissioner sent to the Council of the League of Nations the text of the Decrees of August 29th, 1935, together with the petition and the observations of the Danzig Senate.

The Council considered the question on September 23rd, 1935 ; it decided to ask the Court for an advisory opinion “ on the question whether the said decrees are consistent with the Constitution of Danzig, or, on the contrary, violate any of the provisions or principles of that Constitution ”.

In accordance with the usual procedure, the Council's request was communicated to Members of the League of Nations and to other States entitled to appear before the Court. The Registrar also sent to the Free City of Danzig, which was regarded by the President — the Court not being in session — as likely to

be able to furnish information on the question referred to the Court for advisory opinion, the special and direct communication mentioned in Article 73, No. 1, paragraph 2, of the Rules then in force.

Before the expiry of a time-limit fixed for the purpose, a written statement was filed on behalf of the Free City. Furthermore, the Registrar, on the instructions of the President, had requested the Secretary-General of the League of Nations to inform the petitioners that, if they desired to supplement the statement contained in their petition, the Court would be prepared to receive an explanatory note from them ; two documents constituting this note were transmitted to the Court by the petitioners. Finally, at public sittings held on October 30th and 31st and November 1st, 1935, the Court heard the oral statements presented by the representative of the Free City.

By a letter dated October 5th, 1935, the Senate of the Free City of Danzig had requested the Court to authorise it to appoint a judge *ad hoc* to sit in the case. At the invitation of the Court, the arguments in support of this request were fully expounded by the agent for the Free City at the hearing of October 30th. On the following day, the President of the Court announced at the hearing that, after deliberation, the Court had decided that there was no ground for granting the request made on behalf of the Free City and that this decision would be embodied in an order which would be drawn up later. This order, which was dated October 31st, 1935, is annexed to the opinion. The Court observes therein that its decision must be in accordance with its Statute and its Rules, and that the constitution of the Court is governed by the Statute, which, in Article 31, makes provision for the presence of judges *ad hoc* on the Bench only in cases in which there are parties before the Court. That condition is not fulfilled in the present case. Though the Court, by its Rules, has made the provisions concerning the appointment of judges *ad hoc* applicable to advisory proceedings, it has only envisaged cases in which such proceedings related to an existing dispute between two or more States or Members of the League of Nations. At present, that provision constitutes the only exception to the general rule ; it cannot therefore be given a wider application than is laid down for it.

The Court delivered its opinion on December 4th, 1935.

After setting out the facts, the Court observes that the Constitution of the Free City occupies a special position in regard to the League of Nations. Though the interpretation of this Constitution is an internal question, it may nevertheless involve the guarantee of the League of Nations. It is also clear that, when the constitutionality of the decrees is challenged, this may raise questions the solution of which depends upon the interpretation of its Constitution ; accordingly, the petition leading to the submission of the request for an opinion necessarily involves the League's guarantee. This suffices to establish the international element in the case, which element is not excluded by the fact that the Court will have to examine municipal legislation of the Free City, including the Constitution.

Any inconsistency between the decrees and the Constitution may be due either to an inconsistency between the terms of the decrees and the articles of the Constitution or its principles, or to the fact that the decrees overstep the limits of the powers granted, or to the fact that these powers may themselves be contrary to the Constitution. Observing, firstly, that the question put is whether the decrees are necessarily in conflict with the Constitution, so that they cannot be applied without violating it, and, secondly, that, if any article or principle of the Constitution is violated by the decrees, that will suffice to show that the latter are not consistent with the Constitution, the Court states that it will consider the question from the point of view of the contents of the decrees.

Accordingly, it sets out to ascertain the changes brought about by the decrees in the criminal law of the Free City. The decrees substitute the rule *Nullum crimen sine pœna* for the rules *Nullum crimen sine lege* and *Nulla pœna sine lege* : a person may be prosecuted, not only as heretofore under an express provision of the law, but also in accordance with the fundamental idea of a law and with sound popular feeling ; and a system under which the criminal character of an act and the penalty attached to it were known both to the judge and to the accused person is replaced by a system in which this knowledge will be possessed by the judge alone. Moreover, sound popular feeling is a very elusive standard and one which will vary from man to man.

Such being the tenor of the decrees, what principles emerge from the Constitution ? The Constitution endows the Free City

with a form of government under which all organs of the State are bound to keep within the confines of the law (*Rechtsstaat* : State governed by the rule of law). In the next place, it provides for a series of fundamental rights the free enjoyment of which it guarantees within the bounds of the law ; it also lays very special emphasis on the importance and the inviolability of the individual liberties which ensue from these fundamental rights. All these rights are not absolute and unrestricted ; but restrictions can only be imposed by law. This is stated in a large number of articles of the Constitution, and this is precisely the import of the guarantee afforded to these liberties or fundamental rights.

The rule that a law is required in order to restrict the liberties provided for in the Constitution therefore involves the consequence that the law itself must define the conditions in which such restrictions of liberties are imposed. If this were not so — *i.e.*, if a law could simply give a judge power to deprive a person of his liberty without defining the circumstances in which his liberty might be forfeited — it could render entirely nugatory the guarantees provided by the Constitution. But the decrees, so far from supplying any such definition, empower a judge to deprive a person of his liberty even for an act not prohibited by the law, provided that he relies on the fundamental idea of a penal law and on sound popular feeling. These decrees therefore transfer to the judge an important function which, owing to its intrinsic character, the Constitution intended to reserve to the law, so as to safeguard individual liberty from any arbitrary encroachment on the part of the authorities of the State.

It is true that a criminal law does not always regulate all details. By employing a system of general definition, it sometimes leaves the judge, not only to interpret it, but also to determine how to apply it. The question as to the point beyond which this method comes in conflict with the principle that fundamental rights may not be restricted except by law may not be easy to solve. But there are some cases in which the discretionary power left to the judge is too wide to allow of any doubt but that it exceeds these limits ; in the view of the Court, the present is such a case.

The Court accordingly arrives at the conclusion that the decrees are not consistent with the Constitution of Danzig, of which they violate certain provisions and principles.

(b) THE PAJZS, CSÁKY, ESTERHÁZY CASE
(PRELIMINARY OBJECTION).

On December 6th, 1935, the Hungarian Government filed with the Registry of the Court an application instituting proceedings against the Yugoslav Government in regard to three judgments (Nos. 749, 750 and 747) rendered on July 22nd, 1935, by the Hungaro-Yugoslav Mixed Arbitral Tribunal.

The application is founded firstly on Article X of Agreement II signed at Paris on April 28th, 1930, according to which the signatories — which include Hungary and Yugoslavia — agree to recognise a right of appeal to the Court from all judgments on questions of jurisdiction or merits which may be given by the Mixed Arbitral Tribunals in certain cases brought before those tribunals and which are not in the nature of “ legal proceedings in regard to the agrarian reforms ” (undertaken in Czechoslovakia, Roumania and Yugoslavia) within the meaning of Article I of Agreement II. Secondly, the application is founded on Article XVII of Agreement II and Article 22 of Agreement III (of the same date), which provide (in slightly different terms) that signatories shall be entitled to have recourse to the Court by unilateral application in the event of any difference as to the interpretation or application of Agreements II and III.

In so far as the application is founded on Article X of Agreement II, it constitutes an appeal from the three judgments above mentioned, whereby the Mixed Arbitral Tribunal declined jurisdiction in the cases brought before it against the Yugoslav Government by Pajzs, Csáky and Esterházy ; in so far as the application is founded on Article XVII of Agreement II and Article 22 of Agreement III, it prays the Court, alternatively, to interpret the Agreements of Paris and cause them to be correctly applied, so as to redress the situation created by the attitude of the Yugoslav Government, ordering that Government, in conformity with Article 250 of the Treaty of Trianon, to accord to all Hungarian nationals who have been affected by the Yugoslav agrarian reform, and who do not receive compensation out of the Agrarian Fund created under Agreement II, the treatment applicable to nationals as regards the payment of local indemnities in respect of their expropriated lands.

The notifications provided for by Article 40 of the Statute and Article 36 of the Rules of Court (text in force prior to March 11th, 1936) were duly despatched. Furthermore, under Article 63 of the Statute and Article 60 of the same Rules, the application was notified to all States which were parties either to the Treaty of Trianon or to Agreements II and III of Paris, since the Hungarian Government had relied on these instruments in asking the Court for judgment.

The time-limits for the presentation of the documents of the written proceedings in the case were, after successive extensions, ultimately fixed so that the Hungarian memorial was to be filed by January 20th, 1936, and the Yugoslav counter-memorial by March 5th, 1936. The memorial, which was duly filed by the prescribed date, prayed the Court :

“ A. (1) To admit the appeal :

“ (2) To adjudge and declare, as a matter of law, after admitting the appeal, preferably by way of revising the three judgments in question, that the Mixed Arbitral Tribunal has jurisdiction to adjudicate upon the claims of the Hungarian nationals, stating fully the reasons on which the judgment is based and requiring the Mixed Arbitral Tribunal to conform to such statement of reasons.

“ B. Alternatively or cumulatively, as the Court may see fit :

“ (1) To adjudge and declare, generally, how Agreements II and III of Paris are to be interpreted and applied, and to redress the situation created by the Yugoslav Government's attitude, since that Government, either under its domestic legislation as portrayed in Article 11, paragraph 3, of its Law of June 26th, 1931, or under an erroneous interpretation of that legislation by the administrative authorities — though alleged by it to be authorised by and in conformity with Agreements II and III of Paris — at present refuses to recognise in respect of all Hungarian nationals its obligation to pay the sums due to them in accordance with the national treatment applicable to them under its domestic legislation in respect of their lands expropriated in the course of its agrarian reform — extending to them an entirely new and unforeseen treatment discriminatory in character and not provided for in Agreements II and III of Paris — instead of only proceeding in this way in the case of Hungarian nationals who submitted claims in respect of the same lands before the Mixed Arbitral Tribunal and who have had their claims recognised by judgments of the Mixed Arbitral Tribunal against the Agrarian Fund, as laid down in Agreements II and III of Paris ;

“ (2) To order the Kingdom of Yugoslavia, in particular :

“ (a) In its attitude and proceedings, strictly to conform to the interpretation and application of Agreements II and III so laid down as correct, and to respect the rights of which the existence was assumed by those Agreements ;

“ (b) To make good the damage and refund the costs and expenses occasioned to Hungarian nationals by its present attitude and proceedings, which are unwarranted by Agreements II and III of Paris.

“ C. To adjudge and declare that the Kingdom of Yugoslavia is also under an obligation to indemnify the Government of the Kingdom of Hungary for all costs and expenses incurred by the latter in obtaining redress for its nationals for whose situation the Kingdom of Yugoslavia, in spite of warning, is responsible, including the cost and expenses of the present proceedings before the Court.”

Within the time-limit fixed for the presentation of the counter-memorial, the Yugoslav Government filed a document entitled, “ Counter-memorial of the Yugoslav Government, including the Formal Submission of an Objection presented to the Court in the Proceeding ”, praying the Court :

“ (1) To adjudge and declare, before entering upon the merits, that the appeal of the Royal Hungarian Government against the three judgments of the Hungaro-Yugoslav Mixed Arbitral Tribunal cannot be entertained and is contrary to Article X of Agreement II of Paris ;

“ (2) To adjudge and declare, before entering upon the merits, that the request of the Royal Hungarian Government for a general interpretation by the Court of Agreements II and III of Paris cannot be entertained because the essential conditions laid down by Article XVII of Agreement II and Article 22 of Agreement III have not been fulfilled ;

“ (3) Alternatively, to adjudge and declare that the appeal of the Hungarian Government under Article X of Agreement II is ill-founded, and to confirm the three judgments of the Hungaro-Yugoslav Mixed Arbitral Tribunal ;

“ (4) Alternatively, to adjudge and declare that the three judgments of the Hungaro-Yugoslav Mixed Arbitral Tribunal are in accordance with the true interpretation of the Paris Agreements ;

“ (5) To order the Royal Hungarian Government to refund to the Royal Yugoslav Government all costs and expenses incurred in the present proceedings.”

By an order made on March 10th, 1936, the Court, holding the first two submissions of the Yugoslav Government to be in the nature of preliminary objections, suspended the proceedings on the merits and fixed April 3rd, 1936, as the date by which the Hungarian Government might present a written statement of its observations and submissions in regard to these objections. The objections were also communicated to States Members of the League of Nations and to States entitled to appear before the Court ; and, since one of them was founded on Agreements II and III of Paris, a special and direct communication in regard to them was sent to States parties to these instruments. The Hungarian Government, in its observations, which were duly filed with the Registry by the date fixed, prayed the Court to overrule the objections. At public hearings held on April 29th and 30th and May 1st, 4th, 5th and 6th, 1936, the Court heard the oral observations of the two parties upon the Yugoslav objections.

On May 23rd, 1936, the Court made an order in regard to the preliminary objections. It declares that it is confronted with the two preliminary objections :

“(1) That the appeal of the Hungarian Government based on Article X of Agreement II of Paris cannot be entertained because, contrary to the contentions of the Hungarian Government, the cases forming the subject of the judgments appealed against are not, as required by Article X, cases other than those referred to in Article I of that Agreement and because the said judgments are not judgments on questions of jurisdiction or merits within the meaning of Article X ;

“(2) That the request of the Hungarian Government based on Article XVII of Agreement II and Article 22 of Agreement III of Paris cannot be entertained because that Government has lodged an application with the Court without its first having been established that the parties concerned have failed to agree on the choice of a single arbitrator.”

The Court considers that the questions raised by the first of these objections and those arising out of the appeal as set forth in [the Hungarian Government's memorial are too intimately related and too closely interconnected for the Court to be able to adjudicate upon the former without prejudicing the latter. With regard to the second objection, its purpose is to frustrate a request presented alternatively by the Hungarian

Government ; and, in so far as this request is in the nature of an alternative, the objection in respect of it can likewise only be dealt with in the alternative. Moreover, the Court considers that the further proceedings on the merits, by enabling it to obtain a clear understanding of the relation in which the appeal stands to the request for the interpretation of Agreements II and III, will place it in a better position to adjudicate with a full knowledge of the facts upon the second objection.

For these reasons, the Court joins the objections to the merits in order to adjudicate in one and the same judgment upon these objections and, if need be, upon the merits. At the same time, it fixes the further time-limits for the filing of the Hungarian reply and of the Yugoslav rejoinder on the merits.

(c) THE CASE OF LOSINGER & Co., S.A.
(PRELIMINARY OBJECTION).

By an application filed with the Registry on November 23rd, 1935, the Swiss Federal Government instituted proceedings before the Court against the Yugoslav Government. The application adduced the declarations made by Switzerland and Yugoslavia accepting the Optional Clause of Article 36, paragraph 2, of the Court's Statute, and asked the Court to declare that the Yugoslav Government could not, founding itself on a legislative measure subsequent in date to a contract concluded between it and the Swiss firm of Losinger & Co., S.A., release itself from the observance of an arbitration clause contained in that contract.

The time-limits for the presentation of the memorial and the counter-memorial in the case were fixed so that the Swiss memorial was to be filed by January 15th, 1936, and the Yugoslav counter-memorial by February 17th, 1936. The Swiss Government filed its memorial by the date fixed. The Yugoslav Government, for its part, after obtaining two extensions of the time-limit originally fixed for the filing of the counter-memorial, presented within the time-limit as finally fixed a document entitled, " Document submitting the Objection of the Yugoslav Government ". When this document was filed, the Rules of March 11th, 1936, had come into force ; under Article 62 of these Rules, the lodging of the objection involved the suspension

of the proceedings on the merits, and a time-limit was fixed for the filing by the Swiss Confederation of its observations and submissions upon the objection.

The Swiss memorial on the merits prayed the Court :

“ I. To declare that the Government of the Kingdom of Yugoslavia cannot, founding itself on the Yugoslav Law of July 19th, 1934, concerning the conduct of State litigation, which came into force on October 19th, 1934, release itself from the observance of an arbitration clause in a contract concluded prior to this legislative measure with the firm of Losinger & Co., S.A., of Berne ;

“ II. To declare that the denial of jurisdiction lodged by the Government of the Kingdom of Yugoslavia, at the hearing on October 7th, 1935, and founded on this Law, before the umpire in the arbitration proceedings pending between the State of Yugoslavia and the firm of Losinger & Co., S.A., is contrary to the principles of the law of nations.”

The Yugoslav objection prayed the Court to declare that it had no jurisdiction and, alternatively, to declare that the application could not be entertained because the means of obtaining redress placed at the disposal of the firm of Losinger & Co. by Yugoslav municipal law had not been exhausted.

Finally, in the Swiss observations in regard to the objection, it was contended that, in form, the document submitting the objection was invalid because it had not been filed in conformity with the terms of the Rules of Court, and that, in substance, the objection itself was ill-founded, so that the Court should declare that it had jurisdiction and that the Yugoslav Government's alternative submission to the effect that the application could not be entertained should be rejected.

As prescribed by the Statute and Rules, the Swiss application and the Yugoslav objection were transmitted to the Members of the League of Nations and to States entitled to appear before the Court.

In its order, the Court first of all summarises the facts of the case in so far as relevant from the point of view of the order :

On March 2nd, 1929, a company registered in the United States of America, known as the Orientconstruct, and the autonomous District of Pozarevac (Kingdom of the Serbs, Croats and Slovenes) concluded a contract for the construction

of certain railway lines for which the District had secured a concession from the Serb-Croat-Slovene Government and for the financing of their construction. This contract, which was approved by the Yugoslav Minister of Finance, contained the following arbitration clause :

“ *Article XVI : Disputes.* — Any differences of opinion or disputes which may arise between the contracting parties in connection with the carrying-out or interpretation of the clauses and conditions of this contract shall be settled by compulsory arbitration, if a friendly settlement cannot be reached by the contracting parties. Within thirty days of a demand made by either of the contracting parties, each party shall appoint an arbitrator for the joint settlement of the disputes. If these two arbitrators fail to agree, or if one of the parties fails to appoint an arbitrator within the time specified, the case shall be referred either to the President of the Swiss Federal Court or to a neutral person who shall be appointed by the latter and who shall, in the capacity of umpire, give his decision alone upon the dispute. The same shall apply if the arbitrators have not made a final award within six months, reckoned from the date on which the last of them was appointed or within an extended period fixed by mutual agreement between them. The award of the arbitrators or of the umpire shall be rendered in Yugoslavia. There shall be no appeal from this decision.”

Subsequently, the firm of Losinger & Co., S.A., of Berne, and the Yugoslav Government were respectively substituted for the original parties to the contract ; nevertheless, this only applied in respect of the construction works, and the question of financing was arranged in another manner. The various agreements effecting the substitution of new parties to the contract of March 2nd, 1929, were authorised by a Yugoslav law in 1931.

In 1933, difficulties arose in connection with the execution of the contract. These were settled in accordance with the arbitration clause ; the President of the Swiss Federal Tribunal, acting in the capacity of umpire, gave his award on October 31st, 1934. In the meantime, on July 30th, 1934, the Yugoslav Government had cancelled the contract with Losinger & Co. ; furthermore, on October 19th, 1934, a law concerning the conduct of State litigation in Yugoslavia had come into force ; this law laid down that actions against the State could only be brought before the ordinary courts of the State.

In November 1934, Losinger & Co. once more had recourse to arbitration. The same umpire was nominated, this time as a "neutral person", as he had ceased to be President of the Swiss Federal Tribunal. Before the umpire, the representative of Yugoslavia raised certain preliminary questions, based more particularly on the Law of 1934 concerning Yugoslav State litigation, and it was submitted that the umpire had no jurisdiction. The latter then declared that he had no jurisdiction to adjudicate upon this plea, and, without relinquishing the case, suspended the arbitration proceedings until the "law had been ascertained".

These being the facts, the Court first considers whether the document submitting the Yugoslav objection is valid. The Swiss Government had maintained that it was invalid for the two following reasons: first, because it had not been filed in fifty-one copies within the prescribed time-limit and, secondly, because the Rules of Court, when defining the time-limit for the lodging of an objection, had in view only the original time-limit fixed by the Court for the filing of the counter-memorial and the definition did not cover subsequent extensions. The Court, however, holds that, in accordance with its consistent practice, documents submitting preliminary objections are, as regards the number of copies to be filed, assimilated to instruments instituting proceedings, whereas the rule prescribing the filing of fifty-one copies, instead of one, only relates to documents of the written proceedings (memorial, counter-memorial, etc.); moreover, a time-limit which has been extended is, in principle, for all purposes the same time-limit as that originally fixed. Again, the Court would, in any case, have power under its Rules to decide, in certain circumstances, "that a proceeding taken after the expiration of a time-limit shall be considered as valid". The filing of the document submitting the Yugoslav objection is, accordingly, valid.

As regards the objection itself, the Court observes that it includes, besides a plea to the Court's jurisdiction, an alternative objection to the admissibility of the application. Taking into consideration the written submissions of the Yugoslav Government, the Court holds that the real purpose of the plea to the jurisdiction is to prevent it from adjudicating on the submissions in the Swiss memorial on the merits; accordingly, the competence

of the Court and its power to entertain the application depend on the meaning and purport attaching to these submissions. The latter, though they may have been the subject of divergent interpretations, give rise to questions which are intimately connected with those raised by the objection, which may therefore, from this point of view, be regarded as a part of the defence on the merits, or as founded on arguments which might be employed for the purposes of that defence. If, therefore, the Court were to adjudicate at once upon the objection, it might be in danger of passing upon questions appertaining to the merits or of prejudging their solution, but it cannot enter in any way upon the merits before the parties have had an opportunity of exercising their right of submitting two written pleadings each and of making oral statements on the merits, which they have not yet done. In these circumstances, the objection to the Court's jurisdiction should be joined to the merits.

As regards the objection relating to the admissibility of the suit, that objection is submitted as an alternative ; moreover, the facts and arguments adduced for or against the two objections are largely interconnected and even, in some respects, indistinguishable. Accordingly, the objection to the admissibility of the application must be treated in the same way as the objection to the jurisdiction.

The Court, after deciding to join the objections to the merits, fixed time-limits for the filing of the subsequent documents of the written proceedings — namely, the counter-memorial, the reply and the rejoinder.

The Court, however, specified that these time-limits were fixed without prejudice to any modifications which it might be desirable to make in case those concerned, or one of them, should decide to resort to the means of redress mentioned in the course of the oral proceedings by the agent for the Yugoslav Government.

This refers to a point mentioned by the Court in its summary of the facts — namely, that that agent had specified that the Law of 1934 concerning State litigation in Yugoslavia contained no provision giving it retrospective effect and that, in regard to this point, its character remained to be determined by the Yugoslav courts ; moreover, that, if the ordinary Yugoslav courts ruled that the plea which had caused the umpire to suspend

the arbitration proceedings was not well founded, the Yugoslav Government would abandon that argument.

The Court also mentions the possibility of modifying the time-limits fixed for the written proceedings on the merits, in the case of negotiations between the parties for an amicable settlement.

On August 10th, 1936, the agent for the Swiss Government, on the ground that negotiations had been opened between the Kingdom of Yugoslavia and the firm of Losinger & Co., asked that the time-limit granted to the Swiss Government for the filing of its reply should be extended until October 15th, 1936.

By an order dated August 11th, 1936, the acting President of the Court granted this request. At the same time he extended the time-limit fixed for the filing of the Yugoslav Government's rejoinder, but left the date of expiration of this time-limit to be fixed by a subsequent order.

(d) THE CASE CONCERNING THE DEPOSITS OF PHOSPHATES
IN MOROCCO.

On March 31st, 1936, the Royal Government of Italy submitted an application to the Court instituting proceedings against the Government of the French Republic. The application relied on the declarations made by Italy and France when acceding to the Optional Clause of Article 36, paragraph 2, of the Court's Statute; the subject of the application was the following:

Certain licences to prospect for phosphates, issued by the Department of Mines of Morocco in 1918 and 1919, are now the property of an Italian company. These licences were governed by the Mining Regulations of 1914, which were bound to be in conformity with the provisions of the Act of Algeciras of 1906 and with those of the Franco-German Agreement of 1911, both of these instruments being based on the principle of the "open door". A Moroccan *dahir*, issued in 1920, reserved the right to prospect for and work phosphates exclusively to the Maghzen, subject to the safeguarding of vested rights. However, in spite of repeated representations made from the year 1921 onwards, alike by the parties concerned and by the Italian Government, the above-mentioned company was unable to secure the recognition of its right; it was informed that it could bring an action against the Shereefian State before the courts of the Protec-

torate, with a view to obtaining any damages to which it would be entitled if it were shown that vested rights had been violated by the fault of the Administration of the Protectorate. In the Italian Government's submission, this attitude, which amounts to despoiling the company concerned of its property, engages the international responsibility of France, as a consequence of the violation of the above-mentioned international instruments, of action *ultra vires* and of misuse of power, and also as a consequence of a refusal of justice. The international responsibility alleged is of two kinds : an indirect responsibility incurred by France as the State protecting Morocco ; and a direct responsibility resulting from action taken by the French authorities for the sake of French interests.

The Italian Government has appointed M. Raffaele Montagna, Councillor of State and Legal Adviser to the Royal Ministry for Foreign Affairs, as its agent before the Court in this case ; the French Government has appointed M. Basdevant, Professor of the Faculty of Law at Paris, Legal Adviser to the Ministry for Foreign Affairs.

By an order, dated June 18th, 1936, the Court fixed the time-limits for the filing of the memorial and the counter-memorial ; it reserved for subsequent decision the fixing of time-limits for the reply and the rejoinder.

(e) THE CASE CONCERNING THE DIVERSION OF WATER
FROM THE MEUSE.

On August 1st, 1936, the Netherlands Government filed an application with the Registry of the Court, instituting proceedings against the Belgian Government in regard to the diversion of water from the Meuse.

The application relies upon the declarations made by Belgium and the Netherlands when acceding to the Optional Clause of Article 36 of the Statute ; it recalls that, on May 12th, 1863, these two States had concluded a treaty designed to regulate, on a stable and permanent basis, the regime for the diversion of water from the Meuse. This treaty provided for the construction below Maastricht, in Netherlands territory, of an installation for the diversion of water for the supply of the canals situated below that city and for the irrigation, in particular, of the Belgian

Campine. This treaty specified the amount of water which might be withdrawn and its allocation to the contracting parties ; it gave the Netherlands the right to increase the volume of water withdrawn ; but, in the case of Belgium, no provision was made for any augmentation of the volume to which she was entitled under the treaty.

Since the year 1930, the Belgian Government has been engaged on the construction of the Albert Canal, which is to link Liège and Antwerp. For that purpose, it has established an installation near Liège, in Belgian territory, for the diversion of water from the Meuse. As a consequence, the Netherlands have no means of checking the supplementary quantities of water which are, and will henceforth be, diverted into the system of waterways below Maastricht, the water for which should be derived from the installation at that city ; the system of waterways in question is connected with the sections of the Albert Canal that are already being operated, and will be connected with the whole of that canal when it has been completed.

In the submission of the Netherlands Government, this situation is inconsistent with the Treaty of 1863. The Belgian Government was informed of this point of view, but has not admitted its justice, and has proceeded with the works for the construction of the Albert Canal.

In these circumstances, the application of the Netherlands Government requests the Court, in particular, to declare the construction of works enabling the canals in question to be supplied with water diverted from the Meuse elsewhere than at Maastricht to be contrary to the Treaty of 1863 ; and to enjoin upon Belgium to replace the works undertaken in a condition consistent with the Treaty of 1863.

The Netherlands Government has appointed as its agent before the Court, in this case, M. Telders, Professor at the University of Leyden ; the Belgian Government has appointed as its agent M. de Ruelle, Legal Adviser to the Ministry for Foreign Affairs.

By an order dated August 6th, 1936, the Acting-President of the Court fixed the time-limits for the filing of the documents of the written proceedings in the case, which will become ready for hearing as from April 12th, 1937.
