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the Members of the League
and the Delegates at the Assembly]

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League of Nations

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

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NOTE. — A supplementary report on the work accomplished since June 28th will be circulated on the opening day of the fourth Assembly.

1.

PRESENT SITUATION
AS REGARDS INTERNATIONAL ENGAGEMENTS REGISTERED
WITH THE SECRETARIAT OF THE LEAGUE OF NATIONS

I. PROTOCOL OF SIGNATURE CONCERNING THE STATUTE OF THE PERMANENT COURT OF
INTERNATIONAL JUSTICE, OPENED AT GENEVA, DECEMBER 16th, 1920.

Up to the present the following thirty-five Members of the League have ratified the protocol of the Court:

Albania	Finland	Roumania
Australia	France	Kingdom of the Serbs, Croats and Slovenes
Austria	Greece	Siam
Belgium	Haiti	Spain
Brazil	India	Sweden
British Empire	Italy	Switzerland
Bulgaria	Japan	Union of South Africa
Canada	Lithuania	Uruguay
China	Netherlands	Venezuela
Cuba	New Zealand	
Czechoslovakia	Norway	
Denmark	Poland	
Esthonia	Portugal	

and the following fifteen have accepted and put into force among themselves the optional clause:

Austria	Esthonia	Norway
Brazil	Finland	Portugal
Bulgaria	Haiti	Switzerland
China	Lithuania	Sweden
Denmark	Netherlands	Uruguay

The following have not yet ratified:

Argentina	Costa Rica	Panama
Bolivia	Latvia	Paraguay
Chile	Liberia	Persia
Colombia	Luxemburg	Salvador

II. BARCELONA CONVENTIONS, APRIL 20th, 1921.

The Convention and Statute on Freedom of Transit, the Convention and Statute on the Regime of Navigable Waterways of International Concern, the additional Protocol to the Convention on Navigable Waterways of International Concern and the Declaration recognising the Right to a Flag of States having no Sea-Coast have been signed by a large number of the Members of the League.¹

(a) *Convention and Statute on Freedom of Transit.*

The following countries have ratified this Convention:

Albania
Bulgaria
Denmark
Finland
Italy
United Kingdom of Great Britain and of Ireland and including New-
foundland (with New Zealand and India)

¹ See Records of Third Assembly, Plenary Meetings, Volume II, page 10.

(b) *Convention and Statute on the Regime of Navigable Waterways of International Concern.*

The following countries have ratified this Convention:

Albania
Bulgaria
Denmark
Finland
Italy
United Kingdom of Great Britain and of Ireland and including Newfoundland (with New Zealand and India)

(c) *Additional Protocol to the Convention on the Regime of Navigable Waterways of International Concern.*

The following countries have ratified this Protocol:

Albania
Denmark
Finland
United Kingdom of Great Britain and of Ireland and including Newfoundland (with New Zealand and India)

A large number of British Colonies have also adhered to this Protocol (see *Treaty Series*, Vol. XI, page 408).

(d) *Declaration recognising the Right to a Flag of States having no Sea-Coast.*

This Declaration has been put into force by the following States:

Albania
Bulgaria
Denmark
France
United Kingdom of Great Britain and of Ireland and including Newfoundland (with New Zealand and India).

The following States have adhered to the Declaration:

Canada
The Commonwealth of Australia
Finland
Roumania
Union of South Africa

III. CONVENTION CONCERNING THE NON-FORTIFICATION AND NEUTRALISATION OF THE AALAND ISLANDS, GENEVA, OCTOBER 20th, 1921.

This Convention, concluded at Geneva on October 20th, 1921, has now been ratified by all Signatory States, *viz.*:

British Empire	France	Poland
Denmark	Germany	Sweden
Esthonia	Italy	
Finland	Latvia	

IV. CONVENTION ON THE TRAFFIC IN WOMEN AND CHILDREN, GENEVA, SEPTEMBER 30th, 1920.

This Convention was signed by a large number of the Members of the League¹ and also by Germany.

The following States have ratified this Convention:

Australia	Canada	New Zealand
Austria	Cuba	Norway
Belgium	Greece	Siam
British Empire	India	Union of South Africa

¹ See Records of Third Assembly, Plenary Meetings, Volume II, page 10.

The following States have acceded to the Convention:

Panama
Denmark

and a certain number of British Colonies and Protectorates.

V. PROTOCOLS REGARDING AMENDMENTS TO THE COVENANT, GENEVA, OCTOBER 5TH, 1921.

The following ratifications of the amendments to the Covenant adopted by the Assembly during its second session have, up to the present, been deposited with the Secretariat of the League of Nations:

(a) *Protocol regarding an Amendment to Article 4.*

The following States have ratified this protocol:

Australia	India	Siam
British Empire	Italy	Sweden
Bulgaria	Japan	Switzerland
Canada	Netherlands	Union of South Africa
Cuba	New Zealand	
Denmark	Norway	
Greece	Poland	

(b) *Protocol regarding an Amendment to Article 6.*

The following States have ratified this protocol:

Australia	India	Poland
British Empire	Japan	Siam
Bulgaria	Netherlands	Sweden
Canada	New Zealand	Switzerland
Denmark	Norway	Union of South Africa.
Greece		

(c) *Protocol regarding an Amendment to Article 12.*

The following States have ratified this protocol:

Bulgaria	Japan	Siam
Cuba	Netherlands	Sweden
Denmark	Norway	Switzerland.
Italy	Poland	

(d) *Protocol regarding an Amendment to Article 13*

The following States have ratified this protocol:

Australia	India	Poland
British Empire	Italy	Siam
Bulgaria	Japan	Sweden
Canada	Netherlands	Switzerland
Cuba	New Zealand	Union of South Africa
Denmark	Norway	

(e) *Protocol regarding an Amendment to Article 15.*

The following States have ratified this protocol:

Australia	India	Poland
British Empire	Italy	Siam
Bulgaria	Japan	Sweden
Canada	Netherlands	Switzerland
Cuba	New Zealand	Union of South Africa.
Denmark	Norway	

(f) *Protocol regarding the Amendments to Article 16.*

Amendment 1.

The following States have ratified the protocol to amendment 1 of Article 16:

Bulgaria	Italy	Siam
Denmark	Japan	Sweden
Netherlands	Norway	Switzerland.

Amendment 2.

The following States have ratified the protocol to amendment 2 of Article 16:

Bulgaria	Japan	Siam
Denmark	Netherlands	Sweden
Italy	Norway	Switzerland.

Amendment 3.

The following States have ratified the protocol to amendment 3 of Article 16:

Bulgaria	Japan	Siam
Denmark	Netherlands	Sweden
Italy	Norway	Switzerland.

Amendment 4.

The following States have ratified the protocol to amendment 4 of Article 16:

Bulgaria	Japan	Siam
Denmark	Netherlands	Sweden
Italy	Norway	Switzerland.

(g) *Protocol regarding the Amendments to Article 26.*

Amendment 1.

The following States have ratified the protocol to amendment 1 of Article 26:

Australia	India	Poland
British Empire	Italy	Siam
Bulgaria	Japan	Sweden
Canada	Netherlands	Switzerland
Cuba	New Zealand	Union of South Africa.
Denmark	Norway	

Amendment 2.

The following States have ratified the protocol to amendment 2 of Article 26:

Australia	India	Poland
British Empire	Italy	Siam
Bulgaria	Japan	Sweden
Canada	Netherlands	Switzerland
Cuba	New Zealand	Union of South Africa.
Denmark	Norway	

Amendment 3.

The following States have ratified the protocol to amendment 3 of Article 26:

Australia	India	Poland
British Empire	Italy	Siam
Bulgaria	Japan	Sweden
Canada	Netherlands	Switzerland
Cuba	New Zealand	Union of South Africa.
Denmark	Norway	

China has ratified the amendments to Articles 4, 6, 12, 13, 15, 16, and 26 of the Covenant. The instruments of ratification, however, have not yet been deposited with the Secretariat.

VI. REGISTRATION AND PUBLICATION OF TREATIES AND INTERNATIONAL ENGAGEMENTS.

(Article 18 of the Covenant.)

The third Assembly adopted the following resolution on September 23rd, 1922:

"The Assembly,

"Considering that, according to the information furnished by the Secretariat, the practice of presenting treaties and international engagements for registration and for publication is becoming more and more familiar to the Governments of Members of the League, and desiring to profit by experience gained over a longer period before re-opening the discussion on a possible amendment to Article 18 of the Covenant:

"Decides to postpone such a discussion to a future session of the Assembly."

The registration of treaties by the Secretariat has therefore been continued in conformity with the methods laid down in the Council's memorandum of May 19th, 1920.

From the end of the third Assembly to the present day (June 11th, 1923) 104 treaties or international engagements have been presented for registration.

Publication of the treaties has made the same progress as the registration ; since the third Assembly, 103 treaties have been published in Volumes IX, X, XI and XII, each volume containing more than 400 pages. Volumes XIII, XIV and XV will be published shortly.

2.

LEGAL QUESTIONS.

I. AMENDMENT OF ARTICLE 10 OF THE COVENANT.

Article 10 of the Covenant is as follows:

"The Members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League. In case of any such aggression, or in case of any threat or danger of such aggression, the Council shall advise upon the means by which this obligation shall be fulfilled."

The question of the amendment of Article 10 was originally raised by Canada at the first Assembly. Canada then proposed the complete elimination of the article. Following a discussion of the question both at the first and at the second Assembly, Canada submitted new proposals to the third Assembly in the following form :

"1. That the following words should be added at the end of Article 10: 'taking into account the political and geographical circumstances of each State'.

"2. That the following paragraph should be added: 'The opinion given by the Council in such cases shall be regarded as a matter of the highest importance, and shall be taken into consideration by all Members of the League, which shall use their utmost endeavours to conform to the conclusions of the Council, but no Member shall be under the obligation to engage in any act of war without the consent of its Parliament, legislature or other representative body'."

The third Assembly, on September 23rd, 1922, decided to adjourn the Canadian proposal until the fourth Assembly in order that the subject might be considered in all its bearings. The Assembly left it to the Council to decide on the steps to be taken to provide the detailed study of the Canadian proposal.

The Council, on January 29th, 1923, considered that it should first endeavour to obtain information as to the views of Members of the League and should await to some extent the development of events. It proposed to invite the Members of the League to submit any observations they might wish to make by June 1st, 1923. It instructed the Secretary-General to address to the Members of the League an invitation to this effect and directed that the question should be placed on the agenda of an early session of the Council to be held after June 1st, 1923. The rapporteur

to the Council particularly asked his colleagues to secure for submission to the Council the views of their respective Governments.

It was agreed that, in examining the replies received, the Council would take into consideration the work of the Temporary Mixed Commission on Armaments in regard to the question of the Treaty of Mutual Guarantee.

It was realised that Article 10, which contemplated a general covenant of non-aggression, would need to be considered in the light of the proposed Treaty of Guarantee, which would be a matter for agreement between States.

II. INCREASE IN THE NUMBER OF THE NON-PERMANENT MEMBERS OF THE COUNCIL.

Article 4 of the Covenant stipulates that the Council shall be composed of representatives of France, Great Britain, Italy and Japan, and of four other Members of the League selected by the Assembly. The Article also provides that, subject to the approval of the Assembly, the Council can increase the number of the non-permanent Members.

The number of the non-permanent Members of the Council has been increased from four to six since the last general report to the Assembly on the work of the Council. This decision was taken on September 19th, 1922.

The grounds for the Council's decision are stated in a letter addressed on September 15th, 1922 to the President of the Council by M. Léon Bourgeois, acting on behalf of the French Government, and Lord Balfour for the British Government:

"In view of the increase in the number of the Members of the League and in order to allow those Members which are not permanently represented on the Council to take an active part in its work, it seems advisable to increase the number of non-permanent seats from four to six.

"We must not lose sight of the fact that, if this solution were adopted, the criticism might be made that the new formation of the Council would consist of four permanent States and of six non-permanent States, whereas the Covenant lays down that it should consist of five permanent States and four non-permanent States. But this objection can hardly be considered a serious one, since, by Article V of the Covenant, the decisions of the Council are—except where otherwise provided—taken unanimously by the Members represented at the meeting. The question of a majority therefore does not arise as far as the Council is concerned. It is advisable, moreover, to provide for a future increase of permanent Members."

The third Assembly, on September 25th, 1922, approved the decision of the Council, which came into force immediately.

The Assembly, on September 30th, 1922, elected Sweden and Uruguay as the two additional Members.

III. ALLOCATION OF THE EXPENSES OF THE LEAGUE.

The Assembly, in a resolution adopted on September 30th, 1922, requested the Council to ask the Committee on the Allocation of Expenses, presided over by M. Réveillaud, to continue its researches with a view to preparing a definitive scale for submission to a subsequent Assembly. The Assembly left it to the Council to modify the composition of the Committee as it might think desirable.

The Assembly annexed to its resolution a scale recognised by general consent as establishing a more just and equitable system for the allocation of the expenses of the League than the scale of the Universal Postal Union hitherto in force. It approved the application of that scale for the allocation of the expenses of the League for the year 1923, recognising that it was desirable to secure its immediate application as a provisional measure.

The Committee on the Allocation of Expenses met in June 1923 and its report will be circulated to the Members of the League.

IV. QUESTION AS TO THE EIGHT STATES OF CHIEF INDUSTRIAL IMPORTANCE.

The Council of the League of Nations was called upon in August 1920, under the provisions of Article 393 of the Treaty of Versailles, to adjudicate on a claim presented by the Indian Government to be classed as one of the eight Members of the International Labour Organisation of chief industrial importance and therefore entitled as of right to be represented on the Governing Body of the International Labour Organisation.

The Council, on August 5th, 1920, expressed the opinion that any ruling on this question, since it would involve a reconstruction of the Governing Body of the Labour Office, should not take effect until 1922, when the elected Members then in office would have completed their term. Meanwhile, it suggested that the meaning of the words "chief industrial importance" should be carefully examined and that the criteria by which industrial importance might be estimated

should be studied by the Secretariat of the League in agreement with the International Labour Office.

For this purpose an expert committee was appointed during the first quarter of 1921 consisting of two representatives of the Secretariat of the League and four members of the Governing Body of the International Labour Office.

M. Arthur Fontaine, who had acted as Chairman of the organising committee of the first International Labour Conference at Washington, was appointed Chairman of the expert committee. The committee presented its report on May 31st, 1922. It suggested a combination of criteria whereby the industrial importance of States might be measured, which it considered to be, from a scientific point of view, more satisfactory and more logical in principle than the system chosen by the organising committee of the first Labour Conference.

It did not, however, claim that this system could be safely applied to nominations for the Governing Body in 1922, owing to the present disturbed state of commerce and the monetary situation, and it admitted that these criteria would require amendment and further study.

The Committee, in its report, stated generally that it was only too well aware of the incompleteness and provisional character of the work which it had achieved, and laid stress on the fact that the solution proposed and the calculations suggested were of a relative character.

The report concluded as follows :

“There is a group of countries which, on various reasonable hypotheses, figure among the eight most industrial nations with such regularity as to give rise to a kind of certainty. These are the United Kingdom, France, Germany, Italy and Japan. There are others in regard to which there is a less degree of certainty: Canada and Belgium in the first place, then India, Switzerland, Sweden; etc., and perhaps Poland, in regard to which we have not received the final figures resulting from the most recent decisions as to her frontiers.

“Hence arises the difficulty of the classification, which has caused so much legitimate emulation. Hence too, the proposal of the Governing Body of the International Labour Office to substitute for such competitions in the future, if the amendment put forward under Article 422 of the Treaty of Versailles meets with success, an enumeration in the statute of the International Labour Office of the Powers which have a representative, as of right, on the Governing Body.”

The Council, during its session in September 1922, examined the report of the expert committee and heard statements from the representatives of India, Poland and Switzerland. It adopted a final report on the subject on September 30th, 1922.

It unanimously agreed that, on the evidence presented, seven countries should be included: Germany, Belgium, Canada, France, Great Britain, Italy and Japan.

There remained one place to be filled. The claims of the various States to this vacant seat were considered, not merely in the light of the statistics but also in the light of various general arguments urged in favour of different countries. It finally decided that, on the evidence presented, India had the best claim to be included.

The Council laid it down as a general principle that, in the absence of quite exceptional circumstances, it would not consider it proper to take any decision affecting the constitution of the Governing Body of the Labour Office during the term of office of the elected members of that body.

3.

PERMANENT COURT OF INTERNATIONAL JUSTICE.

I. NATIONALITY DECREES IN TUNIS AND MOROCCO.

The nationality decrees issued in Tunis and Morocco in November 1921 were four in number—two issued by the French Government, one by the Bey of Tunis and one by the Sultan of Rabat. The decrees of the two native princes declared to be Tunisian or Moroccan respectively all persons born in Tunis or in the French zone of the Shereefian Empire respectively, of parents likewise born there, except citizens of subjects of the protecting Power. The French decrees conferred French nationality on the persons born in Tunis or in the French zone of the Shereefian Empire, respectively, of parents of whom one was justiciable as a foreigner by the French tribunals of the protectorate and was born in the protectorate.

These decrees are in conflict with the British nationality legislation, which claims as natural-born British subjects the children born abroad of British parents who are themselves born within His Britannic Majesty's allegiance, and also the grandchildren born before January 1st, 1915, of such parents.

The French Government, applying the decrees, treated as French subjects persons in Tunis of Maltese origin who were claimed by the British Government to be British subjects, amongst other things calling upon them to perform military service in the French army. The British Government protested against the decrees being so applied.

The dispute between the French and British Governments was placed on the agenda of the Council on August 11th, 1922, and examined by the Council on October 2nd and October 4th, 1922.

The Council decided to ask the Permanent Court of International Justice for an advisory opinion as to whether the dispute was or was not by international law solely a matter of domestic jurisdiction for France. The two Governments agreed that if, in the opinion of the Court, the question were not solely a matter of domestic jurisdiction, the whole dispute would be referred to arbitration to be agreed between the two Governments.

The Permanent Court of International Justice met in extraordinary session on January 8th, 1923, in order to deal with the question. The British Government was represented by Mr. George Mounsey, of the Foreign Office, as agent, and by Sir Douglas Hogg, Attorney-General, and Sir Ernest Pollock, formerly Attorney-General, as counsel. The French Government was represented by M. Mérillon, Procurator-General at the Cour de Cassation, and M. de Lapradelle, Professor of International Law at the University of Paris.

The British and French representatives presented the cases of the two Governments at public hearings, and filed their final conclusions in writing. The decision of the Court was announced in public session on February 7th, 1923.

The Court, without entering into the merits of the dispute, held that the Council of the League had jurisdiction to deal with the dispute as brought before it by the British Government.

On the delivery of this opinion and with reference to the previous agreement between France and Great Britain, the agent of the French Government formally requested the Court to place on record that France proposed to Great Britain to submit the whole dispute to the Court for judgment. The British agent, in reply, stated that he was not authorised definitely to pronounce on the proposal but that his Government would give it the most careful consideration.

The doctrine of the Court with regard to the interpretation of Article 15, paragraph 8, of the Covenant may be summarised as follows:

The "exclusive jurisdiction" of States comprises matters which, in principle, are not regulated by international law. The ambit of this jurisdiction varies with the development of international relations; consequently it is purely relative. Moreover, even as regards matters included within this jurisdiction, the right of a State to use its unfettered discretion may be restricted by international engagement. The mere fact that international engagements are invoked does not, however, suffice to remove from the exclusive jurisdiction of a State a dispute which, in principle, falls within that jurisdiction; these international engagements must be of a nature to justify the provisional conclusion that they may be of juridical importance for the dispute.

In applying this doctrine to the question under consideration, the Court had to examine the more important legal grounds and arguments advanced by the parties to the extent required for the appreciation of the nature of the dispute.

The Court accordingly proceeded to deal with the contention that France has, in Tunis and Morocco, the same exclusive right to legislate on nationality questions as in France itself, and also with the contention that the local sovereignty of the protected State, together with the public powers exercised by the protecting State, may form a substitute for full sovereignty. Similarly, it touched upon the question whether the capitulatory rights of Great Britain in Tunis and in Morocco still subsist or have lapsed. The Court also referred to the argument advanced by Great Britain and based on the most-favoured-nation clause, as well as to the French contention, according to which Great Britain has formally recognised the right of France to legislate in Tunis under the same conditions as in the mother-country on the subject of nationality.

It was as a result of its considerations on these points that the Court gave to the question submitted to it a reply in the negative; that is to say, it affirmed that the dispute did not solely fall within the domestic jurisdiction of France, as this was understood by the Court, and that consequently the Council had jurisdiction to deal with the dispute as brought before it by the British Government.

II. THE CASE OF S.S. "WIMBLEDON".

The diplomatic representatives at The Hague of the Powers designated in the Treaty of Versailles as "the Principal Allied Powers", through the intermediary of the French Minister, have filed with the Registry of the Permanent Court of International Justice an application instituting proceedings in a case between Great Britain, France, Italy and Japan, acting conjointly, on the one hand, and Germany on the other hand, concerning the refusal of the German authorities on March 21st, 1921, to allow s.s. *Wimbledon* to have free access to the Kiel Canal.

Notice of the application has been sent by the Registrar to Germany and to the other States which have ratified the Treaty of Versailles, and, through the Secretary-General of the League of Nations, to all States Members of the League. The case of the applicant Powers was deposited with the Registry of the Court on March 17th, 1922, Germany's counter-case on April 20th, and the Allied reply on May 17th. The German rejoinder was expected for June 15th.

The applicant Powers take their stand upon Article 380 of the Treaty of Versailles, according to which "the Kiel Canal and its approaches shall be maintained free and open to the vessels of commerce and of war of all nations at peace with Germany on terms of entire equality".

The case is submitted to the Court under the terms of Article 386 of the Treaty of Versailles, which refers "to the jurisdiction instituted by the League of Nations", and which corresponds with Article 37 of the Statute of the Court, according to which the "tribunal to be instituted by the League of Nations" will be the Court.

The Polish Government has filed a request to be allowed to intervene as a party to the case on the side of the Allied Powers. The original parties have been invited to submit before June 15th their observations on this request.

The case of s.s. *Wimbledon* constitutes the first example in history of the arraignment before an international court of a sovereign State by one or more sovereign States.

The German Government, in virtue of the right conferred upon it by the Statute of the Court, has appointed a judge of German nationality, Professor Walter Schücking, to sit in the case.

The case has been placed on the agenda of the ordinary session of the Permanent Court which opened on June 15th, 1923.

III. GERMAN MINORITIES IN POLAND.

The Council of the League, in a resolution adopted on February 3rd, 1923, requested the Permanent Court of International Justice to give an advisory opinion on several points relating to measures taken by the Polish Government with regard to certain individuals of German race in Poland¹.

The question has been placed on the agenda of the ordinary session of the Permanent Court which opened on June 15th, 1923. The Members of the League and the German Government have been duly notified of this request.

IV. EASTERN CARELIA.

The Council, on April 21st, referred to the Permanent Court a question arising out of the Treaty of Dorpat between Finland and Russia signed on October 14th, 1920².

The question has been placed on the agenda of the ordinary session of the Permanent Court which opened on June 15th. The Members of the League and the Soviet Government have been duly notified of this request.

V. ELECTION OF A NEW JUDGE OF THE PERMANENT COURT.

A vacancy has been created in the Permanent Court by the death of Senator Barboza, one of the original judges. This vacancy will have to be filled by the fourth Assembly and the Council of the League according to the procedure adopted for the first elections. The new judge will be appointed only for the remainder of M. Barboza's term of nine years, *i.e.*, until December 31st, 1930.

The Council, on April 17th, 1923, placed on record its sense of the loss which the Permanent Court had suffered through the death of M. Barboza, and its sympathy with his family and country.

The Council, at the same time, instructed the Secretary-General to place on the agenda of the fourth session of the Assembly the election of a successor. In accordance with the procedure followed in the election of judges, the same item will be placed on the agenda of a meeting of the Council to be held during the session of the Assembly.

The Secretary-General is entrusted by the Statute of the Court with the duty of taking such measures as may be necessary to obtain nominations and of drawing up the list of candidates.

The Council, in discussing the election of a successor to M. Ruy Barboza, noted that the number of judges and deputy judges of the Court was not more than sufficient to provide for occasional absence of members owing to sickness or other inevitable impediments, and its attention was drawn to the desirability of appointing as judges persons in a position to take effective part in the work of the Court and to the fact that the duties of a judge necessitated his presence at the seat of the Court for a considerable period of each year. The Council thought it desirable to emphasise the importance of this consideration without desiring in any way to restrict its own freedom of choice or that of the Assembly.

In the course of these discussions, the British Government called attention in a special memorandum to the importance of nominating as candidates for election to the Court persons with a working knowledge of both official languages.

¹ This question is dealt with in the section of this report dealing with the protection of minorities.

² This question is dealt with in the section of this report dealing with Eastern Carelia.

4.

FINANCIAL ADMINISTRATION OF THE LEAGUE.

I. GENERAL ADMINISTRATION.

Apart from the various questions which will be dealt with in connection with the work of the Supervisory Commission, the only matter of serious importance since the third Assembly has been the state of the treasury during a portion of the intervening period. At the end of 1922 and the beginning of 1923 there was an insufficiency of funds at the disposal of the League, due partly to the fact that but a small proportion of the current year's contributions are paid in the year, but mainly to the non-payment of their contributions by certain Members of the League. This insufficiency particularly affected the International Labour Organisation.

The Secretary-General, guided by the Financial Regulations adopted by the third Assembly, accordingly made advances for current expenditure to the International Labour Office out of the Working Capital Fund. At the end of 1922 the International Labour Office had received its full share of the Working Capital Fund (1,197,441.23 gold francs) and had been given in addition a temporary loan from the Secretariat's share of the Fund amounting to 437,833.18 gold francs.

In January 1923 the loan to the International Labour Office from the Working Capital Fund was further increased by 350,000 francs, and early in February the Secretary-General found it necessary to borrow 200,000 francs for the use of the International Labour Office from the League bankers.

At the request of the Council, the Supervisory Commission considered the general situation at its February session. It decided that economies, wherever possible, should be effected and proposed that all organisations should reduce their expenditure to 85% of the amount provided for in the 1923 budget. It further recommended that, in view of the inability of the International Labour Office to repay to the Working Capital Fund the sums which had been advanced to that Organisation during 1922, these advances should be carried forward and added to the budget for 1924.

The situation had considerably improved by March, the bank loan being entirely liquidated before the end of that month. Since that date no further borrowings have been necessary.

II. THE WORK OF THE SUPERVISORY COMMISSION IN CONNECTION WITH THE FINANCES OF THE LEAGUE.

The Supervisory Commission held two sessions in the spring of 1923 to consider the various questions which had been referred to it: the accounts for 1922 and the budget for 1924.

(1) Questions referred to the Commission by the Assembly.

The Commission considered at its February session the various suggestions which had been made by the third Assembly for the amendment of the Financial Regulations.

The Commission recommended that the financial control applicable to the Secretariat and the autonomous organisations should be extended to apply to all the organisations of the League whether permanent or temporary, and whether the expenditure was, or was not, in whole or in part, met out of votes of the Assembly.

Recommendations were also made as to gifts which might be made to the League. Those involving an immediate or ultimate financial liability for the Members of the League should, in the opinion of the Commission, be accepted only by the Assembly, whilst other gifts might be accepted by the competent authority of the organisation concerned if it were satisfied that its acceptance would not undesirably affect the general character of the League or of the special organisation in question.

The question of the disposal of the difference between the receipts and the expenditure for a completed financial year was solved in the following manner: If the difference constitutes a credit balance, it should be used to effect a corresponding reduction of the sum to be collected from the Members of the League by way of contribution for the year in the budget of which it was entered; if the difference represents a deficit, the sum to be contributed by Members of the League for such year should be increased by the amount of the deficit.

The Commission gave careful consideration to M. Réveillaud's proposals regarding the Working Capital Fund which had been referred to the Commission by a resolution adopted by the Fourth Committee of the third Assembly at its meeting held on September 27th, 1922. It agreed that it

would be unwise at the present stage to insist on new Members being requested to pay into the Working Capital Fund a sum equal to that which had to be paid by the Members whose quota of contribution was equal or comparable to its own. It accepted, however, with certain general reservations, the proposals that the sums paid since the beginning of the League by the Members for the Working Capital Fund should be considered as carried to the credit of the various Members concerned, that a decision of the Assembly could liberate all or part of the sums destined to the Fund, and that States which, for any reason, ceased to be Members of the League, should be ultimately entitled to the reimbursement of the total amount of their contribution to the Fund.

(2) *Other Questions.*

(a) *Procedure regarding the Examination of the Budget before its Adoption by the Assembly.*

The British Secretary of State for Foreign Affairs, in a letter dated April 10th, 1923, made the following proposals:

(i) A short session of the Supervisory Commission should be held each year either immediately before or during the meeting of the Assembly.

(ii) It should be the duty of the Commission at this session to examine all additions to and amendments of the budget.

(iii) The budget, in its final form, must be approved by the Supervisory Commission before its submission to the Fourth Committee of the Assembly.

(iv) All supplementary credits or proposals involving expenditure made during the session of the Assembly must receive the approval of the Supervisory Commission before they are adopted. All such proposals should be referred to the Supervisory Commission, which should in the first place consider whether a proposal for additional expenditure could be adopted immediately or whether, in cases where heavy expenditure is involved, it should not advise that a separate application be made for the approval of the Member States.

The Commission considered these proposals and decided that it could not, of its own accord, definitely accept them, but that it might inform the Assembly that it was ready to carry out the duties proposed by the British Government if the Assembly should so desire. It appeared to the Commission that this matter should be placed by the Assembly on its agenda as the first item to be dealt with relating to finance.

(b) *Contributions of Salvador and of certain Central American States to the League.*

The third Assembly, in its report on arrears of contributions authorised the Secretary-General to propose to the Supervisory Commission an arrangement best fitted to the exceptional situation of certain Central American States the contributions of which were largely in arrears but which appeared to deserve special consideration.

At its May session the Supervisory Commission authorised the Secretary-General to enter into negotiations with those States, inviting them to liquidate their overdue contributions by means of payments spread over a number of years on the scale authorised by the third Assembly.

The Government of Salvador had itself proposed a similar arrangement and, under the circumstances, the Secretary-General withdrew from the agenda of the Council, pending the approval of the Government of Salvador, the legal question which that Government had raised on May 10th, 1921, and which had been dealt with on several occasions in 1921, 1922 and 1923 by the Council and the Assembly.

(3) *Accounts for 1922.*

At its May session, the Supervisory Commission decided to recommend the Assembly to adopt the accounts in the form in which they were approved by the auditor. It further expressed itself in full agreement with the general lines of the auditor's report.

(4) *Budget for 1924.*

Before considering the budget, the Commission agreed to follow a strict but judicious policy of retrenchment. Except in very special cases, increases in any of the budgets of the League organisations could not be accepted. Reductions should be made wherever possible, a distinction always being made between the essential features of the work of the League and the activities which, though important and desirable, were not, for the present, absolutely necessary.

The Commission noted that considerable reductions had already been made in the budget as submitted, but, in agreement with the competent officials of the various organisations and in strict conformity with Article 16 of the Financial Regulations, it strongly held that further reductions should, wherever possible, be made, in view of the financial difficulties through which the majority of the Members of the League were passing. It was understood that in certain cases some of these reductions could not have been effected by the Secretary-General if his responsibility had not been shared by the Commission.

(a) *Budget of the International Labour Organisation.*

The budget of the International Labour Organisation was submitted to the Commission in an incomplete form. This was due to the fact that the Governing Body of the Office had insisted, at its April session, on large economies which necessarily entailed a reorganisation of the staff.

In these circumstances the Commission confined itself to the preliminary examination of the parts of the estimates not relating to personnel, postponing its definitive consideration of the budget to a subsequent session.

The Commission considered carefully the recommendation of the Finance Committee of the Governing Body relating to an increase of the Working Capital Fund. In view of the difficulties which the International Labour Office had encountered during the early months of 1923, the Commission decided to include in the general budget of the League, in addition to the 1,635,000 francs which already appeared as repayments of apparently irrecoverable advances, the sum of 885,000 francs as an additional contribution to the Fund. This contribution would bring the Fund to 5,000,000 gold francs — the limit that was approved by the second Assembly.

(b) *Permanent Court of International Justice.*

The estimates of the Permanent Court of International Justice, as submitted to the Supervisory Commission, amounted to 965,439 florins.

The reductions made in consequence of the recommendations of the Commission amounted to a net total of 34,150 florins.

(c) *Secretariat and Special Organisations.*

The Supervisory Commission considered in detail the estimates of the Secretariat and of the special organisations of the League, and recommended reductions amounting to 879,135 francs, which have been duly made in the estimates as circulated to the Members of the League and submitted to the Assembly.

(d) *Total Budget of the League.*

The original estimates amounted to 24,591,233.41 gold francs; the Commission effected reductions in its items amounting to 950,276 gold francs, thus bringing the total to 23,640,957.41 gold francs.

On the other hand, as a result of the recommendations of the Commission as to an additional contribution to the Working Capital Fund, of the pensions scheme for the staff of the League and of the provision for interest for the construction of the building of the International Labour Office, the budget of the League, as approved by the Commission, now totals 24,988,875.41 gold francs. Nevertheless, in spite of the inclusion in the estimates for 1924 of the sum of 2,520,274.41 gold francs for the Working Capital Fund, as compared with 500,000 gold francs in the budget for 1923, the estimates for 1924 are 684,632.59 gold francs less than the authorised budget for 1923.

III. WORK OF THE SUPERVISORY COMMISSION WITH REGARD TO A DEFERRED PAY AND PENSIONS SCHEME.

At the request of the third Assembly and of the Council, the Supervisory Commission considered the question of a deferred pay and pensions scheme for the staff of the League of Nations.

It found itself, at its February session, unable finally to deal with the matter. It elaborated, however, a certain number of general principles which were referred to two actuarial experts, who reported to the Commission at its May session.

In accordance with a decision taken by the Council at its April session, the scheme adopted by the Supervisory Commission on May 8th, 1923, was immediately forwarded to the Members of the League. It provides for a contribution by the League and by the permanent official respectively of 5 % of the salary drawn by the official. The fund thus constituted would be placed under trustees to be nominated by the Council on the advice of the Finance Committee, separate accounts being opened for each official. The scheme would be compulsory for permanent officials, *i.e.*, for officials serving a contract for seven years or longer. Officials leaving the League before the completion of their contract would, in certain circumstances, receive only a portion of the contribution paid by the League of Nations, varying according to the length of their service. Sums paid by the League into the account of an official leaving before the expiry of his contract and not returned to the official concerned would be transferred to a separate invalidity and disablement fund.

IV. WORK OF THE SUPERVISORY COMMISSION WITH REGARD TO THE COST OF LIVING AT GENEVA.

The Commission of Enquiry appointed by the Council as a result of a recommendation of the first Assembly, in its report on the organisation of the Secretariat and of the International Labour Office, suggested that a Salaries Adjustment Committee should be created to modify, from time

o time, the salaries of officials in accordance with periodic variations in the cost of living at Geneva. 14
This proposal was approved by the second Assembly.

The Salaries Adjustment Committee presented a report to the Council on this subject on January 29th, 1923. The main principles laid down in the report of the Salaries Adjustment Committee related to the following points : (1) the items of expenditure to be included in measuring the fluctuations in the cost of living ; (2) the period to be taken as a basis in measuring fluctuations in prices ; (3) the proportion of salary which should vary with fluctuations in the cost of living ; (4) the periodicity of the revision of salaries.

It proposed that 1922 should be taken as a basis and that salaries should be adjusted twice a year if changes in the cost of living indicated the desirability of such a course. It recommended that salaries should only be affected by fluctuations of at least 20 % in the cost of living ; and that the variable fraction of salaries should range from 30 to 15 % of the whole, instead of from 45 to 14.6 % as suggested by the Commission of Enquiry.

The Council decided to submit this report, before taking further action, to the Supervisory Commission, which gave it its general approval.

The report of the Supervisory Commission was considered by the Council on April 17th, 1923. It decided, on the proposal of the British representative, to refer a memorandum on the subject, to be prepared by the British Treasury, to the Salaries Adjustment Committee and to the Supervisory Commission for consideration ; the Supervisory Commission has been asked to submit a revised report at the next session of the Council.

The Supervisory Commission accordingly reconsidered the questions during its May session, studying the report of the Salaries Adjustment Committee in the light of the proposals submitted by the British Treasury.

The Commission recommended that the period to be taken as a basis should be from July to December 1921. It was pointed out that the salaries of the Secretariat had been fixed by the Assembly in October 1921, and that these salaries were expressly stated to be based on the position with regard to prices existing at that date. The Supervisory Commission thought that a period covering the three months preceding and the three months succeeding the date on which the salaries were originally fixed might be regarded as representing the intentions of the Assembly.

The Supervisory Commission further recommended that the salaries of the staff should be affected by fluctuations of 12½% in the cost of living, and not as originally proposed by fluctuations of at least 20%.

5.

REDUCTION OF ARMAMENTS.

ACTION TAKEN ON THE RESOLUTIONS OF THE THIRD ASSEMBLY.

Resolution No. I: Work of the Temporary Mixed Commission and its Collaboration with the Permanent Advisory Commission.

“(a) The Assembly considers it desirable that the Temporary Mixed Commission should be asked to continue for another year the work which it has begun and that its report be submitted at an early date previous to that of the next Assembly. The Assembly further requests the Council to invite the Members of the League to lend their assistance to the Commission in its difficult task and to give their assistance and advice with regard to proposals for reduction of land armaments and a Treaty of Mutual Guarantee.

“(b) The Assembly desires to express its sense of the great value of the collaboration that has existed between the Temporary Mixed Commission and the Permanent Advisory Commission, and trusts that it will continue and, if possible, increase. The Assembly is of opinion that the great technical competence of the Permanent Advisory Commission cannot but be of essential service in the study, from the technical military point of view, of the questions with which the Temporary Mixed Commission deals.”

The Temporary Mixed Commission met at Geneva on February 9th, 1923, for a session which lasted until February 12th, 1923. It met on June 4th for a further session, which lasted until June 8th, 1923.

The Permanent Advisory Commission met from December 5th to 8th, 1922, and from April 16th to 23rd, 1923.

The Temporary Mixed Commission, during its February session, examined the question of the position of members of the Permanent Advisory Commission for Military, Naval and Air

Questions who also sat on the Temporary Mixed Commission, and decided, on the recommendation of its Chairman, to submit this question to the Council for decision.

The Council, in a resolution adopted on April 21st, 1923, decided that the military and naval members of the Temporary Mixed Commission nominated by the Permanent Advisory Commission sat on the Temporary Mixed Commission in virtue of their personal competence and not as delegates of the Permanent Commission.

Resolution No. II: Reduction of Expenditure on Armaments.

"The Assembly recommends that, as a preliminary step, the European States existing before the war of 1914, under their present description, whose juridical status has not been altered by the war, and which are not, at the moment, engaged in military operations which justify their armaments, be invited to reduce the total of their military, naval and air expenditure to the figures for 1913, calculated on the basis of pre-war prices according to the method employed by the Temporary Mixed Commission."

The Council considered this resolution on January 31st, 1923. The British representative expressed the view that the principle of making expenditure a rough test of armaments was open to question and that cost was no true measure of military strength. He asked that his observations should be forwarded to the Temporary Mixed Commission.

The Council decided to forward to the Governments of the States described in the resolution of the Assembly the recommendation contained in that resolution, and requested those States to inform the Council by June 1st, 1923, what action, if any, they had considered it desirable to take on the recommendation. It was understood that the list of States must be established by the Temporary Mixed Commission.

The Temporary Mixed Commission examined the question during its February session. It considered that the terms of the Assembly resolution did not appear to cover all possible exceptions to the general recommendation which it contained. There were States whose military position had changed, though they were not excepted by the resolution. Mention was made, for instance, of States which had been entrusted with mandates by the Peace Treaties.

The Commission, in these circumstances, expressed the opinion that the recommendation of the Assembly, if sent to any State, should be sent to all without exception which existed prior to 1914.

The Commission also expressed the view that the choice of 1913 as a standard year for military expenditure was open to several objections. It pointed out that the positions of the various States in 1913 were far from being comparable, as expenditure in some cases answered more closely to the requirements of national security than in others. Moreover, the European situation had undergone so profound a change between 1914 and 1918 that it did not seem possible to take pre-war figures as a basis for the future. Finally, the Commission observed that the aim of the resolution, which was the progressive reduction of armaments, would not be achieved if the period taken as a basis were a period of uneasiness preliminary to war.

The Commission endorsed the declaration of the Assembly that the basis for the military expenditure of each country could be no other than the sum total of the requirements of its national security, internal order and international obligations.

The Commission, in view of these considerations, was doubtful whether it would not be better to postpone sending a recommendation to the Governments until the matter had been considered further by the Council and by the Assembly.

The Council, on April 21st, 1923, considered the observations submitted by the Temporary Mixed Commission. It decided to postpone taking a decision in the matter in order to give the Assembly a further opportunity of expressing its views. Meanwhile, it requested the Temporary Mixed Commission to make a fresh study of the question with a view to presenting detailed proposals to the next Assembly.

The Temporary Mixed Commission studied the matter again at its June session and decided to request the Council to refer the whole question to the Assembly.

Resolution No. III: Statistical Enquiry.

"The Assembly expresses its satisfaction at the remarkable work accomplished in collecting and drawing up statistical data in an entirely new and peculiarly difficult field.

"Taking into account the work accomplished, and reserving the question of the scope which it might be necessary to give to a statistical enquiry at a later date, the Assembly desires to determine for the coming year the programme which appears to it both immediately useful and practicable. It therefore proposes that this programme should be limited to the two following points:

- "(1) Peace-time armaments ;
- "(2) Expenditure on armaments.

"The Assembly considers it desirable that the Council should request the Permanent Advisory Commission to collaborate with the Temporary Mixed Commission in that part of the work which deals with technical military, naval and air questions."

The Council, on January 31st, 1923, authorised the Secretariat to forward the tables prepared by the Permanent Advisory Commission to the Governments of the States Members of the League as soon as the Temporary Mixed Commission had taken note of them. It was understood that the Governments would be requested to complete them before June 1st, 1923.

These tables were duly forwarded to the Governments concerned. The Temporary Mixed Commission, in noting the tables prepared by the Permanent Advisory Commission, pointed out that the data in question related to peace-time armaments and expressed the view that it would not be possible to arrive at perfectly trustworthy conclusions unless all other elements bearing on the question had been submitted to an adequate enquiry. Meanwhile, it decided that the data supplied by the Governments should be collected and published before the fourth Assembly.

The Commission, at the same time, requested the Secretariat to continue its analytical study of armaments budgets so that it might be able to publish before the next Assembly a new and more complete study of national expenditure during the years following the war.

During its June session the Temporary Mixed Commission examined the situation again and decided to draw the attention of the Council to the fact that only ten Governments had replied by June 1st to the questionnaire relating to the statistical enquiry sent them on March 1st.

Resolutions Nos. IV, V and VI: Surplus Stocks of Munitions; Private Manufacture of Arms; Control of the International Traffic in Arms.

IV. "The Assembly, having considered the report (A. 31. 1922. IX) of the Temporary Mixed Commission, is of opinion that the only step which could usefully be taken in connection with surplus stocks of arms and ammunition is the control of the international traffic in arms."

V. "The Assembly, having noted the proposal of the Temporary Mixed Commission for an international agreement for the control of the manufacture of arms by private companies, urges on the Council to consider the advisability of summoning, at an appropriate moment, a conference of the Members of the League to embody this agreement in the form of a convention. The Assembly is further of the opinion that States not Members of the League should be invited to participate in this conference and to co-operate in the policy on which it may agree."

VI. (a) "The Assembly considers it highly desirable that the Government of the United States should express the objections which it has to formulate to the provisions of the Convention of St. Germain, as well as any proposals which it may care to make as to the way in which these objections can be overcome.

(b) "The Assembly is of the opinion that the Temporary Mixed Commission should be instructed to prepare a new scheme for the control of the international traffic in arms, to be considered by the Conference which is to deal with the private manufacture of arms.

(c) "The Assembly requests the Council to take such steps as it thinks advisable to carry out the purposes above indicated."

The Assembly, in the fourth resolution, merely states that the question of the surplus stocks of arms and ammunition can only be solved by the control of the international traffic in arms.

The Council, on January 31st, 1923, decided to postpone to a later date the consideration of the action, if necessary, to be taken on Assembly Resolutions Nos. V and VIa.

The Temporary Mixed Commission, during its February session, while regretting that the present international situation justified this decision of the Council, was nevertheless of opinion that the Commission should continue to study the question of the private manufacture of arms and of the traffic in arms in any direction that might be found useful.

The Temporary Mixed Commission, taking up the question raised by paragraphs b and c of Assembly Resolution No. VI, suggested to the Council that it was desirable to invite the Government of the United States to make concrete proposals as to the lines on which it might be willing to collaborate with other Governments, both for the control of the traffic in arms and of the private manufacture of arms.

The Council acted on this suggestion on April 21st, 1923. It requested its President to ascertain whether the Government of the United States would be disposed to state its views as to the manner in which it would be willing to co-operate. A letter was accordingly addressed to the Secretary of State of the United States of America by the President of the Council on May 1st, 1923.

At its June session, the Temporary Mixed Commission resolved to recommend the Council to invite the Governments of all States non-Members of the League of Nations to express an opinion as to the way in which they would be prepared to co-operate in the solution of the problems of the traffic in arms and munitions and the private manufacture of arms.

Resolution No. VII: Chemical Warfare.

"(a) The Assembly, having considered the report of the Temporary Mixed Commission on the subject of the development of chemical warfare, approves its action in establishing a special Sub-Committee to report on the probable effects of chemical discoveries in future wars, and requests the Council and the Temporary Mixed Commission to take every possible measure to secure the fullest publicity for the report of the Sub-Committee.

"(b) The Assembly requests the Council to recommend the Members of the League and other nations to adhere to the Treaty of Washington (February 6th, 1922) concerning the use of asphyxiating gas and submarines in war, and other similar matters."

The Temporary Mixed Commission, during its February session, requested the sub-committee mentioned in the Assembly resolution to consult experts of various countries, including those industrially more advanced, with a view to collecting the greatest possible amount of information likely to assist the sub-committee in formulating proposals. The report of the sub-committee will be submitted to the Temporary Mixed Commission.

The Council, on January 31st, 1923, decided to place the subject of chemical warfare on the agenda of the International Conference for the Extension of the Principles of the Washington Naval Treaty (see Resolution No. XII).

The Temporary Mixed Commission, having examined this question again at its June session, decided to request the Council to consider the possibility of obtaining from the Governments represented at the Washington Conference communication of the report on chemical warfare which was then drawn up by their experts.

Resolution No. VIII: Requirements of National Security.

"The Assembly, having considered the answers from the Governments of twenty-six Members of the League to the enquiry issued to them by the Council as to the requirements of their national security, desires to state that it attaches the utmost importance to these replies as affording a basis for the further deliberations of the Temporary Mixed Commission, and recommends to the Council that it should once again urge the Members of the League which have not yet sent in their replies to do so without delay."

The third Assembly was notified that twenty-six Governments had furnished statements regarding the requirements of their national security. Since then, eleven other Governments have forwarded statements, and these have been published in the *Official Journal*.

The Council, on January 31st, 1923, decided to ask the Governments which had not yet submitted statements as requested in 1922 to do so, if possible, before June 1st, 1923. Letters to this effect were sent to the Governments on February 13th.

The Temporary Mixed Commission, during its February session, requested the Secretariat to prepare a comparative statement of the replies received from the Governments to be forwarded to the Council by the Chairman of the Commission. The Commission, at the same time, requested its Chairman to bring to the notice of the Council the advisability of submitting this comparative statement to the various Governments and of calling their attention to the advantages to be gained from framing their replies on the model of those which were most complete.

The Temporary Mixed Commission examined the report of the Secretariat during its June session and decided to prepare, on the basis of this report, for examination at its next session, a document specifying the omissions which appeared in the replies of some of the Governments to the enquiry.

Resolution No. IX: Exchange of Information.

"The Assembly approves the recommendation of the Temporary Mixed Commission that the Council should consider whether the time has not come to discuss the application of the paragraph of Article 8 of the Covenant relating to the exchange of military information between States Members of the League."

The Temporary Mixed Commission, during its February session, requested the Secretariat to enquire and report to it what steps could be taken to obtain a fuller exchange of information such as was contemplated under Article 8 of the Covenant.

The Temporary Mixed Commission examined the report thus prepared by the Secretariat during its June session. This report contained two proposals: namely, that a statistical year-book should be published yearly on the basis of the last paragraph of Article 8 of the Covenant relating to the exchange of military information, and that, in order gradually to evolve a system of natural control, the States Members might be formed into groups for the mutual exchange of information; these groups might be formed on the basis of the national security of the States Members.

As regards the first of these proposals, the Commission decided that the Secretariat should be invited to bring out a year-book based on information drawn from official documents and keeping within the limits of the last paragraph of Article 8 of the Covenant.

As to the second suggestion, the Commission, without prejudicing its opinion on the matter, decided to refer it back to the Secretariat in order that a complete scheme should be prepared for the examination of the Commission at a later session.

Resolutions Nos. X and XI: The Washington and Santiago Conferences.

X. "The Assembly expresses its satisfaction at the work accomplished at Washington in connection with the reduction of naval armaments."

XI. (a) "The Assembly welcomes with interest the Chilean Government's initiative in submitting the question of disarmament to the Pan-American Congress which is to meet at Santiago in March 1923.

"The Assembly expresses the hope that the Congress may arrive at practical solutions capable of being fitted into the more general scheme of disarmament which is being considered by the League of Nations.

(b) "The Assembly recommends to the Council that the expert services of the League of Nations should eventually be authorised to co-operate in the work of the Pan-American Congress of Santiago."

No action required.

Resolution No. XII: Extension of the Principles of the Washington Treaty.

"The Assembly recommends:

"(a) That an international conference should be summoned by the Council as soon as possible, to which all States, whether Members of the League or not, should be invited, with a view to considering the extension to all non-signatory States of the principles of the Washington Treaty for the Limitation of Naval Armaments, it being understood that any special cases, including those of the new States, shall be given due consideration at the Conference;

"(b) That the report of the Temporary Mixed Commission, together with the report and the draft Convention prepared by the Permanent Advisory Commission, as well as the text of the Washington Treaty, should be forwarded immediately to the various Governments for consideration."

The Council, on January 31st, 1923, decided to notify the States Members of the League of Nations and other States that the international conference would be held shortly after the close of the Pan-American Conference at Santiago. It was decided that this conference should be held at the seat of the League and that the agenda should include, besides the question of extending to States Members of the League of Nations the principles of the Washington Naval Treaty, the question of the adherence of those States to the Treaty of February 6th, 1922, relating to the use of asphyxiating gases and submarines in time of war.

The Council further decided that the report of the Temporary Mixed Commission, together with the report and the draft convention drawn up by the Permanent Advisory Commission in 1922, as well as the texts of the Washington Naval Treaty and of the Treaty in relation to the use of submarines and noxious gases in warfare, should be forwarded to all States Members of the League.

Action was taken on this resolution of the Council on February 17th, 1923.

The Temporary Mixed Commission, during its February session, emphasised the importance of inviting to the international conference all States possessing a navy, whether Members of the League or not. The Commission requested the Council to consider the advisability of issuing to the Permanent Advisory Commission without delay, instructions to examine the extension to such States of its technical scheme.

The Council, during its April session, decided to postpone consideration of this question to its next session.

Resolutions Nos. XIII, XIV and XV:

Scheme for a Reduction of Armaments; Treaty of Mutual Guarantee; Regional Agreements.

XIII. "The Assembly, having examined the report of the Temporary Mixed Commission on the general principles of land and air disarmament, instructs the Commission to continue its investigations on the basis of these principles with a view to preparing for the consideration of the next Assembly a definite scheme for the general reduction of land and air armaments."

XIV. (a) "The Assembly, having considered the report of the Temporary Mixed Commission on the question of a general Treaty of Mutual Guarantee, being of opinion that this report can in no way affect the complete validity of all the Treaties of Peace or other agreements which are known to exist between States; and considering that this report contains valuable suggestions as to the methods by which a Treaty of Mutual Guarantee could be made effective, is of the opinion that:

"1. No scheme for the reduction of armaments, within the meaning of Article 8 of the Covenant, can be fully successful unless it is general.

"2. In the present state of the world, many Governments would be unable to accept the responsibility for a serious reduction of armaments unless they received in exchange a satisfactory guarantee of the safety of their country.

"3. Such a guarantee can be found in a defensive agreement which should be open to all countries, binding them to provide immediate and effective assistance in accordance with a prearranged plan in the event of one of them being attacked, provided that the obligation to render assistance to a country attacked shall be limited in principle to those countries situated in the same part of the globe. In case, however, where, for historical, geographical, or

other reasons, a country is in special danger of attack, detailed arrangements should be made for its defence in accordance with the above-mentioned plan.

"4. As a general reduction of armaments is the object of the three preceding statements, and the Treaty of Mutual Guarantee the means of achieving that object, previous consent to this reduction is therefore the first condition for the Treaty.

"This reduction could be carried out either by means of a general treaty, which is the most desirable plan, or by means of partial treaties designed to be extended and open to all countries.

"In the former case, the Treaty will carry with it a general reduction of armaments. In the latter case, the reduction should be proportionate to the guarantees afforded by the Treaty.

"The Council of the League, after having taken the advice of the Temporary Mixed Commission, which will examine how each of these two systems could be carried out, should further formulate and submit to the Governments for their consideration and sovereign decision the plan of the machinery, both political and military, necessary to bring them clearly into effect.

(b) "The Assembly requests the Council to submit to the various Governments the above proposals for their observations, and requests the Temporary Mixed Commission to continue its investigations, and, in order, to give precision to the above statements, to prepare a draft Treaty embodying the principles contained therein.

XV. "The Assembly,

"Whilst declaring that the reduction of armaments contemplated by Article 8 of the Covenant cannot achieve its full effect for world-peace unless it be general:

"Desires to emphasise the importance of regional agreements for the purpose of reducing armaments—agreements which, if necessary, might even go beyond the measures decided upon in respect of general reduction;

"And requests the Council to ask the Temporary Mixed Commission to take into consideration, during its subsequent work, the possibility of recommending the conclusion of similar agreements to States which might be concerned."

The Council decided on October 4th, 1922, to ask its President to forward to the various Governments for their observations the proposals contained in Resolution No. XIV.

Action was taken on this decision of the Council on October 23rd, 1922.

The Council, on January 31st, 1923, decided, on a statement by the Permanent Advisory Commission, that a final report on the question raised by this resolution could not be drawn up until the technical investigation had been completed. It instructed the Permanent Advisory Commission to pursue its investigations solely from the technical point of view and excluding matters relating to political conditions, with a view to ascertaining whether it was possible to apply the principle embodied in the resolution in accordance with the various methods suggested.

On March 9th, 1923, a letter was sent to all the Governments concerned requesting them to send any observations they might wish to make in regard to Resolution No. XIV before June 1st, 1923.

The Temporary Mixed Commission, during its February session, considered a draft Treaty of Mutual Guarantee which had been presented to it by Lord Robert Cecil in virtue of Resolution No. XIV. The Temporary Mixed Commission referred this draft treaty to the Permanent Advisory Commission for technical advice, recommending the Council meanwhile to forward the treaty to the Governments of the States Members of the League with a request that they would take the matter into consideration and communicate their observations to the Council.

The Commission further decided to appoint a special committee to examine the draft Treaty of Mutual Guarantee submitted to it by Lord Robert Cecil, to study its clauses, and to report to the plenary Commission after having received the views of the Permanent Advisory Commission.

The Permanent Advisory Commission reported on the draft Treaty on April 21st. It expressed a unanimous opinion that, from a military, naval and air point of view, the draft did not constitute a solid basis for a scheme for the limitation of armaments.

This opinion was forwarded to the special Committee which met in London on May 14th, 1923.

The Council, on April 21st, decided to request its President to forward the draft Treaty to the Governments for their information.

The question of the Treaty of Mutual Guarantee was the subject of careful examination on the part of the Temporary Mixed Commission at its June session. The Commission had to study not only Lord Robert Cecil's proposals, as they had been redrafted by the special Committee which it had appointed, but also another draft Treaty which had been submitted by Colonel Réquin, as well as a proposal for the examination of the establishment of demilitarised frontier zones in connection with the first of these two schemes.

After a general discussion, the Commission decided:

"(1) To read and discuss the provisions of Lord Robert Cecil's draft at the present session without reaching any decision in this matter by vote and having due regard to the other proposals submitted to the Commission, including the proposal concerning demilitarised zones;

“(2) To refer Colonel Réquin's draft and Lord Robert Cecil's proposal concerning the creation of demilitarised zones to the Permanent Advisory Commission and the special Committee for consideration;

“(3) To refer the drafting of the final scheme, which the Commission has been requested to draw up, until the session which is to be held before the next Assembly (July 31st).”

Resolution No. XVI: Reparations.

“The Assembly,

“Considering that moral disarmament is an essential preliminary condition of material disarmament and that this moral disarmament can only be achieved in an atmosphere of mutual confidence and security:

“Declares that such confidence cannot be attained so long as the world continues to suffer from disorganisation of the exchange, economic chaos and unemployment, and that the only method of remedying these evils is to put an end to the uncertainty which prevails regarding the means for the restoration of the devastated regions and the settlement of the inter-Allied debts;

“Expresses the hope that, in so far as these questions can be regulated by the unaided efforts of the European nations, the Governments signatories of the international treaties and agreements which deal with these questions, and within the framework of which they must be envisaged, will achieve as soon as possible a general settlement of the problem of reparations and Inter-Allied debts;

“And further recommends that the Council shall devote constant attention to every effort made in this direction by the Governments concerned, it being understood that it can only usefully assist in the solution of these problems if requested to do so by the Governments in question.”

No action has been taken by the Council on this resolution.

6.

POLITICAL QUESTIONS.

I. POLONO-LITHUANIAN QUESTION.

THE FRONTIER BETWEEN POLAND AND LITHUANIA

The Military Commission of Control despatched in 1920 by the Council of the League to the territory in dispute between Poland and Lithuania established two neutral zones in the frontier districts: one in the region of Suwalki and the other in the region of Vilna. When it was decided to withdraw the Commission it was feared that the position of the population in these neutral zones would become intolerable. Early in 1922 the Polish representative proposed that a provisional line of demarcation should be substituted for the neutral zones without prejudicing the rights of the two parties to the territories in dispute.

The Lithuanian representative could not agree to a provisional line of demarcation. He contended that the only possible division between Poland and Lithuania was the line of demarcation fixed by the Suwalki Agreement, which should have come into force on October 10th, 1920, and which attributed to Lithuania the territory of Vilna. He could not accept any line of demarcation, even if it were provisional, which ran contrary to this agreement. He desired the retention of the neutral zone and asked the Council to appoint a High Commissioner belonging to a neutral nation to serve as intermediary between the two Governments to protect the various racial groups in the disputed territory and generally to prevent the revival of frontier incidents within the neutral zone on the withdrawal of the Commission.

The Council, on January 13th, 1922, decided to withdraw the Military Commission of Control. It declared itself in consequence in favour of substituting a provisional line of demarcation for the neutral zones, and it formally invited the representatives of the two Governments to accept this solution. The Lithuanian Government, however, persisted in its refusal to accept this arrangement, and on May 17th, 1922, the Council suggested that the neutral zones might be maintained between the armed forces of the two countries but that a provisional line of demarcation should be established for the purposes of the civil and judicial administration of the communes in the district. It decided, at the same time, to send a commission to study the line which might eventually be adopted and to submit a report to the Council.

In accordance with this decision, M. Saura, as delegate of the Council of the League, proceeded to Vilna on August 27th, 1922. He surveyed the Vilna zone in September and visited the neutral

zone of Suwalki in October, returning to Geneva on October 18th and presenting his report to the Council on February 1st, 1923.

It appeared from this report that the situation in the neutral zones was serious. The zones had fallen into a state of complete disorder on the departure of the Commission of Control at the beginning of 1922. Nationalist organisations had entered the district organised as militia. Both the Polish militia and the Lithuanian militia in the neutral zones were well provided with arms and possessed even machine-guns. Armed encounters were frequent. The two forces did not aim at establishing order, but rather at making a conquest of the zones. The report of M. Saura concluded with a description of the localities which, in his opinion, should be administered by the Lithuanian and by the Polish State respectively if the Council decided to establish a line of demarcation.

The Council, on February 3rd, 1923, accepting the conclusions of the report of M. Saura, traced a provisional line of demarcation dividing the neutral zone of Vilna in two approximately equal parts, the railway line from Grodno to Vilna being left to Poland. The northern zone, to the west of the Vilna-Dwinsk railway line, was left to Lithuania. The Council asked the parties to accept this line for administrative purposes. It was understood that the territorial rights of both States remained intact. The two Governments were asked to employ all the means at their disposal to disarm and disband the militia found in the districts placed under their provisional administration.

The representative of Poland accepted the recommendation of the Council.

The representative of Lithuania expressed the opinion that the Covenant of the League of Nations did not give to the Council the right to take decisions or to give an arbitrary award in the case. He contended that no dispute on the subject of the neutral zone had ever been referred to the Council by the interested parties, and that, in these circumstances, the Council could do no more than issue a recommendation for the acceptance of the Governments concerned. The Lithuanian representative concluded as follows:

“If Poland attempts to modify the situation in the neutral zone..... without the consent of the Lithuanian Government, that Government would find itself obliged to oppose any such act by every possible means and in the most energetic manner. Further, the Lithuanian delegation has the honour to state, in the name of its Government, that it cannot accept or recognise the modifications contemplated for the neutral zone and contained in the Council resolution.”

The Polish Government at once took steps to extend its administration over the districts lying on the Polish side of the provisional line of demarcation. Various incidents occurred during which several persons were killed and wounded.

The Lithuanian Government, as a result of these incidents, in a note dated February 18th, asked for an urgent meeting of the Council to prevent an extension of the conflict.

The President of the Council used his influence and authority to restore peace without being forced to resort to this extraordinary procedure, and the Secretary-General kept the Council informed of the progress of events, obtaining reports on the movements of the Polish police forces in the districts finally occupied, so as to make sure that the recommendation made by the Council was duly observed.

Meanwhile, the Polish Government requested the Principal Allied Powers to make use of the right reserved to them under Article 87 of the Treaty of Versailles to determine such boundaries of Poland as were not laid down in the Treaty itself and to fix the frontier between Poland and Lithuania.

The Conference of Ambassadors gave its decision on March 15th, 1923. According to this decision, the frontier between the two countries in the region of Vilna is fixed in conformity with the provisional line of demarcation traced in the recommendation issued by the Council on February 3rd. M. Hymans, in a report submitted to the Council on April 21st, 1923, expressed the view that, as the political frontier between Poland and Lithuania had thus been determined in accordance with the procedure laid down in the Treaty of Versailles, the question dealt with by the Council had now become a matter of history.

The representative of Lithuania, appearing before the Council on April 21st, said that Lithuania protested against the decision of the Conference of Ambassadors, contending that it had no right to dispose of territories which had belonged to the former Russian Empire. He further maintained that the attitude of the Council of the League towards the decision of the Conference of Ambassadors was inconsistent with its previous declarations. The Council, in referring to the provisional line of demarcation, had always been careful to reserve the territorial rights of both States, and the Council, in its resolution of January 13th, 1922, had maintained that it could not recognise any solution of a dispute submitted to the League by one of its Members reached without regard to the recommendation of the Council or without the consent of both the parties concerned. In subsequent recommendations, the Council had again insisted that the territorial rights of both sides should remain intact. The Lithuanian Government had always feared that a recognition of a provisional line of demarcation, despite any reserves which were made, might be interpreted as a recognition by the Council of the state of affairs created by the *coup de force* of the Polish general Żeligowski. Events, said the Lithuanian representative, had proved Lithuania to be right. The decision of the Conference of Ambassadors sought to trace the eastern frontiers of Poland so as to include the territory of Vilna within the Polish State. The Conference of Ambassadors had thereby taken a decision giving to the resolution adopted by the Council on February 3rd an interpretation which the Council itself had previously refused to accept.

M. Hymans pointed out in answer that both the parties had consented to recognise the competence of the Conference of Ambassadors. The Lithuanian Government had not only recognised the competence of the Conference of Ambassadors by asking the Council on May 17th, 1922, to draw the attention of the Allied Powers to the urgent necessity of tracing the eastern frontier of Poland, as they were entitled to do by Article 87 of the Treaty of Versailles. It had, moreover, asked the Conference of Ambassadors to fix the frontier, thereby (according to the declaration made by the Lithuanian representative before the Council on January 13th, 1922) settling at the same time the Polono-Lithuanian dispute.

By making this request, Lithuania had recognised Article 87 of the Treaty of Versailles.

M. Hymans added that the Suwalki Agreement itself, so often referred to by the Lithuanian Government, was nothing more than an agreement with regard to the establishment of a provisional *modus vivendi*; it fixed a line of demarcation between the armies which in no way prejudiced the territorial rights of the two parties. This agreement could not be said to be a solemn recognition on the part of Poland of the rights of Lithuania over the territory of Vilna.

The Council noted the report of M. Hymans and the observations to which it had given rise.

The Lithuanian representative notified the Council that the Lithuanian Government desired to place on the agenda of the next Assembly the question of the fixing of the frontier, as well as the final decision of the Council of the League.

REQUEST OF LITHUANIA FOR THE SUBMISSION OF CERTAIN QUESTIONS TO THE PERMANENT COURT OF INTERNATIONAL JUSTICE.

At the meeting of the Council held on February 3rd, 1923, the Lithuanian representative argued that, as the neutral zone had been established by a convention between two States, the question should be settled in accordance with Article 13 of the Covenant, which declared disputes as to the interpretation of a treaty to be among those generally suitable for submission to arbitration. He contended that the Council would establish an unfortunate precedent if it attempted to modify a treaty between two Governments without their consent. This would be contrary to the principle of the Covenant and to the sovereignty of States.

The President of the Council was of the opinion that it was not Article 13 of the Covenant which was applicable but paragraph 6 of Article 15.

The Lithuanian Government, in a telegram dated February 10th, 1923, and in a letter dated March 8th, 1923, formally submitted certain observations in regard to the Council's resolution of February 3rd and requested the Council to refer to the Permanent Court of International Justice the following questions:

(1) Has the Council of the League of Nations the right, when a dispute is submitted to it under paragraph 1 of Article 15 of the Covenant, to address to the parties, with regard to incidental questions which have not been specifically submitted to it, recommendations having the same force as the Council's reports referred to in paragraphs 4, 6 and 7 of the same article?

(2) If the recommendations of a report by the Council of the League of Nations have been adopted in the circumstances contemplated in the sixth paragraph of Article 15 of the Covenant of the League of Nations and have been accepted by one of the parties, are such recommendations binding upon the other party if it does not accept them? And, secondly, if, within the period fixed by Article 12 of the Covenant it goes to war with a party which accepts the report, is it liable to the penalties laid down in Article 16?

The Council considered this request on April 21st, 1923.

M. Hymans expressed the opinion that it was hardly compatible with the constitution of the League of Nations to submit to the Permanent Court of International Justice the question of the validity of a decision taken by the Council. He did not think the validity of the decision could be seriously questioned, and, in any case, this decision now referred to a situation which was purely a matter of history. There could be no doubt that the Council, in making its recommendation of February 3rd, 1923, had acted within the scope of the Covenant. The dispute between Poland and Lithuania had been formally submitted to the Council on September 6th, 1920, and the Lithuanian Government had recognised the competence of the Council. The Council had frequently been obliged, with the assent of both parties, to make recommendations with the object provisionally of maintaining a state of peace between the two countries. He did not think that there was any occasion for obtaining the opinion of the Permanent Court of International Justice on the subject.

The Council associated itself with the views expressed by M. Hymans.

TREATMENT OF THE NON-POLISH POPULATION IN THE VILNA DISTRICT.

The Assembly decided on September 21st, 1922, to refer to the Council for its special consideration the question of the treatment by the Polish authorities of the non-Polish population of the disputed territory of Vilna. This question was brought before the third Assembly by the Lithuanian Government and discussed in the Sixth Committee.

The third Assembly regarded the question as coming within the scope of the resolution adopted by the Council on January 13th, 1922, in which that body, after having drawn up its final recommendation for the settlement of the dispute between Poland and Lithuania, reserved to itself the right to deal with the question, if necessary, by requesting the two Governments to allow it to send representatives to the spot for the purpose of making a report.

M. Sidzikauskas, representative of Lithuania, subsequently forwarded to the President of the Council on September 25th, 1922, a petition from the Lithuanian and White Russian populations in the territory of Vilna asking that the subject should be placed on the agenda of the next session of the Council.

The Council considered the question on February 1st, 1923. The representative of Poland proposed on behalf of his Government that all questions relating to the protection of minorities in the Vilna region should be dealt with by the League of Nations in accordance with the normal procedure applicable under the rules laid down in the Polish Minorities Treaty of June 28th, 1919. This proposal was supported by M. Hymans, acting as rapporteur.

The Lithuanian representative said that this proposal did not satisfy the Lithuanian delegation in view of the controversial position of the Vilna territory and of certain measures adopted by the Polish Government with a view to its annexation. He contended that the provisions of the minorities treaties were designed for normal situations and that they did not offer sufficient guarantees in this case. He argued that the situation in Vilna was one likely to affect international relations and to disturb peace within the meaning of Article 11 of the Covenant. The territory in question was occupied by a Polish army, and the Polish authorities were closing the schools and proceeding to numerous arrests and expulsions.

He urged that a commission of enquiry should be sent to the Vilna region to verify the facts on the spot and to embody them in a report to the Council. He further asked that the Council should send to Vilna a permanent commissioner to protect the non-Polish population both of the territory in dispute and of the neutral zone.

The Council decided that all questions relating to the protection of the non-Polish elements in the region of Vilna should be dealt with by the League of Nations in conformity with the usual procedure applied under the rules established by the Minorities Treaty of June 28th, 1919. It was understood that this decision in no way modified the terms of the recommendation of the Council of January 13th, 1922, in regard to the territorial question.

II. ALBANIA.

FINAL REPORTS OF THE COMMISSION OF ENQUIRY.

The Commission of Enquiry to Albania¹ presented its final reports to the Council in April 1923.

The International Position of Albania.

Previous reports had shown that, owing to the intervention of the League, the foreign relations of Albania had immensely improved. The Commission, on leaving Albania, was in a position to report that few outstanding questions remained between Albania and her neighbours likely to give rise to any anxiety. Albania had exchanged diplomatic representatives with the adjacent countries, as well as with many other States. Her frontiers had been delimited, with the exception of some small sectors where the work of delimitation was about to begin. Responsible representatives of the neighbouring Powers had publicly stated their intention and desire to maintain cordial relations with the new State of Albania and to respect her independence and integrity.

The Commission, in its final report, confirms its recommendation of the previous year to the effect that Albania should refrain as far as possible from any active foreign policy. In the view of the Commission, it was essential that Albania should enjoy complete neutrality in order to devote herself entirely to her constitutional, economic and social development.

The International Position.

The Commission points out that the international position of Albania and the internal conditions prevailing in the country are largely interdependent. Disorder within her borders inevitably reacts on the relations of Albania with her neighbours. Excellent measures have already been taken to improve the internal situation. The population has been disarmed, and in many districts where robbery was a form of livelihood the population has settled down to agricultural and other peaceful works. The Central Government, with uncontested power over the whole of the

¹ See "Records of Third Assembly, Plenary Meetings", Volume II, pages 33-37.

territory of Albania, is in a position to call in conscripts and to levy taxes even in remote regions. An insurrection which broke out in January 1923 was easily suppressed. Such insurrections, which are led by feudal chiefs and adventurers and organised by politicians, are unlikely to recur so long as there is no money with which to pay the men who share in them.

The present Government has exceptional powers, and there are still a number of influential people in exile. It is, however, proposed to convene in the autumn a constitutional assembly which will discuss a permanent form of constitution. The country is hardly ripe for universal suffrage or the more advanced forms of parliamentary government. The problem before the Constitutional Assembly will be to constitute a strong central government, at the same time allowing the various provinces a certain measure of local administration.

The present Government desires to obtain the services of foreign advisers in the various fields where reforms are necessary. It has decided to appoint technical experts from abroad to advise it on the reform of the legal system, education, police, public works, health, and possibly other services.

The Resources of Albania.

The general conclusion of the Commission is that it will take some years to create a mining industry and that there is no immediate future for the development of the great hydraulic forces which are available. The principal asset of Albania is her soil, and it will be possible to increase the natural wealth of the country by improving upon primitive and wasteful methods of cultivation and by liberating and developing large tracts of fertile soil by drainage and a scientific regulation of certain rivers. The industry which at present promises to become the principal source of revenue to the country is the cultivation of tobacco, for which the soil and climate are particularly well suited.

The Commission hopes that foreign capital may be found for the development of the agricultural, mineral and other resources of the country. Albania needs in particular a bank of issue and commercial and agricultural banks.

The Late Events in the Near East.

The late events in the Near East have undoubtedly stirred the feelings of the Mahomedan inhabitants of Albania and caused some misgiving to their Christian compatriots. There is no fanaticism among the Mahomedan population, but the recent successes of Turkey have accentuated the divergence between the Christians and Mussulmans of Southern Albania.

The Position in Southern Albania.

The question of the relations of the Mahomedan and Christian elements is perhaps the most important question at issue in Southern Albania. The Commission states that there is at present much discontent among the Christian population in this region.

In Southern Albania the Christians and Mussulmans are almost equal in number. The Commission does not consider that the Greek sympathies of the majority of the orthodox population of Southern Albania should be attributed to Greek nationalism. There are no racial feelings between Greeks and Albanians. The Greek population desires a strong and enlightened Albania, and has no desire to come under Greek rule if it can be assured that the political system to prevail in future is likely to give it the institutions and administrations which it desires. The Christian population is pacific, and its feelings for Greece are not those of an irredenta. No revolutionary movement is likely to be attempted. There still exists strong anti-Mussulman feeling among a great portion of the population of Southern Albania, but this feeling is directed against real or supposed remnants of the old Turkish regime of oppression. Christians of the south complain that they have less influence in public affairs than the Mahomedans and Catholics. They allege that the Christian officials nominated by the Government are in the main those who possess the confidence of the Mahomedans. There is a feeling that justice is not entirely equal for Christian and Mussulman, and particular hardship is alleged in regard to the ownership and renting of land.

The Commission reports in detail on the question of the formation of an independent Orthodox Albanian Church and on the schools question in Southern Albania in its relation to the rights of religious and linguistic minorities.

TERMINATION OF THE WORK OF THE COMMISSION.

The Council decided on February 3rd, 1923, that it was not necessary for the Commission to remain any longer in Albania. The representative of Albania concurred in this view and expressed gratitude on behalf of his Government for the great services which the Commission had rendered to his country.

The Council, on April 18th, noted the final reports of the Commission and thanked Professor Sederholm and Count Frederik Moltke for the services which they had rendered to the League of Nations.

APPOINTMENT OF A FINANCIAL ADVISER.

The Council considered the appointment of a financial adviser to Albania on February 3rd, 1923. It requested a sub-committee, composed of Lord Balfour, M. Branting, M. Salandra and M. Viviani, to come to a final decision as to the choice of a candidate.

On April 18th, the Council formally approved the appointment of Mr. J. D. Hunger, lately Administrator of Batavia in the Dutch East Indies. The appointment was made on the advice of the Financial Committee of the League and with the agreement of the Albanian Government. Mr. Hunger, whose contract is for five years, will present a quarterly report to the Council.

III. THE FRONTIER BETWEEN AUSTRIA AND HUNGARY.

The circumstances in which the question of the frontier between Austria and Hungary was brought before the Council and an account of the action taken by the Council in July 1922 will be found in the supplementary report to the third Assembly¹.

Both Austria and Hungary had agreed in advance to accept the decision of the Council. Austria was bound by the protocol signed at Venice on October 13th, 1921, and the Hungarian Government, in a letter to the Council dated April 13th, 1922, had formally expressed its desire that the Council should act as arbitrator.

The Council announced its decision on September 19th, 1922. It modified, in some respects, the proposals of the boundary commission, leaving to Austria the localities of Pamhagen, Hammer and Leka, the communes in the valley of the Pinka south of Pornopati, the commune of Csem, and the villages of Felso-Also-Beled, and Szenpeterfa. Hungary received back the locality of Liebing, the communal forests belonging to the city of Koszeg, the village of Rattersdorf, together with the valley of the Pinka north of Pornopati and Pornopati itself.

It was provided that a special protocol should be drawn up by the Delimitation Commission binding on the two Governments, with the object of avoiding any prejudice to the hydro-technical interests of the district of Pamhagen, and the supervision of this protocol was entrusted to the permanent Technical Hydraulic System Commission instituted by the Treaty of Trianon. The Council also recommended that the two Governments, assisted by the Delimitation Commission, should take permanent or provisional measures to avoid disturbances in the economic relations and frontier communications in the neighbourhood of the new frontier.

IV. THE FRONTIER BETWEEN HUNGARY AND CZECHOSLOVAKIA.

The question of the delimitation of the frontier between Hungary and Czechoslovakia was brought before the Council under the terms of the letter of May 6th, 1920, signed by the President of the Peace Conference. The letter generally laid down that the Council may be requested, by a report from the Delimitation Commission and on the request of one of the parties concerned, to intervene with a view to obtaining local modifications in the frontier lines laid down by the Treaty of Trianon, provided the Commission is of opinion that "the provisions of the Treaty involve an injustice at any point which it would be to the general interest to remove". This procedure may be resorted to in case "the frontier-line thus traced may not exactly correspond to the ethnological or economic requirements".

In this case the Delimitation Commission was divided on the question of the frontier in the district of Salgotarjan, three of its six members suggesting one frontier-line and three another. In accordance with Article 362 of the Treaty of Trianon, the President of the Commission made use of his casting vote in order to refer the question to the Council. According to the procedure set out in the preceding paragraph, the Hungarian Minister for Foreign Affairs requested the Secretary-General, in a letter dated November 16th, 1922, to bring the matter before the Council. On its side, the Conference of Ambassadors, in a letter dated January 3rd, 1923, communicated to the Council two reports presenting respectively the point of view expressed by the British, Japanese and Hungarian members of the Commission on the one hand, and the French, Italian and Czechoslovakian members on the other.

The Council considered this question on January 31st, 1923. The representatives of Hungary and Czechoslovakia agreed that the good offices of the Council should take the form of arbitra-

¹ See "Records of the Third Assembly, Plenary Meetings", Volume II, page 96.

tion, and M. da Gama, Brazilian representative on the Council, was requested to present a report at the next session.

After a careful study of the documents and in consultation with the two parties, M. da Gama prepared a report which he presented to the Council on April 17th, 1923. There were many factors to be considered; in particular, the attention of the Council was drawn to the following points:

- (1) The ethnological question, the village of Somosujfalu being inhabited by 1,800 persons speaking the Magyar tongue.
- (2) The coal question, the Treaty stipulating that the mines of Salgo and Zagvarona shall return to Hungary.
- (3) The question of the stone quarries, the yield of which is rather considerable in the disputed area.
- (4) The question of the forests.
- (5) The questions of local labour and agricultural arrangements.
- (6) The question of the railway and the road connecting the quarries to the railway station.

Owing to the topography of the district and the existence of the railway crossing it from north to south, the Permanent Advisory Commission for Military, Naval and Air Questions was requested by the Council to give advice on the points of a military character connected with the district in question. The Council, in view of the observations submitted to it by the Military Sub-Commission of the Permanent Advisory Commission, and after a further hearing of the two parties, announced its arbitral decision on April 23rd.

The frontier laid down by it leaves all the mines, one of the three quarries and the two villages of the disputed district in Hungarian territory, the inhabitants of the latter being Magyar. On the other hand, the Council left to Czechoslovakia the uninhabited heights north of the villages of Somoskő and of Somosujfalu. The Czechoslovak Government will have the right to use the railway station of the latter village as a frontier and Customs station, and the Hungarian Government undertakes to grant all possible facilities in connection therewith. The Czechoslovak Government, on its side, shall take all measures to facilitate the working of the basalt quarry situated to the north of the village of Somoskő and the transit of the products of that quarry on their way to the Somosujfalu station.

The representatives of Hungary and Czechoslovakia accepted the Council's arbitral decision.

V. THE FRONTIER BETWEEN HUNGARY AND THE KINGDOM OF THE SERBS, CROATS AND SLOVENES.

The circumstances in which the question of the frontier between Hungary and the Kingdom of the Serbs, Croats and Slovenes was brought before the Council, and an account of the action taken by the Council in July 1922, will be found in the supplementary report to the third Assembly.¹

The limits within which the good offices of the Council might be employed in settling this question were defined in a letter addressed to the Hungarian Government on May 6th, 1920, by the President of the Peace Conference. In this case the Council was not called upon to intervene as an arbiter but merely to use its good offices at the request of one of the interested parties in order to obtain a settlement by friendly agreement.

The Council, during its session in September 1922, did everything in its power to induce the parties to come to an agreement, and various compromises were discussed.

On September 30th, the Council was obliged to announce that it had been impossible to arrive at an agreement. The Kingdom of the Serbs, Croats and Slovenes refused to cede to Hungary the territory known as Prekomourie lying in the region where the frontiers of the Kingdom of the Serbs, Croats and Slovenes, of Hungary and of Austria meet, on the grounds that this frontier had been fixed by a treaty which had been ratified by the Serb-Croat-Slovene Parliament and that the consent of the latter would be indispensable for such a considerable alteration. The Kingdom of the Serbs, Croats and Slovenes, however, declared its readiness to cede to Hungary a road crossing the north-western extremity of Prekomourie, together with a village on that road, provided Hungary would consent to an exchange of territory further east on the frontier between the two States.

The representative of the Hungarian Government stated that an exchange in the eastern section of this frontier could only be contemplated if the Government of the Kingdom of the Serbs, Croats and Slovenes would accept arbitration by the Council of the League regarding the district of Prekomourie, which the Boundary Commission proposed to allocate in its entirety to Hungary. The Hungarian Government considered that the proposed transfer of the road in the north-western angle of Prekomourie was too small a concession.

Under these circumstances, the Council decided to inform the Conference of Ambassadors that, in spite of its efforts, it had been unable to persuade the interested parties to contemplate a friendly settlement of the question.

¹ See "Records of the Third Assembly, Plenary Meetings", Volume II, page 97.

VI. EASTERN CARELIA.

By the terms of the Treaty concluded on October 14th, 1920, between Finland and the Federal Russian Soviet Republic, the Government of the Soviets undertook to grant to the people of Finnish race and speech inhabiting Eastern Carelia a form of autonomy. The Finnish Government is of opinion that this undertaking has not been fulfilled. It contends that the Treaty of October 1920 has been violated and that the population has been subjected to a reign of terror.

The question was brought before the Council of the League of Nations as a result of the outbreak which took place in that country during the winter 1921-1922, and on January 14th, 1922, the Council stated that it was ready, if the two parties agreed, to examine the question.

The Council, in making this declaration, suggested that a Member of the League having diplomatic relations with the Government of Moscow might be able to give the Council information as to the views of the Russian Government.

Acting on this suggestion, the Esthonian Government entered into correspondence with the Government at Moscow. The latter declared that the question of Eastern Carelia was purely a domestic question and concerned only Soviet Russia. It could not therefore agree to any intervention in the dispute which had arisen on the subject between Russia and Finland.

The Council again considered the subject on February 1st, 1923. The Finnish Government contended that, owing to certain stipulations contained in the Treaty of October 1920, the treatment of the inhabitants of Eastern Carelia was not, as the Soviet Government maintained, a purely internal question but an international question concerning the interpretation of a treaty to which a Member of the League was a party and which had been registered in the Secretariat in conformity with Article 18 of the Covenant. The Finnish Government argued that the Permanent Court of International Justice was, by Article 14 of the Covenant, especially qualified to decide this question by means of an advisory opinion to the Council.

It was decided that the members of the Council should examine the question individually and consider it again at a later session.

The question was again considered by the Council on April 20th and on April 21st, 1923. The Finnish Government defined the question on which it desired to obtain the opinion of the Permanent Court in the following terms:

“Do Articles 10 and 11 of the Treaty of Peace between Finland and Russia, signed at Dorpat on October 14th, 1920, and the annexed Declaration of the Russian Delegation regarding the autonomy of Eastern Carelia, constitute engagements of an international character which place Russia under an obligation to Finland as to the carrying-out of the provisions contained therein?”

The Council considered that the request of the Finnish Government could be allowed in principle. It considered that legally it undoubtedly had the right to refer this question to the Court, and that the matter was within the competence of the League.

Soviet Russia was neither a Member of the League nor a party to the Statute of the Permanent Court, and it would not juridically be bound by the decision of the Court. The opinion of the Court might, however, be of assistance in clearing up the legal points which were in dispute between the two countries. The Council was not asked to consider the question of Eastern Carelia as a dispute in which Finland and Russia were “parties” in the legal sense of the word, and the Court might give a reply to the question raised by the Council without the countries concerned actually appearing. The reply of the Court might be based entirely on the Treaty of October 1920 and on the general principles of international law. In these circumstances, the special situation of the Soviet Government did not seem to raise any particular difficulties.

The Council accordingly requested the Permanent Court to give an advisory opinion on the question submitted by the Finnish Government, taking into consideration any information which the various countries concerned might present. The Secretary-General was authorised to submit this application to the Court together with all the documents relating to it.

VII. THE BULGARIAN INHABITANTS OF WESTERN THRACE.

Submission of the Question to the Council.

The Bulgarian Government, in a letter dated March 31st, 1923, called the attention of the Council to the position of the Bulgarian population in Western Thrace. Further details were added to this appeal in a memorandum forwarded to the League of Nations on April 5th, 1923. The Council considered the question in the presence of the Greek and Bulgarian representatives on April 19th and April 21st, 1923.

Statements by the Parties (April 19th, 1923).

The representative of Bulgaria complained that the Greek Government was forcibly removing Bulgarian inhabitants from their homes in Western Thrace. These removals were said to be

the result of a settled policy of deportation *en masse*, applied with the object of denationalising all the provinces under Greek rule of Bulgarian and Moslem majorities.

The Bulgarian representative stated that each deportation was preceded by the installation in the Bulgarian villages of Greek refugees, who, as soon as the Bulgarians had been obliged to leave their homes, took possession of their property, houses, cattle and land.

The Bulgarian Government had endeavoured to settle this question by negotiation with the Greek Government. In a letter addressed by M. Politis, Minister for Foreign Affairs at Athens, on November 14th, 1922, to the Bulgarian Chargé d'Affaires at Athens, the Greek Government admitted that there had been compulsory removals. M. Politis, in this letter, attributed the responsibility to local authorities. He undertook to take steps to stop the removals and to permit the families thus removed to return to their homes.

M. Gonatas, who succeeded M. Politis as Minister for Foreign Affairs, replied to later protests from the Bulgarian Government concerning fresh deportations, justifying them as imposed by military necessity owing to the action of Bulgarian armed bands in the frontier districts.

The Bulgarian representative argued that the letter of M. Politis of November 14th, 1922, showed that the system of deportation prevailed previous to the action of the armed bands. He stated that the existence of the armed bands was a consequence and not a cause of the policy of violence of the Greek Government. He informed the Council that Bulgaria was addressing to the Powers which were sovereign in Thrace a request to withdraw from Greece the mandate which she was exercising in Western Thrace and to entrust this mandate to the League of Nations. Meanwhile, he asked the Council to invite the Greek Government to restore to their homes the refugees who had been deported and to apply to these refugees the recognised principles for the protection of ethnical and religious minorities. He suggested that the facts might be verified by an enquiry conducted on the spot.

The Greek representative said that the measures taken by the Greek Government in Western Thrace were necessary in order to ensure the security of the Greek army which was of necessity maintained in complete mobilisation in that province. He referred to the presence of "Macedonian bands" formed on Bulgarian territory which unceasingly invaded the border States. The Bulgarian Government had confessed that it was powerless to repress their activity. These bands fostered an artificial unrest, with the hope of detaching the province from Greece. The Greek High Command had ascertained that the Bulgarian inhabitants of Western Thrace not only supported these bands but also supplied them with rifles and ammunition. It had therefore been obliged to remove certain persons from Western Thrace and to send them to Crete. As a result of this action, the activity of the Bulgarian bands in these regions had immediately ceased.

The Greek representative said he was authorised to repeat before the Council the declaration which his Government had already made to the Government at Sofia: namely, that the Bulgarian inhabitants of Western Thrace provisionally removed from their homes for imperative reasons would be authorised to return as soon as the causes which gave rise to this exceptional measure had disappeared.

Decision of the Council (April 21st, 1923).

The Council, having noted the letter from the Bulgarian Government dated March 31st, 1923, and having heard the statements of the representatives of Bulgaria and Greece, observed that the Treaty between the Principal Allied Powers and Greece signed at Sèvres on August 10th, 1920, which transfers to Greece the rights and titles of the Principal Allied Powers in Western Thrace had not yet been ratified by any of the signatory Powers. The Council accordingly instructed the Secretary-General to forward to the Governments of the Principal Allied Powers the documents and minutes of its deliberations and to express the hope that it would be possible at an early date legally to decide the future of Western Thrace and of its inhabitants and to settle the status of minorities in the territory. It requested the Principal Allied Governments to keep it informed of any future action taken in the matter on the ground that it was necessarily concerned with any situation which threatened to disturb international relations and which was brought to its attention by one of the Members of the League.

The Council noted the declaration of the Greek representative to the effect that the Bulgarian inhabitants of Western Thrace who had been deported would be authorised to return to their homes as soon as the causes which gave rise to this exceptional measure had disappeared, and it requested Dr. Nansen to do all in his power as Commissioner of Refugees to improve the conditions of persons expelled from Western Thrace.

VIII. EXPROPRIATION BY THE ROUMANIAN GOVERNMENT OF THE IMMOVABLE PROPERTY OF HUNGARIAN OPTANTS.

Submission of the Question to the Council.

The question of the expropriation by the Roumanian Government of the immovable property of persons opting for Hungarian nationality was submitted to the Council as the result of a note addressed by the Hungarian Government to the Council under the terms of Article 11 of the

Covenant. It was considered in the presence of the representatives of Hungary and Roumania on April 20th and on April 21st, 1923.

Statements by the Parties.

The Hungarian representative appealed to Article 3 of the Treaty between the Principal Allied and Associated Powers and Roumania signed at Paris on December 2nd, 1919. It was stipulated in this article that persons who exercised the right of option should, within the succeeding twelve months, transfer their place of residence to the State for which they had opted and that they should be free to retain their immovable property in Roumanian territory. The Treaty of Trianon, especially Articles 61, 63, and 65, also contained stipulations in the sense of these provisions.

The Roumanian Government, by a legislative decree of September 12th, 1919, had expropriated the landed property of foreign nationals, and, for the purposes of this decree, the term "foreign nationals" included all the inhabitants of Roumania who might opt in favour of another State. This decree had been followed by a series of legislative measures, as a result of which the majority of those opting for Hungarian nationality were no longer in possession of their lands.

The Hungarian Government maintained that these agrarian laws of the Roumanian Government were in conflict with the international treaties which stipulated that those opting for Hungarian nationality had a right to retain their landed property in Roumania. Under this legislation, the rural property of absent landowners was expropriated in its entirety. The compensation granted to the dispossessed landowners amounted to only 1 per cent. of the real value of the confiscated lands. The Hungarian representative said that his Government was protesting not against an agrarian reform carried out in good faith but against confiscations which were unjust and contrary to international engagements. He requested the Council to declare that the measures taken by Roumania were contrary to the treaties to which he had appealed; that the confiscated property of persons opting in favour of Hungary should be restored; and that these persons should be compensated for the damage which they had suffered.

The Roumanian representative said that Roumania had for the last few years effected a peaceful revolution by transferring almost the whole of the arable land of the country to the peasants, who had hitherto cultivated a great part of it as labourers. In order to effect this reform, Roumania had imposed upon her citizens sacrifices without precedent. These sacrifices had been imposed by legislation wholly objective in character and showing a strict impartiality towards all whom it concerned. The Hungarian nationals and the Roumanian landowners were treated on a footing of perfect equality.

The Roumanian legislation for the expropriation of landowners dated from 1913. The Roumanian peasants at that time possessed only four million out of the eight million hectares of arable land in the Old Kingdom of Roumania. The other four million hectares belonged to about 4,000 landowners who let their farms on lease. To remedy this situation, compulsory expropriation was thought necessary, and for this purpose the Roumanian constitution had to be modified. Elections held in 1914 resulted in an almost unanimous mandate for expropriation.

The work of agrarian reform, interrupted by the war, was resumed in 1918 and developed in 1921. In the Old Kingdom of Roumania there was a total expropriation of all properties on lease from 1910 to 1920. Moreover, every landowner in Roumania, whether Roumanian or foreign, absent from his land between December 1st, 1918 and March 23rd, 1921, was entirely expropriated.

There had been perfect equality for Hungarians and Roumanians in the execution of these reforms. The absentee provisions applied with greater severity to the Old Kingdom than to Transylvania, but the law made no distinction between Hungarian nationals and Roumanian nationals who were landowners in Transylvania.

The Roumanian representative contended that the Hungarian Government was not pleading for equality of rights but for a privilege within the territory of Roumania to the advantage of Hungarian nationals and to the detriment of Roumanian nationals. It was true that the Treaty of Trianon stipulated that persons opting for Hungary should retain their property. The Hungarian Government interpreted this to mean that the person opting for Hungary remained the owner of a special kind of property which could not be touched by any legislation without an international sanction. The Roumanian contention was that the person opting remained the owner of property which was subject to the national laws of the sovereign State.

Hungary asked for a regime favouring Hungarian nationals at the expense of Roumanian nationals. She demanded payment in gold or the restoration of the landed property. All these demands were impossible.

Proposals of the Council.

On April 23rd the Japanese representative on the Council, acting as Rapporteur, presented a report shortly summarising the arguments of the two parties and proposing that the dispute should be referred to the Permanent Court of International Justice. The relevant passages of the report were as follows:

"The case put forward by the Hungarian representative may thus be summarised: In the legislative provisions dealing with agrarian reform in Transylvania, the

Roumanian Government has not taken into account the provision embodied in Article 63 of the Treaty of Peace of Trianon (see also Article 3 of the Treaty of December 9th, 1919, between the Principal Allied and Associated Powers and Roumania), under which persons who have opted for Hungarian nationality will be entitled to retain their immovable property in Roumanian territory. The Hungarian Government does not question the Roumanian Government's right to undertake, in general, measures of agrarian reform, but it is of opinion that certain provisions of the law go beyond the scope of any reform scheme which is consistent with Roumania's international obligations.

"The Roumanian representative explained that the programme of agrarian reform in Roumania dated back to the pre-war period and that, although the carrying-out of this reform may have proved exceedingly irksome to the parties concerned, the legislative provisions have always been designed to achieve a single object: social reform in accordance with the principle of absolute equality of treatment for all elements of the Roumanian population. The agrarian reform stipulations specially applicable in Transylvania are intended to meet the actual situation and are not directed against persons of Hungarian nationality who own lands in Transylvania more than against any other inhabitants. In the opinion of the Roumanian representative, the stipulations of the Roumanian law in question are in no way contrary to the stipulations of the Treaties.

"Two opposite legal arguments are accordingly before the Council, and the settlement of the dispute will depend upon the interpretation of the treaties and on the legal examination of the Roumanian legislative stipulations in question.

"Having regard to these considerations, I am of opinion that the most satisfactory method of reaching a solution would be for the parties themselves to submit the dispute to the legal authority set up in accordance with the Covenant of the League of Nations: the Permanent Court of International Justice."

Attitude of the Parties to the Proposals of the Council.

The Hungarian representative said he was prepared to accept this suggestion. He hoped the Council would meanwhile take suspensory measures and request the Roumanian Government to suspend, pending a settlement of the dispute, any proceedings that might be contemplated against the Hungarian landowners.

The Roumanian representative was unable to accept the suggestion that the dispute should be referred to the Permanent Court. He could not agree to submit the constitution of Roumania to the arbitration of a third party. The agrarian legislation of Roumania involved the political and social transformation of a nation. It was not a question of minorities, in which case arbitration would, under certain specified conditions, be compulsory. It was merely a case between one State and another where arbitration was not compulsory and could not be voluntarily accepted.

The Rapporteur then proposed that if the question were not referred to the Permanent Court of International Justice the Council might ask the Permanent Court for an advisory opinion on the understanding that the Council's freedom of decision would be in no way limited.

The Roumanian representative found this proposal equally unacceptable. Delay in finding a solution of the problem was a menace to peace, as it might arouse feeling in millions of Roumanian subjects.

The President of the Council, in a further attempt to procure agreement, submitted the following proposals:

"(1) The Council decides to postpone to its next session further discussion concerning the Hungarian request relating to the expropriation by Roumania of the immovable properties of Hungarian optants.

"(2) The Council invites the representative of Japan, as Rapporteur, to continue the examination of the question and to submit to the Council a general report on the subject before the next session of the Council.

"(3) The Council invites the Government of Hungary and the Government of Roumania to forward to the Rapporteur as soon as possible all documents and such further information as they may deem necessary in order to enable him to make his report and to give him at his request every necessary explanation.

"(4) The Council invites the Roumanian Government to abstain from any action and to suspend any steps of procedure which might prejudice the definitive solution of this matter."

The Roumanian representative said he could not agree that the question should seem to remain open. He could not, moreover, accept proposal 4, under which the Roumanian Government was invited to abstain from any action and to suspend any procedure which might prejudice a definitive solution of the matter.

The Hungarian representative accepted the proposals of the President but intimated that he would not be able to do so if paragraph 4 were deleted.

The Council finally adopted the following resolution:

“The Council, having heard the discussion relative to this question, regrets that it sees no present prospect of agreement and is therefore unable to make any suggestion which would lead to its immediate solution.

“It accordingly remits the question for further consideration at the next session of the Council, expresses the hope that M. Adatci will continue to act as Rapporteur, and in the meantime trusts that the Governments of Hungary and Roumania will direct their best efforts towards the attainment of an agreed solution.”

The Japanese representative, M. Adatci, agreed to continue the duties of Rapporteur.

7.

ADMINISTRATIVE QUESTIONS.

I. ADVISORY COMMITTEE ON INTERNATIONAL ADMINISTRATION.

The Council decided on February 3rd, 1923, to examine a proposal to establish an Advisory Committee on International Administration. It was thought that the establishment of such a Committee, which might be composed of representatives of the Governments of the Members of the Council, would relieve the Council of a considerable amount of preliminary work of a detailed and technical character concerning Saar and Danzig questions and would assure a more intimate contact with the Governments of States Members of the Council and the Secretariat. The Council requested the Secretary-General to submit a scheme for the constitution of such a Committee.

The question was discussed by the Council during its April session, 1923. The Council decided to submit, for the consideration of its Members, certain observations on the subject made by the French and Polish Governments and to postpone the further discussion of this question to a subsequent session.

II. THE TERRITORY OF THE SAAR BASIN.

THE GOVERNING COMMISSION.

All the present members of the Governing Commission with the exception of one have served since the Commission was set up in February 1920 and have been reappointed for the third time. At its meeting of April 23rd, 1923, the Council accepted the resignation of Dr. HECTOR, the native Saar member of the Commission, and appointed M. LAND to fill this post until February 13th, 1924, the end of the present term of the other members of the Commission.

The members of the Commission, therefore, are:

M. V. RAULT (French), Chairman ;
M. LAMBERT (Belgian) ;
M. LAND (native Saar inhabitant) ;
Count MOLTKE-HUITFELDT (Dane) ;
Mr. R. D. WAUGH (Canadian).

The Governing Commission has made a periodical report (its thirteenth) for the period July-December 1922, containing detailed information on the political and economic situation in the Saar and on the administrative activity of the Commission. It was published in the *Official Journal* of the League, No. 1, Part II, January 1923.

The latest periodical report of the Governing Commission (its fourteenth), covering the period December 15th, 1922, to June 15th, 1923, was received as this report was going to press. It will also be published in the *Official Journal* and dealt with in the supplementary report to the Assembly on the work of the Council and of the Secretariat.

In addition to the periodical reports, the Governing Commission has sent in various special reports on particular subjects.

POLITICAL SITUATION.

The establishment of the *Advisory Council* in the Saar was referred to in the report on the work of the Council to the third Assembly.¹ In October 1922 the Governing Commission adopted the rules of procedure for that body, after examining the observations and recommendations put forward by the Advisory Council itself.

On about the same date the *Technical Committee* was constituted and its members appointed by the Governing Commission. The Committee was composed of a dean, the head of a public school, a banker, a notary, a farmer, an artisan, two workers and a manager of public works. They represent various parts of the Territory and different political groups. The Chairman is M. Kohler, notary and Deputy Mayor of Neunkirchen.

By December 16th, 1922, various members of the Advisory Council had sent to the Governing Commission, since the first meeting, sixty suggestions, motions, questions and "interpellations"². The Governing Commission has caused each of them to be examined, and several of the draft decrees prepared by the Commission are based, in varying degrees, on these texts. The adoption of these proposals as submitted would, however — as the Governing Commission points out — have meant an almost complete reconstruction of the fiscal, legislative and administrative systems in the Saar Basin; and the Commission, in view of the role given to the Advisory Council, felt that it could not grant to that body the right of initiative and "interpellation." It has therefore not replied to these numerous proposals.

ECONOMIC CONDITIONS.

The thirteenth periodical report of the Saar Basin Governing Commission (July-December 1922) deals at great length with the general situation in the Saar industries, with the effects of the fall in the value of the German mark, and with the measures taken by the Governing Commission to alleviate the serious consequences. It also deals with the problem of double currency, to which the Governing Commission has paid special attention. The statistics showing exports and imports from and to the Saar prove that the trade balance of the Territory has been favourable. For the first nine months of 1922, imports were valued at over 680,000,000 French francs and exports at over 1,100,000,000 French francs. The report further contains statistical data regarding the number of unemployed, the number of trucks loaded, the production of the coal, iron, glass and other industries, the number of cheap houses built, the banking deposits in marks and francs, the wages of workers and the cost of living with index numbers, the consumption of food, mortgages, etc. The report states that the figures relating to trade movements, unemployment, mining and iron production, food consumption, mortgages and commercial failures put the economic conditions of the Saar Basin during the period in question in a favourable light.

NEGOTIATIONS WITH FOREIGN GOVERNMENTS.

1. *Adhesion of the Saar to the Berne International Railway Convention.*

As stated in the supplementary report to the third Assembly, the Secretary-General sent all the correspondence with regard to the dispute on this subject between the Saar Governing Commission and the German Government to the Advisory and Technical Committee of the League on Communications and Transit. This Committee appointed a sub-committee on which the German Government and the Saar Governing Commission were represented, which met in November 1922 and unanimously approved a draft agreement. This agreement was subsequently ratified by both parties and came into force in January 1923. The Council took note of the settlement of this difficult problem and expressed satisfaction to those who contributed to this happy solution (see page 66).

2. *Other Negotiations.*

The Chairman of the Governing Commission has informed the Secretariat that the Governing Commission has been negotiating with the German Government regarding postal relations between Germany and the Saar, the application of the provisions of the Universal Postal Union to that Territory, and also concerning modifications of the protocol signed with Germany at Frankfurt in December 1921 with regard to social insurance. The Governing Commission, moreover,

¹ See "Records of Third Assembly, Plenary Meetings", Volume II, page 97.

² "Interpellation" is the right granted to a member of Parliament by the constitution, under parliamentary procedure, to ask a Minister for explanations on any given point. It is therefore implicit in the conception of ministerial responsibility. A request to make an interpellation must be submitted in writing and its subject mentioned. The President reads the interpellation to the assembly, which fixes the date of the debate in agreement with the Government. An interpellation differs from a "question" in that it must be approved by an "order of the day".

signed with the German Government on November 13th, 1922, in Frankfort a protocol concerning the position of war invalids in the Saar. Any further negotiations which may have taken place between the Governing Commission and foreign Governments, and any arrangements concluded, will be dealt with in the supplementary report to the Assembly.

SAAR QUESTIONS CONSIDERED BY THE COUNCIL.

1. *Reappointment of the Members of the Governing Commission.*

The Chairman and three other members of the Commission whose mandates expired on February 14th, 1923, were reappointed for another year at the Council session held in Paris, January/February 1923. The fifth member, whose appointment expired only in September 1923, resigned his office in April of this year and was replaced by M. Land (see page 30).

2. *The Presence of French Troops and the Development of Local Gendarmerie.*

This question was examined by the Council at its session January/February 1923. The German Government had presented a note renewing its request that the League should take steps with a view to the early withdrawal of the French troops from the Saar, the presence of which in the Territory was, it was contended, contrary to the provisions of the Treaty of Versailles and incompatible with the character of that Territory as a plebiscite area and with the administrative independence of the Saar. The Governing Commission replied to the arguments advanced by the German Government, setting forth the situation with regard to the local gendarmerie, and gave legal and practical reasons which, in the opinion of the entire Commission, made it indispensable that the troops which had been placed at its disposal free of charge should be maintained in the Saar. The Council, at its session January/February 1923, passed the following resolution:

"The Council reaffirms the resolution which it adopted at its meetings on February 13th, 1920, and June 20th, 1921, and requests the Governing Commission to adopt such measures as it thinks suitable for increasing the strength of the local gendarmerie. At its next session it will consider the programme drawn up by the Commission."

At its April session 1923 the Council took note of the programme then drawn up by the Commission providing for the recruiting and instruction of 200 new gendarmes during the financial year 1923-24. The number of local gendarmes would thus be increased from 155 to 355. The Council, moreover, invited the Governing Commission to submit, before the adoption of the 1924-25 budget, a programme for the further development of the local gendarmerie for that year. At the same meeting the Chairman of the Governing Commission informed the Council that he had been obliged to raise the number of the garrison troops from about 2,000 to nearly 4,000 in order to ensure the protection of the French mines during the miners' strike. On May 17th, 1923, the Chairman of the Governing Commission informed the Secretariat that the additional troops had been withdrawn, as the strike had been brought to an end.

3. *The Use of French Gendarmerie.*

In a note on this question the German Government maintained that the presence in the Saar Basin of the French gendarmerie was contrary to the Peace Treaty and that this gendarmerie had been used by the Governing Commission in a manner incompatible with the governing principles laid down for the administration of the Saar. The Council, at its session January-February 1923, in view of its decision concerning the local gendarmerie referred to in section (2) above, agreed that the French gendarmerie should be employed for the purpose of policing the French troops.

4. *The Exercise of Jurisdiction by the French Courts-martial.*

A note by the German Government contained a protest against a decree issued on June 28th, 1921, by the Governing Commission concerning the competence of courts-martial. In the opinion of the German Government, this decree was not consistent with the provisions of the Peace Treaty and the decisions of the Council with regard to this matter. In its reply, the Governing Commission pointed out, among other things, that since the issue of the decree in question not one civilian had been brought before the courts-martial. The Council, on February 1st, 1923, stated that it thought that "it is unnecessary to discuss the question of courts-martial, as, since the adoption of its resolution of June 20th, 1921, no case has arisen".

5. *The Protection abroad of the Interests of Saar Inhabitants.*

The German Government pointed out certain practical difficulties with regard to the existing arrangements made by the Governing Commission under which the protection abroad of the

interests of the Saar inhabitants was entrusted to the French Government. The Governing Commission expressed doubts as to the existence of these difficulties. The Council decided to forward the Governing Commission's note to the German Government, together with the Rapporteur's report to the Council on the subject.

6. *The Situation with regard to Public Instruction in the Territory.*

The German Government protested against the situation with regard to public instruction, which, in its opinion, was contrary to the Treaty of Versailles, which provides that under the control of the Governing Commission the inhabitants shall retain their schools. The Governing Commission, in its reply, dealt at length with the legal aspect and presented facts as to actual conditions with regard to the question. The Council, on April 23rd, 1923, decided to forward the reply from the Governing Commission to the German Government, together with the Rapporteur's report, which expressed the opinion that this reply should remove misunderstandings and doubts on the part of the German Government.

7. *Agreement with France concerning Double Taxation.*

With regard to this agreement, the German Government objected to the use of certain expressions which, in its opinion, gave the Saar Territory the appearance of a State. The Council, on April 23rd, 1923, held that these expressions could not affect or modify the status of the Territory or the position of the Governing Commission as laid down in the Treaty of Versailles.

8. *The Case of M. Frantzen.*

The German Government, as well as certain political parties represented on the Advisory Council of the Saar, protested because M. Frantzen, an official of the Governing Commission, was filling an important position in the expeditionary corps sent by the French and Belgian Governments to the Ruhr. The Governing Commission explained that M. Frantzen had been given leave and that he would not resume his post under the Governing Commission. The Council, therefore, on April 23rd, 1923, was of opinion that it was not necessary to examine the question further.

9. *Attitude of the Railway Staff in connection with the Occupation of the Ruhr.*

The Governing Commission has forwarded to the Council a copy of a telegram to the Saar Railway Administration sent from the German Ministry of Transport concerning the attitude to be observed by the Saar Railway staff in connection with the occupation of the Ruhr, and maintained that this constituted an interference in the administration of the Saar Basin. The German Government, in a reply, stated that this telegram had been sent to the Saar owing to a regrettable error. The Council, on April 23rd, 1923, took note of this correspondence.

10. *Commercial Relations with Occupied Germany.*

The Governing Commission, as well as the German Government, has also communicated to the Council certain correspondence concerning commercial relations between the Saar Basin and occupied Germany. This question relates to the situation created by the recent decisions of the Inter-Allied Rhineland Commission with regard to the Customs regime in the occupied territory and to the measures taken as a result of these decisions by the Saar Governing Commission and the German Government. The Council, on April 23rd, 1923, expressed the hope that the direct negotiations which are in progress on this subject will settle the questions still outstanding.

II. *Decree of the Governing Commission of March 7th, 1923.*

During the April session of the Council, the Swedish Member of the Council raised, on April 23rd, 1923, the question of a decree issued by the Governing Commission on March 7th, 1923, concerning the maintenance of order and public security in the Saar Territory, a copy of which had been sent by the Governing Commission for the information of the Council.

The Chairman of the Governing Commission, who was present at that meeting, gave a detailed explanation of the scope of the decree, of its provisional nature, and of the urgent reasons for issuing it. The reasons which led the Governing Commission to issue the decree were the prolongation of the miners' strike which had broken out, the Press campaign which attacked the conditions established in the Saar under the Peace Treaty, the activities of secret societies and danger of disturbances. The Chairman of the Governing Commission, moreover, pointed out that after its promulgation the issuing of the decree had been approved in principle by the Technical Committee, that it was to be submitted to the Advisory Council, and that its legality had been recognised by the Saar Administrative Court.

The British representative on the Council joined with M. Branting in expressing the hope that the Commission would soon be able to end the strike and withdraw the decree.

The Chairman of the Governing Commission declared that the withdrawal of the decree depended on the disappearance of the circumstances that had made it necessary and assured the Council that the decree would be applied in a spirit of moderation.

12. *The Saar Plebiscite.*

As stated in the report to the third Assembly¹, the Council has taken certain steps in connection with the Saar plebiscite to be held in 1935. In September 1922 the Council appointed M. Alfred Bonzon (Swiss) to be Provisional Records Commissioner for the plebiscite, to hold office for a period not to exceed one year. The expenses of this post are borne by the Saar Territory. M. Bonzon was instructed by the Council to prepare a draft decree specifying the list of documents to be given protection by the League and the means to be taken to give them this protection. The Council, in April 1923, approved this draft decree with certain modifications. The draft decree enumerates the documents to be specially safeguarded by the League. It explains the measures to be taken for preserving these documents, the rules to be observed by the authorities and persons responsible for them, the places where they are to be preserved, the methods to be followed in order to avoid danger of destruction or deterioration, and the penalties to be inflicted in case of destruction or damage through bad faith or neglect.

The Council instructed the Secretary-General to communicate the draft decree to the Chairman of the Governing Commission with a request that it should be made valid in the Saar Territory as soon as possible. The Provisional Records Commissioner was instructed to attend personally to the execution of the provisions of the draft decree and to submit a final report to the Council. The Chairman of the Governing Commission informed the Secretary-General that the decree had been promulgated on May 9th, 1923.

PETITIONS FROM DIFFERENT ELEMENTS OF THE SAAR POPULATION.

Certain of the political parties and other groups of the Territory have forwarded, through the Chairman of the Governing Commission, petitions with regard to the situation of the Press in the Saar, the sequestration of property of the Saar inhabitants, the situation of the farmers in the Territory, the presence of French troops, the Provisional Decree for the Maintenance of Order and Public Security, the appointment of the members of the Governing Commission, with special reference to the Saar Member, and on other matters. A request that elected representatives of the Saar population should be heard at the Council meetings has also been received from the representatives of the political parties. All these documents have been communicated to the Council and the Members of the League of Nations for their information.

III. FREE CITY OF DANZIG.

Detailed information with regard to Danzig questions dealt with by the Council and the Secretariat during and since the third Assembly is contained in the two general reports which the Secretary-General has submitted to the Council on this subject, and covering the periods May to September 1922 and September 1922 to February 1923. These reports have been communicated to the Members of the League and published in the *Official Journal*.

It will be seen that the Danzig questions dealt with in these reports relate to a great extent to differences between Danzig and Poland arising out of interpretations of the Treaty of Versailles and the Danzig-Polish Treaty of November 9th, 1920, as well as of treaties and agreements concluded thereunder. Besides considering such differences, the Council has also had to deal with the financial position of the Free City and with arrangements for the upkeep of the post of the High Commissioner of the League of Nations in Danzig.

POST OF THE HIGH COMMISSIONER.

With regard to the post of High Commissioner of the League of Nations in Danzig, it will be remembered that the Council appointed General Sir Richard Haking in December 1920. In accordance with his own request, his term of office was fixed for one year. At the expiration of that time, however, he accepted reappointment for a further year. Last winter, General Haking was appointed by the British Government Commander-in-Chief of the British forces in Egypt. The Council expressed, at its session in February 1923, its warm thanks to General Haking for the services he had rendered to the League of Nations and congratulated him on the very able and impartial manner in which he had fulfilled his duties in Danzig. The Council at the same time appointed Mr. M. S. MacDonnell, Governor of the Western Province of Egypt since 1919, as General Haking's successor. The Council made specific provisions with regard to his term of office and the financial arrangements concerning his post and fixed his salary at 60,000 gold francs per annum. The Polish and Danzig Governments, in accordance with previous arrangements, contribute each one-half towards the upkeep of the post.

¹ See "Records of Third Assembly, Plenary Meetings," Volume II, page 45.

FINANCIAL SITUATION.

This question was referred by the Council to the Financial Committee of the League, and a full report on the subject will be found under the heading dealing with the work of that Committee.

DISPUTES BETWEEN POLAND AND THE FREE CITY.

The report to the third Assembly¹ mentioned that the League's High Commissioner in Danzig and the Council had been concerned in adjusting certain differences between the Polish and Danzig Governments which were not settled by the Treaty of Versailles and the Danzig-Polish Treaty of November 9th, 1920, and that, furthermore, the two Governments had been able to arrive at an understanding directly between themselves on many unsettled points. This general remark applies also to the period which has gone by since the report to the third Assembly was written. Indeed, the main task of the League, as far as Danzig questions are concerned, since the laying down of the foundation for the status of the Free City, has consisted in assisting the Free City and the Polish Government in the working-out of a great many questions of detail, on subjects either not specially foreseen in the acts constituting the Free City or deferred by these acts for further discussion and settlement. Formally, most of the Danzig questions before the Council have had the character of disputes between Poland and the Free City, but it should be understood that the great number of such disputes is due to a practical desire to obtain a closer definition of many of the Treaty stipulations. In other words, the settlement of a great many of the Danzig-Polish differences is of a constructive character, aiming at the laying-down of the foundation of stable conditions in the future. A considerable number of questions of greater or minor importance are still under consideration by the High Commissioner. Some have recently formed the subject of new decisions by him, and in some cases these decisions have been submitted to the Council at the request of one or both parties. The agenda of the next Council session, which will take place at the end of June, includes certain questions of this character and it is to be foreseen that other questions may come up before the Council at its last session before the Assembly meets. A general survey of these questions for the whole period since the report to the third Assembly and up to the fourth Assembly will be prepared and issued as a supplement to the present report. This will enable the delegates to the Assembly to have a more complete general view of the position than it would be possible to gain from a summary covering only the period from September 1922 until the end of April this year.

The following list, covering the period since the beginning of the third Assembly, will show the general character of these questions:

1. *Legal status of Polish Government property, officials and ships at Danzig*². Certain questions regarding the interpretation of previous arrangements on this subject have come before the High Commissioner, who gave decisions on May 22nd and 23rd, 1923.

2. *Control and administration of the Vistula within the territory of the Free City*³. The Council, at its session in February 1923, confirmed the decision of the High Commissioner.

3. *Expulsion of Polish nationals from Danzig*⁴. As the result of negotiations between the Polish and Danzig Governments, an agreement was signed on August 17th, 1922, setting forth in detail the procedure to be followed in case of the expulsion of Polish nationals from Danzig.

4. *The site of a depot for Polish war material, including explosives, in transit through Danzig*⁵. On September 1st, 1922, the Council confirmed the High Commissioner's decision. A detailed report on the discussions of the Council will be found in the Council Minutes⁶.

5. *Establishment of a Polish Post, Telegraph and Telephone Service at Danzig*. Decision of the High Commissioner of May 25th, 1922, and interpretative statement by him of August 30th, 1922.

6. *Interpretation of Article 7 of the Danzig-Polish Treaty of November 9th, 1920, relating to Foreign Loans by Danzig*. Decision by the High Commissioner of August 22nd, 1922.

7. *Competence of the Polish Diplomatic Representative at Danzig, including the right of the Polish Government to welcome foreign fleets officially at Danzig*. Decision by the High Commissioner of August 23rd, 1922, and agreement between the Polish and Danzig Governments concluded at Paris on January 29th, 1923.

8. *Representation of the Free City at International Conferences*. Decision of the High Commissioner of August 24th, 1922, and agreement between the Polish and Danzig Governments concluded at Paris on January 27th, 1923.

9. *Principles to be applied in the leasing of property by the Danzig Harbour Board*. Decision of the High Commissioner of October 27th, 1922, and agreement between the Polish and Danzig Governments concluded at Geneva on April 16th, 1923.

¹ See "Records of Third Assembly, Plenary Meetings," Volume II, page 45.

² See "Records of Third Assembly, Plenary Meetings," Volume II, page 46.

³ See "Records of Third Assembly, Plenary Meetings," Volume II, page 47.

⁴ See *Official Journal*, November 1922 (Part II), page 1167.

10. *Principles to be applied with regard to the conclusion of treaties affecting the interests of the Free City, and the case of the Danzig-Memel Agreement concerning Merchant Seamen.* Decision of the High Commissioner of November 3rd, 1922. Appeal by Danzig. The consideration of the matter was postponed by agreement between the parties.

11. *Method to be followed by Danzig in conducting correspondence concerning her foreign relations.* Decision of the High Commissioner of November 28th, 1922, and declaration by the Polish Diplomatic Representative dated Paris, February 1st, 1923.

12. *Official languages to be used by the Danzig Harbour Board.* Decision of the High Commissioner of December 5th, 1922, and agreement between the Polish and Danzig Governments concluded at Geneva on April 17th, 1923.

13. *Establishment by Poland of a railway direction in Danzig.* Decision of the High Commissioner of December 12th, 1922. Considered by the Council on April 20th, 1923, and postponed to its next session.

14. *Claim by Poland against Danzig for demurrage in the case of the unloading of a munitions ship.* Decision of the High Commissioner of December 20th, 1922. Appeal by Poland, but withdrawn from the agenda of the Council by agreement between the parties.

15. *Establishment of a letter-sorting office by the Polish postal services in the main railway station at Danzig.* Decision of the High Commissioner of December 23rd, 1922, and agreement between the Polish and Danzig Governments concluded at Geneva on April 18th, 1923.

16. *Establishment of a Polish official travelling agency in the main railway station at Danzig.* Decision of the High Commissioner of December 31st, 1922.

17. *Finances of the Danzig Harbour Board.* Decision of the High Commissioner of April 29th, 1923. Appeal by the Polish Government.

18. *Visum fee for Danzig citizens leaving Polish territory by another route than that which crosses the Polish-Danzig frontier.* Decision by the High Commissioner of May 1st, 1923. Appeal by the Danzig Government.

19. *The right of the Danzig Harbour Board to contract loans.* Decision of the High Commissioner of May 24th, 1923. Appeal by the Polish Government.

20. *The Danzig Harbour Police.* Decision of the High Commissioner of June 6th, 1923. Appeal by the Polish Government.

This list does not give an exhaustive enumeration of all the questions which have been dealt with between the Polish and Danzig Governments. Certain questions have been settled, after discussion between the two Governments, by direct agreement.

Besides communicating to the Secretariat all his formal decisions on questions of difference between the Polish and Danzig Governments, the High Commissioner, in virtue of the general interest of the League in protecting the Free City, has also kept the Secretariat informed of a number of particular questions, such as the participation of Danzig in certain treaties and conventions, the organisation and activities of the Danzig Harbour Board, the treatment of Polish nationals in Danzig, the manufacture, sale, storage and transit of war material, the interpretation and execution of certain treaty stipulations of importance to the future relations between Danzig and Poland, etc.

One of the members of the Secretariat paid a visit to Danzig during last winter for the purpose of acquainting himself with the conditions on the spot, and quite recently the Secretary-General, accompanied by the Director of the Political Section, also visited the Free City.

The President of the Senate of the Free City of Danzig and the Polish Diplomatic Representative in Danzig, assisted by technical experts, were present at the different sessions of the Council when Danzig questions were discussed. Besides the Diplomatic Representative of Poland in Danzig, Poland was also represented by her permanent Delegate to the League of Nations. The High Commissioner of the League of Nations in Danzig was also present at the Council sessions.

8.

PROTECTION OF MINORITIES.

I. RESOLUTIONS OF THE THIRD ASSEMBLY.

At its meeting held on September 21st, 1922, a report by the Sixth Committee on the protection of minorities was presented to the Assembly, which adopted the following resolutions:

(1) "While in cases of grave infraction of the Minorities Treaties it is necessary that the Council should retain its full power of direct action, the Committee recognises that in ordinary circumstances the League can best promote good relations between the various signatory Governments of Minorities Treaties and persons belonging to racial, religious or linguistic minorities placed under their sovereignty by benevolent and informal communications with those Governments. For this purpose, the Committee suggests that the Council might require to have a larger secretarial staff at its disposal."

(2) "In cases of difference of opinion as to questions of law or fact arising out of the provisions of the Minorities Treaties between the Government concerned and one of the States Members of the Council of the League of Nations, the Committee recommends that the Members of the Council appeal without unnecessary delay to the Permanent Court of International Justice for a decision in accordance with the Minorities Treaties, it being understood that the other methods of conciliation provided for by the Covenant may always be employed."

(3) "While the Committee recognises the primary right of the minorities to be protected by the League from oppression, it also emphasises the duty incumbent upon persons belonging to racial, religious or linguistic minorities to co-operate as loyal fellow-citizens with the nations to which they now belong."

(4) "The Committee expresses the hope that the States which are not bound by any legal obligations to the League with respect to minorities will nevertheless observe in the treatment of their own racial, religious or linguistic minorities at least as high a standard of justice and toleration as is required by any of the Treaties and by the regular action of the Council."

(5) "The Secretariat, which has the duty of collecting information concerning the manner in which the Minorities Treaties are carried out, should not only assist the Council in the study of complaints concerning infractions of these Treaties but should also assist the Council in ascertaining in what manner the persons belonging to racial, linguistic or religious minorities fulfil their duties towards their States. The information thus collected might be placed at the disposal of the States Members of the League of Nations if they so desire."

In execution of these resolutions, two new members were added to the staff of the Minorities Section of the Secretariat, and the appointment of two other members is contemplated in the course of the present year. The Section has undertaken investigations regarding the problem of minorities in various countries, and certain members of the Section have been to several of the countries concerned in order to get into touch unofficially with the Governments.

II. BALTIC STATES.

On December 15th, 1920, the first Assembly of the League of Nations adopted the following recommendation:

"In the event of Albania and the Baltic and Caucasian States being admitted into the League, the Assembly requests that they should take the necessary measures to enforce the principles of the Minorities Treaties and that they should arrange with the Council the details required to carry this object into effect."

The report to the third Assembly on the work of the Council¹ contained an account of the manner in which this recommendation was carried out in the cases of Finland and Albania. Moreover, mention was made of the declaration signed by the representatives of Esthonia, Latvia and Lithuania before those States were admitted to the League of Nations; under the terms of this declaration the Governments of these countries accepted the recommendation of December 15th, 1920, and expressed their willingness to discuss with the Council the scope and methods of application of their international obligations for the protection of minorities. On May 12th, 1922, the Lithuanian representative signed a declaration containing terms similar to those of the Polish Minorities Treaty. Negotiations are continuing as regards the protection of minorities in Esthonia and Latvia. A number of documents on this subject have been published in the *Official Journal* of the League of Nations. These questions will again be dealt with by the Council at its meetings before the opening of the Assembly, and the negotiations will be dealt with in the supplementary report to the Assembly.

III. ALBANIA.

On October 2nd, 1921, the Albanian representative signed, in the presence of the Council of the League of Nations, a declaration in execution of the Assembly's recommendation of

¹ See "Records of Third Assembly, Plenary Meetings", Volume II, page 50.

December 15th, 1920, regarding the protection of minorities in Albania. Article 5, paragraph 2, of this declaration lays down that:

"Within six months from the date of the present declaration, detailed information will be presented to the Council of the League of Nations with regard to the legal status of the religious communities, churches, convents, schools, voluntary establishments and associations of racial, religious and linguistic minorities. The Albanian Government will take into consideration any advice it might receive from the League of Nations with regard to this question."

This question has been considered by the Council on several occasions. As early as May 11th, 1922, the Albanian representative stated to the Council that the minorities question would form the subject of two categories of laws. The general principles would form an integral part of the Constitution. A scheme had been drawn up by a sub-committee composed of members of the Albanian Parliament, to which body it was shortly to be submitted. The development of these principles, and the provisions regarding religious communities, were to be embodied in another law. At its meeting held on September 1st, 1922, the Council instructed the Secretary-General to collect and submit to it in due course further information concerning the legislative measures to be taken with regard to the legal status of the religious communities, churches, convents, schools and voluntary establishments of the racial, religious and linguistic minorities in Albania.

IV. GERMAN MINORITIES IN POLAND.

In the Report to the Third Assembly on the Work of the Council¹, mention is made of the report submitted to the Council on May 17th, 1922, by the representatives of Belgium, Italy and Japan regarding certain questions connected with the position of the German minority in Poland, which were raised in petitions addressed to the League of Nations by the Germanic League ("Deutsch-tumsbund") in Poland. The questions dealt with in this report to the Council are as follows:

1. The question of the farmers of German origin:
 - (a) The application of the agrarian law;
 - (b) The tenants of the State domains;
 - (c) The colonists established by the Prussian Colonisation Commission (*Ansiedelungskommission*).
2. General questions with regard to the rights of minorities:
Questions concerning churches and schools, civil and political rights of persons belonging to the minority.
3. Interpretation of certain provisions in the Minorities Treaty regarding the acquisition of Polish nationality.

The Council, having taken note of this report and having heard the legal explanations submitted by M. Askenazy, the Polish representative, decided to ask the Polish Government to communicate to the Council, at the earliest possible date, detailed information upon the questions of fact as well as upon the questions of law referred to in the report.

The Council also requested the Polish representative to consider, in conjunction with the Secretary-General, the various questions of law raised in the report, in order to enable the Council to decide whether, and, if so, on what questions, the Permanent Court of International Justice should be asked to give an opinion.

The Council earnestly requested the Polish Government to postpone, until the Council had had an opportunity of taking a decision upon the matter, any administrative or judicial measures likely to affect the normal position of persons of German origin engaged in agricultural work who are Polish subjects or whose status as Polish subjects is dependent upon the decision taken with regard to the questions of interpretation raised in the report.

In pursuance of this decision of the Council, negotiations were at once begun between the Polish representative and the Secretariat of the League of Nations. Provisional information on certain questions raised in the report of May 17th, 1922, was placed at the disposal of the Secretariat by the Polish representative as early as June 1922. On July 3rd, 1922, the Minister for Foreign Affairs informed the Council that the Polish Government had decided to postpone until the end of the next ordinary session of the Council the expulsion from their holdings of those colonists of Polish nationality who had concluded a contract of purchase or sale with the former colonisation Commission before the date of the Armistice and who, up to that date, had not obtained the *Aufassung* (entry in the land register); and also of those colonists of Polish nationality who, on the date of the Armistice, were in occupation of the "colonies" by virtue of a rent contract and whose lease would not yet have expired if subsequently purchase of that "colony" from

¹ See "Records of Third Assembly, Plenary Meetings", Volume II, page 53.

the former Colonisation Commission had not taken place, a purchase which the Polish Government considered as illegal.

On July 5th and August 30th, 1922, the Polish representative submitted to the Secretary-General memoranda containing information regarding the questions of law and of fact referred to in the Council resolution of May 17th and setting forth the legal grounds on which the Polish Government's attitude in the matter was based. On September 9th, 1922, the Brazilian representative submitted to the Council a report conveying the information furnished by the Polish Government. The Council took note of this report and thanked the Polish Government for its valuable assistance towards a settlement of this question. The Council then decided, with the consent of the Polish representative, to summon a Committee of Jurists to study certain legal questions concerning the contracts of the German colonists established by the former German Colonisation Commission, as well as the question of the interpretation of Article 4 of the Polish Minorities Treaty of June 28th, 1919, regarding the acquisition of Polish nationality. On September 30th, 1922, the Brazilian representative submitted a further report containing the opinion of the Committee of Jurists, which was composed of the legal advisers of the representatives of Spain, France and Great Britain, together with the Director of the Legal Section of the Secretariat. The Council took note of this report and requested the representative of the Polish Government to bring it to the notice of his Government at the earliest possible moment.

In a note dated December 7th, 1922, the Polish Government stated that the cases put by the jurists did not bear upon the questions of minorities in Poland. The Polish Government considered that the jurists' opinion in no way invalidated any of the legal arguments adduced by the Polish representative. The Polish Government was not in a position to grant title-deeds of property to persons who, in pursuance of an anti-Polish policy, had established themselves on sites belonging to the Polish State in virtue of contracts concluded with the German authorities. A further respite for these colonists was out of the question. As regards the interpretation of Article 4 of the Treaty of June 28th, 1919, the Polish Government was of opinion that Article 4 was not one of those which were placed under the guarantee of the League of Nations. Further, the interpretation of this article was the subject of negotiations between the delegations of the German and Polish Governments at Dresden, and, in those circumstances, the Polish Government thought that the question should be removed from those dealt with in the opinion given by the jurists.

On February 3rd, 1923, the Council adopted the following resolution:

"THE COUNCIL OF THE LEAGUE OF NATIONS,

"Having been apprised of certain questions regarding the following facts:

"(a) A number of colonists who were formerly German nationals, and who are now domiciled in Polish territory previously belonging to Germany have acquired Polish nationality, particularly in virtue of Article 91 of the Treaty of Versailles. They are occupying their holdings under contracts (*Rentengutsverträge*) which, although concluded with the German Colonisation Commission prior to the Armistice of November 11th, 1918, did not receive an *Auflassung* before that date. The Polish Government regards itself as the legitimate owner of these holdings under Article 256 of the Treaty of Versailles and considers itself entitled to cancel the above contracts. In consequence, the Polish authorities have taken certain measures in regard to these colonists, by which the latter will be expelled from the holdings which they occupy;

"(b) The Polish authorities will not recognise leases conceded before November 11th, 1918, by the German Government to German nationals who have now become Polish subjects. These are leases over German State properties which have subsequently been transferred to the Polish State in virtue of the Treaty of Versailles, in particular, of Article 256:

"REQUESTS THE PERMANENT COURT OF INTERNATIONAL JUSTICE TO GIVE AN ADVISORY OPINION ON THE FOLLOWING QUESTIONS:

"(1) Do the points referred to in (a) and (b) above involve international obligations of the kind contemplated by the Treaty between the United States of America, the British Empire, France, Italy, Japan and Poland signed at Versailles on June 28th, 1919, and do these points come within the competence of the League of Nations as defined in that Treaty?

"(2) Should the first question be answered in the affirmative, the Council requests the Court to give an advisory opinion on the question whether the position adopted by the Polish Government and referred to in (a) and (b) above is in conformity with its international obligations.

"The Secretary-General is authorised to submit these requests to the Court together with all the relevant documents, to explain to the Court the action taken by the Council in this matter, to give all assistance necessary in the examination of the question, and, if required, to take steps to be represented before the Court."

In a letter dated March 22nd, 1923, the Polish Government expressed a desire that the sense and bearing of paragraph (b) of this resolution should be confirmed in order that the resolution might be expressed with the absolute clearness prescribed by Article 72 of the Rules of the Court.

What was required was a statement that paragraph (b) refers exclusively to the case of a special category of colonist farmers: namely, those who occupy holdings in virtue of leases contracted before the Armistice, and still unexpired and who subsequently obtained after the Armistice amortisation contracts (*Rentengutsverträge*) for those holdings.

As this was clearly the intention of the Council when it took its decision on February 3rd, 1923, the Council, at its meeting held on April 18th, 1923, accepted the conclusions of the Polish Government and decided to inform the Court accordingly.

V. JEWISH MINORITIES IN HUNGARY.

In the report on the work of the Council submitted to the third Assembly¹ mention was made of a petition addressed to the League of Nations by the "Joint Foreign Committee of the Jewish Board of Deputies and the Anglo-Jewish Association" and the "Alliance israélite universelle" with regard to the position of the Jews in Hungary. This petition is concerned with the application of the Hungarian Law XXV of 1920 (*Numerus Clausus*) as far as it affects the admission of Jews to the Hungarian universities and other higher educational institutions. On September 30th, 1922, the representatives of Belgium, Spain and China brought this question before the Council. In their report submitted to the Council on this occasion, the above-mentioned members expressed the opinion that information ought primarily to be obtained as to the manner in which the law was applied and whether in practice the rights of minorities were disregarded. In these circumstances the Council requested the Hungarian Government to be good enough to supply the necessary information in order that it might be in a position to follow closely for a certain time the application of Law XXV of 1920. Count Bánffy, Hungarian Minister for Foreign Affairs, who was present at the Council meeting, stated that the Hungarian Government would furnish the Council with all necessary information as to the application of the law. On January 24th, 1923, the Director of the Hungarian Office accredited to the League of Nations communicated to the Secretariat a statistical return of the students registered at the universities and faculties of law in Hungary and the proportion of Jews among them².

Though the Jewish population of Hungary is only 6 per cent. of the total population, these statistics show that 7.6 per cent. of the students registered at the Royal University of Budapest for the first half-year of 1920-21 were Jews, and for the second half-year the proportion was 7.9 per cent.; at the University of Szeged the corresponding figures were 26.1 per cent. for the first half-year of 1920-21 and 33.3 per cent. for the second; at the University of Pecs, 47.2 per cent. and 57.2 per cent.; at the University of Debreczen, 4.9 per cent. and 7 per cent.; at the Budapest College of Technical Science, 7.8 per cent. for the two half-years; at the Faculty of Economic Sciences in the University of Budapest, 3.5 per cent. and 4 per cent.

9.

DUTIES INCUMBENT ON THE LEAGUE OF NATIONS BY VIRTUE OF ARTICLE 22 (MANDATES).

I. ACTION TAKEN BY THE COUNCIL DURING THE THIRD ASSEMBLY.

Immediately preceding the opening of the third Assembly the Council considered the report of the Permanent Mandates Commission on the work accomplished during its second session in August 1922. A summary of the principles and recommendations contained in the report of the Commission was published in the supplementary report to the third Assembly on the work of the Council³.

The Council, on September 4th, 1922, adopted the following resolutions:

"The Council of the League of Nations,

"Having examined the report of the Permanent Mandates Commission on the work accomplished during its second session and the documents annexed thereto:

"(1) Desires to thank the Permanent Mandates Commission for the great zeal and admirable impartiality which it has displayed;

¹ See "Records of Third Assembly, Plenary Meetings", Volume II, page 54.

² See *Official Journal*, February 1923, page 161.

³ See "Records of Third Assembly, Plenary Meetings", Volume II, page 100.

"(2) Instructs the President of the Council to transmit to the mandatory Powers, on its behalf, the recommendations expressed in the report and in the annexed documents with the request that they will be good enough to carry out these recommendations;

"(3) Instructs the President of the Council to transmit, for the information of the Belgian and British Governments, the observations of the Commission with reference to the situation on the frontier of Ruanda, under Belgian mandate, and of British Tanganyika."

Three subjects of importance relating to the mandates were considered by the Council during its subsequent session. First, there was the question of the national status of inhabitants of B and C mandated territories. Secondly, there was the procedure to be adopted in respect of petitions received by the League concerning the inhabitants of these territories. Thirdly, there were details to be settled relating to the mandate for Palestine.

II. NATIONAL STATUS OF THE INHABITANTS OF B AND C MANDATED TERRITORIES.

The Permanent Mandates Commission studied the question of national status during its session in August 1922, and in September it submitted proposals to the Council. The Council decided to defer its final decision with regard to these proposals and meanwhile to forward to the Members of the League the resolutions and documents presented by the Commission, drawing the special attention of the mandatory Powers to the subject and informing them that it would discuss the proposals of the Commission at a subsequent session.

The Council resumed its discussion of the problem during its twenty-fourth session, held in April 1923. During these discussions the mandatory Powers not represented on the Council were invited to send representatives to sit as members in accordance with paragraph 5 of Article 4 of the Covenant. The Governments of New Zealand and South Africa were represented by their High Commissioners in London, Sir James Allen and Sir Edgar Walton respectively. The Government of Australia requested the British representative, Mr. Edward Wood, to speak on behalf of the Commonwealth.

The President of the Council also invited the Marquis Theodoli, the Chairman of the Mandates Commission, to attend the meetings.

The Council, on April 20th, 1923, considered a report of the Swedish representative, which recommended the adoption of the following proposals formulated by the Mandates Commission:

"I. It is important, in order that the principles laid down in Article 22 of the Covenant may be respected, and subject to the provision in paragraph III below, that the native inhabitants of B and C mandated territories should be granted a national status wholly distinct from that of the nationals of the mandatory Power.

"II. A special law of the mandatory Power should determine the status of these native inhabitants, who might be given a designation such as 'administered persons under mandate', or 'protected persons under mandate' of the mandatory Power.

"III. It is open to mandatory Powers to whom B and C mandated territories have been entrusted, to make arrangements in conformity with their own laws for the individual and purely voluntary acquisition of their nationality by inhabitants of these territories."

Various amendments were submitted by the British representative, and, during the discussions which followed, the representative of the Union of South Africa submitted for the consideration of the Council a problem which, in the opinion of his Government, could not be solved either by the proposals of the Mandates Commission or by the amendments suggested by the British representative.

The problem with which the South African Government was confronted was largely due to the action which it had taken on assuming the mandate. The South African Government had been entitled to deport all its German subjects, but it had taken the view that it would be more humane to allow them to stay in their homes. Only those who had been engaged in hostilities and the German officials were deported. The South African Government now desired to introduce self-government and to admit the German settlers to share in that self-government at the earliest possible moment.

Under the proposals of the Mandates Commission it would be necessary for the German settlers to apply to the South African Government individually in order to obtain South African nationality. It would be very difficult to settle the question by means of such procedure, and the South African Government desired to effect its object by means of a general law, naturalising the German settlers *en bloc*, on the understanding that anyone who desired to remain in the country as an alien resident should be allowed to do so. The South African Government was convinced that South-West Africa must possess a uniform nationality if the inhabitants of the mandated territory were to be governed satisfactorily, and that only under the conditions which were embodied in its proposal would it be able to perform the task entrusted to it by the League of Nations. The suggested procedure would only apply to the white population and not to the native inhabitants. The South African representative submitted that there was no real difference in principle between granting nationalisation to individuals at their individual request and naturalising the

inhabitants of a territory *en bloc*, while at the same time allowing them individually to decline that nationalisation if they so desired.

The Chairman of the Mandates Commission believed that, if the proposal of the South African Government were adopted, it would be equivalent to countenancing an act of annexation, inadmissible in connection with a territory under mandate. He contended that the nationalisation *en bloc* of certain inhabitants of a mandated territory was contrary to the principles of Article 22 of the Covenant. A similar opinion was expressed by the Japanese representative on the Council. Article 22 of the Covenant had established the principle that because, certain peoples were not so advanced in civilisation as others, the mandatory Powers should be called upon to assume a temporary responsibility regarding them. This, in the view of the Japanese representative, meant that at some future date, more or less distant, these peoples might become independent and enjoy full political freedom. The proposal of the South African representative was not in accordance with the spirit of the Covenant.

The Council came to a decision at a further meeting held on April 23rd. The following resolutions were adopted, the Japanese representative abstaining from the vote:

"The Council of the League of Nations,

"Having considered the report of the Permanent Mandates Commission on the national status of the inhabitants of territories under B and C mandates,

"In accordance with the principles laid down in Article 22 of the Covenant:

"Resolves as follows:

"(1) The status of the native inhabitants of a mandated territory is distinct from that of the nationals of the mandatory Power and cannot be identified therewith by any process having general application.

"(2) The native inhabitants of a mandated territory are not invested with the nationality of the mandatory Power by reason of the protection extended to them.

"(3) It is not inconsistent with (1) and (2) above that individual inhabitants of the territory should voluntarily obtain naturalisation from the mandatory Power in accordance with arrangements which it is open to such Power to make with this object under its own law.

"(4) It is desirable that native inhabitants who receive the protection of the mandatory Power should in each case be designated by some form of descriptive title which will specify their status under the mandate."

The Council also adopted the following resolution, which was intended to give satisfaction in the fullest measure possible to the request of the South African Government:

"The Council of the League of Nations, taking into consideration the special case presented to it and the fact that only the inhabitants of South-West Africa alluded to in Article 122 of the Treaty of Versailles are concerned, takes note of the declaration¹ made by the representative of South Africa and sees no objection to the proposed action."

The Japanese and Swedish representatives both abstained from voting on this resolution. The Swedish representative said he could not associate himself with the opinion which had been expressed in the Council that the mandatory system only applied to the native population and regretted that he was unable for the moment to give a definite opinion on behalf of his Government on the question whether the scheme of the South African Government raised difficulties from the point of view of principle. The Japanese representative associated himself in principle with this declaration. He personally agreed with the report of the Permanent Mandates Commission but he recognised that South Africa was in a special position. As he had not been able to obtain instructions from his Government on the point at issue, he felt unable to vote on the resolution.

The Council, in adopting the resolution, associated itself with the position taken by the Italian representative who, while agreeing generally with the view of the Swedish representative, did not

¹ The declaration made by the South African representative reads as follows:

The representative of South Africa ventures to bring before the Council the special practical conditions which present themselves in South-West Africa.

The Government of South Africa has not utilised the right conferred upon it by Article 122 of the Treaty of Versailles and has not repatriated the German nationals resident in the territory entrusted to it under the mandatory regime.

The South African Government is anxious to enable the persons in question to take part in the public life of the territory and is convinced that this object can only be obtained in practice by conferring on them the status of British subjects, each individual having, however, the free and unfettered right to decline to accept such status.

The South African Government considers that the proposed action would be in no way adverse to the interests of the indigenous population which, in accordance with Article 22 of the Covenant, it is the special duty of the Council to safeguard.

The South African Government, which exercises in the territory the authority derived from the approval of its mandate by the Council, is accordingly desirous of conferring British nationality on the inhabitants of South-West Africa possessing German nationality, provided that:

(a) Every such inhabitant shall have the right to decline British nationality by a declaration made in such conditions as may be prescribed.

(b) Any person exercising this right shall nevertheless be entitled to remain in the territory and shall not be disturbed or molested on any pretext whatsoever in consequence of the exercise of such right.

The South African Government would be glad to be informed whether the Council sees any objection to the proposed action.

consider that the Council's vote should be regarded as prejudicing the general question whether the mandatory system applied only to natives or inhabitants of another origin.

III. PETITIONS RECEIVED BY THE LEAGUE CONCERNING THE INHABITANTS OF MANDATED TERRITORIES.

This question was brought to the notice of the Council in a memorandum submitted by the British Government.

The Council, on September 2nd, 1922, decided to postpone consideration of the matter to a later session — a decision which was embodied in the following resolution:

"That the British Government's memorandum be forwarded to the Permanent Mandates Commission, and that the Secretariat at the same time provide it with a summary of the procedure followed by the Council with respect to petitions from minorities or petitions from the inhabitants of the Saar Basin.

"That the Permanent Mandates Commission be requested to communicate to the Council its views on the subject not later than the end of the current year."

The Chairman of the Mandates Commission, wishing to avoid the expense of summoning an extraordinary session of the Commission, decided to consult his colleagues by correspondence. He was able, on January 29th, 1923, to submit a report to the Council which had been accepted by the majority of his colleagues. The report contained five proposals regulating the procedure to be followed in the matter of petitions, together with certain amendments suggested by two members of the Commission.

These proposals were adopted by the Council on January 31st in the following form:

"(1) All petitions to the League of Nations by communities or sections of the populations of mandated areas should be sent to the Secretariat of the League of Nations through the mandatory Government concerned; the latter should attach to these petitions such comments as it might think desirable.

"(2) Any petition from the inhabitants (of mandated areas) received by the Secretariat of the League of Nations through any channel other than the mandatory Government concerned should be returned to the signatories with the request that they should re-submit the petition in accordance with the procedure prescribed above.

"(3) Any petition regarding the inhabitants of mandated territories received by the League from any source other than that of the inhabitants themselves should be communicated to the Chairman of the Permanent Mandates Commission. The latter should decide which, if any — by reason of the nature of their contents or the authority or disinterestedness of their authors — should be regarded as claiming attention and which should be regarded as obviously trivial. The former should be communicated to the Government of the mandatory Power, which will be asked to furnish, within a maximum period of six months, such comments as it may consider desirable. The Chairman of the Commission should be asked to submit a report upon the others.

"(4) All petitions sent to the League of Nations in conformity with the prescribed procedure should, together with the comments of the mandatory Powers, be held and accumulated until the next session of the Permanent Mandates Commission.

"(5) The Commission, after discussing any petitions received, should decide which, if any, accompanied by the observations of the mandatory Power, should be circulated to the Council and the Members of the League. The minutes of the meeting at which the petitions were discussed should be attached".

IV. THE PALESTINE MANDATE.

It was noted in the supplementary report to the third Assembly¹ that, in the discussion which took place in the Council on the mandate for Palestine in July 1922, particular attention was given to the question of the Holy Places. In Article 14 of the mandate as approved by the Council on July 24th, 1922, a special commission was contemplated:

Article 14. "A special Commission shall be appointed by the mandatory to study, define and determine the rights and claims in connection with the Holy Places and the rights and claims relating to the different religious communities in Palestine. The method of nomination, the composition and the functions of this Commission shall be submitted to the Council of the League for its approval, and the Commission shall not be appointed or enter upon its functions without the approval of the Council."

¹ See "Records of Third Assembly, Plenary Meetings", Volume II, page 100.

Different views were put forward during the discussions as to the method of appointment, composition and the duties of this commission, and the Council reserved its decision.

The question was again considered in a special session of the Council which met at Geneva on August 31st and October 4th, 1922. The British Government had in the meantime prepared a scheme which was intended to do justice as far as possible to all the interested parties. On August 31st the British representative on the Council invited his colleagues to examine this scheme and to consult their respective Governments in regard to it.

On October 4th the British representative informed the Council that the scheme was unfavourably regarded by those who represented Catholic opinion throughout the world. It was decided that the only course open to the Council was to adjourn the question once again for the study of the interested Governments.

A further question arising out of the mandate for Palestine was settled at a meeting of the Council held on September 16th, 1922. Article 25 of the mandate as approved by the Council in London on July 24th, 1922, provided that the territories in Palestine lying east of the Jordan might in certain particulars be under a different regime from the rest of the country. The article was as follows:

“In the territories lying between the Jordan and the eastern boundary of Palestine as ultimately determined, the mandatory shall be entitled, with the consent of the Council of the League of Nations, to postpone or to withhold application of such provisions of this mandate as he may consider inapplicable to the existing local conditions”.

The British Government proposed that the Council, in accordance with the terms of this article, should pass a series of resolutions consenting to the withdrawal from Transjordan of all the special provisions of the mandate intended to provide a national home for the Jews west of the Jordan. It was understood that the general regime of the mandate for Palestine would be maintained.

The Council adopted resolutions on September 16th enumerating the provisions of the mandate which, under Article 25, would not be regarded as applicable to Transjordan.

V. FRONTIER BETWEEN THE TURKISH TERRITORY IN ASIA MINOR AND THE TERRITORY OF IRAQ.

On January 25th, 1923, the British Minister for Foreign Affairs attending the Conference on the Near East at Lausanne addressed a letter to the Secretary-General of the League of Nations stating that he desired, in exercise of the friendly right conferred by Article 11 of the Covenant, to bring to the attention of the Council the case of the disputed territory between the Turkish dominions of Asia Minor and the mandated territory of Iraq.

The question was placed upon the agenda of the session of the Council which met in January 1923, and a statement was made to the Council by the British representative on January 30th.

The British representative pointed out that this was a dispute which deeply concerned the League, because the territory of Iraq, being mandated, was ultimately under the supervision and control of the League, and because the British Government was acting in relation to that territory solely on behalf of the League.

The British Minister for Foreign Affairs had therefore proposed at Lausanne that the League of Nations should be asked to use its good offices to determine the frontier of the mandated territory, and this proposal had been strongly supported by the representatives of France, Italy and Japan. The Turkish representative had not, however, accepted the proposal.

The proposed action of the British Government was at the moment a hypothetical remedy for a danger which it was hoped would not occur. Article 11 would only be invoked in the event of the peace of the world being threatened. It was understood that, should the question come before the Council, Turkey would sit as a Member of the Council under Article 17, with complete and absolute equality with all other Members.

The Council noted the statement of the British representative.

10.

WORK OF THE TECHNICAL ORGANISATIONS.

I. THE ECONOMIC AND FINANCIAL ORGANISATION.

A. FINANCIAL RECONSTRUCTION OF AUSTRIA.

The financial reconstruction of Austria, which was initiated and is being carried out under the auspices of the League of Nations, falls naturally into four periods:

- I. From March 1921 till October 4th, 1922, *i.e.* from the time when the League of Nations was first asked to study this problem until the signature of the Protocols of Geneva.
- II. From October 4th, 1922, till February 1st, 1923, *i.e.* the period during which the preliminary organisation of reconstruction and control was set up, ending with the consent given to the Austrian Government to issue foreign loans with the guarantees of other Powers.
- III. From February 1st, 1923, till June 15th, 1923, *i.e.* the period during which external loans were mainly negotiated and raised.
- IV. From June 15th, 1923, till December 31st, 1924, by which date, under the original programme, the reconstruction scheme should be carried out and the budget balanced

The present report covers the first three of these periods.

First Period.

THE ORIGIN OF THE RECONSTRUCTION SCHEME.

(From March 1921 to October 4th, 1922.)

Enquiry by the Financial Committee in 1921.

The League of Nations was first asked to study the problem of the restoration of Austria in March 1921 when it was informed by the Governments of Great Britain, France, Italy and Japan that they had decided to release for a period of years to be determined later their liens in respect of all claims against Austria, whether for relief credits, reparation obligations or the costs of the armies of occupation, on condition that other interested Governments would agree to a similar postponement and that Austria would be prepared to place the administration of assets in the hands of the League.

The Financial Committee, after sending a delegation to Vienna which studied the position on the spot, recommended a far-reaching and detailed scheme which was approved by the Council and forwarded to the Supreme Council of the Allies on June 3rd, 1921. It included internal reforms, sufficient credits, a central control of these credits to ensure that they were used so as to assist and secure the internal reform, and the release of assets.

The scheme was never put into operation on account of delay in obtaining the consent of the 13 other Governments necessary to free the assets.

The Early Months of 1922.

By February 1922 Austria's needs had become imperative and a collapse was imminent. Great Britain, France, Italy and Czechoslovakia came to the rescue with advances from public funds. Great Britain advanced £2,250,000, France and Italy made provision for the advance of 55 million francs and 70 million lire respectively; Czechoslovakia arranged to supply 500 million Czech crowns. Of these sums the British advance was immediately expended, but considerable

balances of the French and Italian grants and a smaller proportion of the Czechoslovak grant remained available (as will be seen below) to assist the initial stages of the new scheme.

Appeal to the Allied Powers in August 1922.

Thus an actual collapse was arrested in the first half of the year; but the advances granted independently by several Governments and subject to no central control were consumed for current needs and served no further purpose.

Austria's financial disorganisation proceeded. The crown was, in August, worth only 1/10th of its value six months before, only about 1/100th of its value a year before and only 1/15,000th of its gold value.

By this time all the countries concerned had agreed to suspend their liens on Austria's assets to enable her to raise a loan. But it was too late. The yield of these assets was quite sufficient, so long as it continued, to provide the interest of a large loan. But no revenues could be relied upon if Austria fell into social and political chaos, and of this there was by this date the most serious and imminent danger.

Reply of the Allied Powers.

On August 15th, the Supreme Council referred the Austrian situation to the League of Nations for investigation and report and stated in reply to the Austrian Government that the Allied Governments were themselves unable to hold out any prospect of further financial assistance and that there was no hope, therefore, unless a scheme could be devised by the League of Nations which would attract money from private sources.

Procedure in examining the Problem.

The Council was thus confronted with a complex political and financial problem.

At its first meeting, on August 31st, it at once instructed the Financial Committee to examine the financial aspects.

A few days later it received a statement from Mgr. Seipel, the Austrian Chancellor, who, in making his appeal and in all subsequent meetings of the Council and its Committee, was a member with full and equal rights in accordance with Article 4 of the Covenant. He described Austria's distress, explained the need for a guaranteed loan, stated that Austria was prepared to accept a system of control as a corollary to assistance and expressed the opinion that with such assistance she could soon become economically self-sufficient. He concluded, however, with a grave warning that without such assistance the condition of Austria constituted a serious danger to the peace of the world, which it was the duty of the League of Nations to examine and avert.

Czechoslovakia was invited to join the Council for this question and a Committee was appointed consisting of five of its own Members which was entrusted with the direction of all further work upon it.

This Austrian Committee consisted of: Lord Balfour (Great Britain); M. Hanotaux (France); Marquis Imperiali (Italy); Dr. Benes (Czechoslovakia); Mgr. Seipel (Austria) (replaced when absent by Dr. Grünberger, Minister for Foreign Affairs).

While obtaining the expert assistance of the Financial and Economic Committees and of the legal experts, this Committee of the Council kept in its own hands the specifically political aspects of the problem and maintained its control over the work of the above committees by considering interim reports as they proceeded with their studies.

The Financial Committee's Report.

The Financial Committee was first asked to consider, in consultation with the Austrian representatives, what measures were required and were practicable to secure budget equilibrium; after what period, with these measures, the result desired should be obtained; and what deficit in terms of gold must be contemplated as inevitable during the intervening period.

The Committee replied that the main economies should be secured by the reform of State industrial enterprises and the reduction in the number of officials. It pointed out that State enterprises involved a loss of 170 million gold crowns a year (£6,800,000). The railways alone involved a loss of 124 millions (£5,700,000), largely because, while wages follow the cost-of-living index, the railway tariffs were only *one-fifth* of what they would be on that basis. The loss should cease within two years and, in view of the important transit trade, the railways should ultimately become a source of profit. With regard to officials, the Committee pointed out that Vienna, as the capital of a country of six millions, had more State employees than when she was the capital of an empire of over 50 millions. It considered that within two years a third of the expenses, amounting to 130 million gold crowns (£6,000,000), ought to be saved. Simultaneously, the yield of taxation must be increased and so balance the budget within two years and thereafter exceed it. In the two years, however, while this process of reducing expenditure and increasing revenue

was incomplete, a total deficit of 520 million gold crowns (£24,000,000) was probable, or 650 million gold crowns (£30,000,000), including the sums required to repay the advances made in 1922 and not covered by the postponement arranged for the credits given in earlier years.

The Committee was next asked what securities Austria could offer for private credits. It replied that, apart from the forests and salt monopoly (which were proposed as security for the new Bank of Issue), the proceeds of the Customs and the tobacco monopoly should be available as security for a loan, and, if necessary, the *impôt foncier* as well. The Customs and tobacco monopoly alone should, with the necessary administrative reforms, give an annual yield of 80 million gold crowns (£3,700,000), which exceeded the estimated cost of the interest and amortisation of even the maximum loan of 650 million gold crowns.

In the unanimous opinion of the Committee, therefore, the securities were ample for the credits required for the transition period, on the vital conditions that the reforms recommended were carried through and that external and internal order were assured.

With the main conditions of the financial problem thus established, the Committee, in answer to further questions from the Austrian Committee of the Council, proceeded to study in detail how the deficit for the two years could be met, and what form of control was required in the interests of the reforms and of the securities on which the loan was to be based.

The Financial Committee, in presenting its report, pointed out that no financial scheme could in itself save Austria. Behind the problem of financial and budget reform remained that of the fundamental economic position. The Committee laid stress on the importance of increasing production and adapting it so as to obtain equilibrium in the trade balance.

The report concluded with the following grave warning:

“Austria has for three years been living largely upon public and private loans, which have voluntarily or involuntarily become gifts, upon private charity and upon losses of foreign speculators in the crown. Such resources cannot, in any event, continue and be so used. Austria has been consuming much more than she has produced. The large sums advanced, which should have been used for the re-establishment of her finances and for her economic reconstruction, have been used for current consumption. Any new advances must be used for the purposes of reform; and within a short time Austria will only be able to consume as much as she produces. The period of reform itself, even if the new credits are forthcoming, will necessarily be a very painful one. The longer it is deferred the more painful it must be. At the best, the conditions of life in Austria must be worse next year, when she is painfully re-establishing her position, than last year, when she was devoting loans intended for that purpose to current consumption without reform.

“The alternative is not between continuing the conditions of life of last year or improving them. It is between enduring a period of perhaps greater hardship than she has known since 1919 (but with the prospect of real amelioration — thereafter, the happier alternative) or collapsing into a chaos of destitution and starvation to which there is no modern analogy outside Russia.

“There is no hope for Austria unless she is prepared to endure and support an authority which must endorse reforms entailing harder conditions than those at present prevailing, knowing that in this way only can she avoid an even worse fate.”

The Economic Committee's Report.

The Economic Committee confined itself to certain preliminary suggestions:

(1) Recognising the objections at present maintained to the full application of the Porto-Rosa recommendations, it advised the conclusion of conventions and bilateral agreements between Austria and each of the other Succession States.

(2) It called attention to the need for reform both in Austria's internal economic system and in the conditions of her external trade.

Last Stages of the Negotiations.

Meanwhile, the Austrian Committee of the Council had itself been discussing directly the terms of a political declaration designed to give confidence in the political and economic integrity and independence of Austria. The whole scheme was gradually developed, with the assent of the different delegates and Governments, and on the last day of the Assembly (September 30th) the Council was able to report that, though its task was not fully accomplished, there was a good prospect of a complete scheme being signed with the assent of the Governments concerned within a few days.

This result was achieved on Wednesday, October 4th, when three Protocols were signed, covering, with their annexes, which included the Financial Committee's report, the whole of the Council's scheme; and these signatures indicated the complete and unreserved assent, to every part of the scheme, of the Governments of Great Britain, France, Italy, Czechoslovakia and Austria.

The first of these Protocols, signed by all the above Powers and open for the signature of all countries, contains a solemn declaration that the signatories will "respect the political independence, the territorial integrity, and the sovereignty of Austria ; that they will seek no special or exclusive economic or financial advantage which would compromise that independence ; and that if the occasion arises, they will refer the matter to the Council of the League and comply with its decisions." Austria herself, in the same Protocol, entered into corresponding obligations.

Protocol II, with its annexes, stated the conditions of the guarantee of the loan, the obligations of the guaranteeing Governments, and the powers and duties of the Committee of Control composed of representatives of those Governments. It was signed by the four principal guaranteeing Governments and by Austria, and remained open for signature by all other countries able and willing to participate in the financial scheme.

Lastly, Protocol III set out separately the obligations of Austria and the functions of the Commissioner-General, who was to collaborate with her in her programme of reform and its execution. From these three Protocols, taken together, emerges the League's general scheme.

Summary of the Scheme.

The basis of the scheme is the political integrity and economic independence of Austria and the Declaration (Protocol I) designed to ensure it. Aided by the confidence which it was hoped this Declaration would create, Austria was to commence a programme of reform (including economy in expenditure and increased revenue from taxation) which would ensure the balancing of her budget by the end of 1924. In the meantime, the excess of her expenditure over the revenue available from normal resources during these two years — estimated at a maximum of 650 million gold crowns — was to be met by the proceeds of loans.

These loans would, for the reasons given above, be guaranteed by external Governments, in addition to being secured on assets which (if the reforms were successful and order and stability maintained) would be sufficient without application to the guarantors. A guarantee equal in total to rather more than 80 % of the full sum required was given by Great Britain, France, Italy and Czechoslovakia, the remainder being left for other countries. The subscriber to the loan was therefore to have not only the security of the assigned assets, but also the guarantee of a specified Government for each fraction of his loan — in total a 100 % guarantee. The guaranteeing Governments themselves would be subject to no cash liability so long as the assigned assets proved sufficient for the service of the loan.

With the prospect of resources from these loans, Austria was relieved from the necessity of financing herself by the issue of paper money and so causing the precipitous fall of the crown, which rendered all efforts at budget equilibrium futile, and destroyed any stable basis for the economic life of the country. The scheme therefore assumed and regarded as essential the establishment of the proposed Bank of Issue under certain definite and specified conditions. The Austrian Government was to surrender all right to issue paper money and would not, except with special authorisation, negotiate or conclude loans.

The successful accomplishment of the reform programme, on which both Austria's prosperity and the value of her assets depend, was necessarily a difficult and painful task. The scheme therefore included the appointment of a Commissioner-General, whose duty it would be to ensure, in collaboration with the Austrian Government, that the programme of reforms was carried out and to supervise its execution. He would derive power from his control of the disposal of the loans: "The Austrian Government agreed that it might not dispose of any funds derived from loans... except by authorisation of the Commissioner-General"; but the conditions which he might attach to his authorisation "should have no other object than that of assuring the progressive realisation of the programme of reforms and of avoiding any deterioration on the assets assigned for the service of the loan."

The officer entrusted with this responsibility would not be the representative of the guaranteeing Powers; he would be an officer of the League of Nations. He would be appointed by and responsible to the Council of the League, of which the Austrian representative was, when Austrian matters were discussed, a full and equal Member. Indeed, the Council, in approving the scheme, added a resolution that the Commissioner-General should not be drawn from any of the principal guaranteeing countries nor from countries bordering upon Austria. His primary concern would be identical with that of the Austrian Government and the permanent interests of the Austrian people, namely, that the measures to enable Austria to achieve a position of self-supporting independence should be successful; the due maintenance of the value of the securities of the loan would, of course, be a part, but a part only, of the general programme which it would be the duty of the Austrian Government to frame and execute, and his to supervise. The Commissioner-General would live in Vienna. He would report monthly to the Council of the League. His functions would end as soon as the Council judged that the financial stability of Austria was assured.

In addition to the League's Commissioner-General, there was to be a "Committee of Control of the Guaranteeing Governments". This Committee, of which the Italian member was to be President and the Czechoslovak member Vice-President, was to be formed of the representatives of the guarantors with votes proportionate to the guarantees they had offered, and would watch their special interests. It would not be in permanent session but would meet from time to time, normally at the seat of the League. The approval of this Committee by a two-thirds majority was required to the main conditions under which the loan, the interest and amortisation of which were guaranteed, was to be subscribed; and it would, by the same majority, determine the condi-

tions of the payments should the guarantees actually be called upon. For other purposes, the Committee would work normally by a majority vote. It was to receive the monthly reports presented by the Commissioner-General to the Council ; it might ask him for information as to the progress of the reforms, and might make representations to him with regard to safeguarding the interests of the guarantors. If the assigned revenues were insufficient for the service of the loan, it might require the assignment of additional securities.

In exercising these rights, the Committee was to communicate not with the Austrian Government but with the Commissioner-General. The Committee and each guaranteeing State had a right of appeal to the Council *en cas d'abus*.

The rights and powers of both the Commissioner-General and the Committee were carefully defined so as to restrict them to the precise objects in which they were concerned: the execution of the reform programme, the maintenance of the value of the securities and the avoidance of any infringement of the sovereignty of Austria and the full responsibility of her Government.

The essential features of the Agreement arrived at were thus a programme of financial reform extending over two years ; provision to meet the deficit during this period by guaranteed loans; the arrest of the collapse of the crown ; the supervision of the Austrian Government's execution of the scheme within carefully defined and restricted limits.

Second Period.

PRELIMINARY ORGANISATION.

(From October 4th, 1922, to February 1st, 1923.)

It will be convenient to summarise the general work of organisation during this period under the following main heads, *viz.* legislation passed in Austria; foundation of the new Bank of Issue and the financial position up to February 1st, 1923; the institution of control and beginning of reforms; preparatory arrangements for external loans.

Austrian Legislation.

(a) *Reconstruction Law.*

Austria was required by Protocol III to draw up "within one month, in collaboration either with the Commissioner-General or with such provisional delegation of the Council of the League as may be appointed, a programme of reforms and improvements, to be realised by stages and designed to enable Austria to re-establish a permanent equilibrium of her budget within two years".

The Delegation appointed for this purpose consisted of the members of the League's Financial Committee who had drawn up the main financial scheme. It arrived at Vienna on October 17th, 1922, and (with some rotation of personnel) worked there continuously till December 15th, after which the Commissioner-General, Dr. Zimmerman, took charge.

The Austrian Government drafted a Reconstruction Law including provision for economies (administrative reforms, reorganisation of State enterprises, etc.) and for new taxes (higher Customs duties, consumption taxes, direct taxes and taxes on business transactions). Its terms, as amended after discussion, were agreed with the Delegation and the law was passed by a majority vote on December 3rd, 1922. In addition, a detailed programme showing the maximum expenditure permissible under each main heading and the estimated revenue at different periods till the budget was balanced was agreed between the Delegation and the Government.

The expenditure allowed under this programme was at the annual rate of¹:

January 1923	569.7	million	gold	crowns
July 1923	535.8	"	"	"
January 1924	477.9	"	"	"
July 1924	438.9	"	"	"
December 1924	350	"	"	"

The estimated revenue receipts in 1924 exceeded the latter figure, but the yield of new taxation was difficult to calculate. A margin was therefore allowed, and with this margin the Delegation was satisfied that the programme, if properly executed, was such as to offer a prospect of budget equilibrium by the end of 1924.

(b) *Law to confer Plenary Powers.*

The Austrian Government was also required to "lay before the Austrian Parliament a draft law giving, during two years, to any Government which may then be in power, full authority

¹ Excluding the contribution to local administrations which is compensated by a corresponding increase in the estimate of receipts.

to take all measures within the limits of this programme which in its opinion may be necessary to assure at the end of the period mentioned the re-establishment of budgetary equilibrium without there being any necessity to seek for further approval from Parliament."

This law was necessarily a constitutional law, requiring a two-thirds majority; this involved agreement with the Opposition parties. In the form in which it was ultimately passed, the law created an Extraordinary Cabinet Council, consisting of members of the Government and twenty-six members elected by the National Council so as to give representation to the different political parties in proportion to their numbers. Most measures in execution of the programme could be taken directly by the Government under the Reconstruction Law, but some of the more important measures, as well as any modifications of the programme considered necessary by the Government, had to be approved by this Cabinet Council. These discussions were, however, limited to eight days and in certain cases to three days.

In addition to the above laws, certain subsidiary laws were passed and the Geneva Protocols were ratified.

New Bank of Issue.

It was an essential part of the League's scheme that the issue of paper money by the Government to meet its expenditure should cease and that for this purpose a new Bank of Issue, independent of the Government, should be created and should alone have the right of note issue.

The necessary legislation, including the new statutes of the Bank, was passed by Parliament on November 14th, 1922. The inflationary issue of notes by the Government ceased on November 18th. The capital of 30 million gold crowns required was duly subscribed and the new Bank opened its doors on January 2nd, 1923.

The Bank is under the control of a board which includes no official, and with the exception of its President, Dr. Reisch, all its members are elected by the shareholders.

The operations of the Bank are purely commercial. Neither the Federal Government, the provinces nor the municipalities issue paper money or can have recourse directly or indirectly to the funds of the Bank for their own needs, without paying in gold or securities the exchange value of the notes received. The issue of notes will be kept within fixed limits, the metallic cover being increased by stages from 20 to 33.3 %; this cover does not apply, however, to that part of the fiduciary circulation which represents loans previously made to the State by the Austro-Hungarian Bank.

The first balance-sheet of the new bank showed a satisfactory position.

Owing to the return of confidence, the supply of foreign currency — at a rate of exchange which, within narrow limits, remained stable — proved largely in excess of the demand. The "flight from the crown" was replaced by a return "flight to the crown". Foreign securities and currencies previously hoarded were brought back and converted into crowns.

Commercial operations previously conducted in foreign exchange were again conducted in Austrian crowns — now become one of the most stable currencies in Europe; and the gold value of the currency in circulation proved inadequate for the requirements of the market. Additional notes were printed, but, unlike those printed up to November 18th, 1922, every additional note was covered by its full value in additional reserve of gold or foreign currency. The result was that each of the 4,000 milliard notes circulating in January was better secured than the 3,000 milliard in November; and the value of the reserves of the Devisen-Zentrale rose from £700,000 in October to no less than £4,000,000 by the end of the year.

Financial Position.

In the period now being summarised the expenditure of the Austrian Government was met entirely by internal resources.

Up to November 18th, 1922, the old inflationary methods continued, the Government borrowing from the Bank, which increased correspondingly the issue of notes. Owing to the new confidence resulting from the League scheme, this was possible without any of the resulting evils of inflation — that is, without any fall in the exchange value or in the purchasing power of the crown. Indeed, an increase in the note issue was necessary if the crown were not to rise considerably in value (an event which would have had disastrous economic results); for the previous fall in exchange value had altogether outrun the increase in the notes, and at the beginning of September 1922 the gold value of the total Austrian currency was only 10 % of its gold value in 1919.

Inflation could not, however, have continued without producing its normal ill-effects, and, when it stopped on November 18th, internal loans became necessary. The Government successfully raised by January 16th, 1923, 50 million gold crowns on six-month 8 % Treasury Bonds quoted in dollars and secured on the gross receipts of the Customs and tobacco monopoly, in addition to the 30 million gold crowns raised as capital for the new Bank of Issue and the 18 millions produced by the forced loan.

With the aid of these loans and an operation based upon 7½ million gold crowns' worth of certain gold in possession of the Government, the deficit was covered till the end of January. There remained the balance of credits advanced in 1922 by the Governments of France, Italy and Czechoslovakia, which amounted together to about 630 milliards of paper crowns. It was with these funds and certain other limited resources that the Austrian Government had to meet its further requirements until the proceeds of external short-term loans were available.

Control and Reforms.

The first measures of control were instituted by the Delegation, which arrived at Vienna on October 18th, 1922. A special controlled account for the gross receipts of the Customs and tobacco monopoly was opened on December 9th. All the proceeds of loans are paid into a second account, also under control, and a system of statistical returns was instituted in order to keep the controlling authority informed of the weekly returns of the gross receipts from Customs and tobacco, the operations carried out by the Central Exchange Office, the operations of the Bank, the position of the Central Treasury, the total State receipts and expenditure summarised according to Ministries, and the advance estimates of requirements week by week.

Pending the arrival of the Commissioner-General, the administrative reforms which the Austrian Government had agreed to institute could only remain in a preliminary stage. Railway and postal rates were, however, raised in October, the increase being, in view of the stability of the crown, for the first time a real one. The number of officials was reduced by about 10,000 during October and November.

On December 12th the appointment of Dr. Zimmerman, Burgomaster of Rotterdam, as Commissioner-General was announced. He arrived at Vienna on December 15th, and began his control on December 16th. He immediately took up in detail the question of reform with the Austrian Government.

Before his arrival, the Delegation had agreed with the Austrian Government upon a detailed scheme to enable expenditure to be reduced at regular intervals, and providing for the reduction of the total budget in 1925 to a sum of 350 million gold crowns. The first stage in this scheme involved an average monthly deficit of 339 milliards of paper crowns during the period January to June 1923. As the results of administrative reforms could not be expected to have full effect upon the budget during the early months, Dr. Zimmerman agreed to a budget for the month of January only, which provided for a deficit of 404 milliards. With his advice, the budget estimates for 1923 were prepared by the Austrian Government and have been kept strictly within the limits laid down by the Delegation.

The nature and results of the control as finally instituted are fully described in the Chapter on the Third Period.

Preparatory Arrangements for External Loans.

At the end of this period the Commission of Control authorised the issue of a short-term loan, amounting to a value of £3½ million sterling (under conditions described in the next chapter), in order to cover the period during which the more difficult arrangements for the main long-term loan were being completed.

The following resolutions passed by the Council on February 1st, 1923, conveniently summarised the position at this moment:

(1) The Council recognises and appreciates the substantial results already obtained in carrying out the reforms recommended in the Geneva Protocols. Legislation has been passed to secure the execution of the reconstruction programme; a new Bank of Issue has been founded, inflation has ceased, the crown has been stabilised, a preliminary and considerable reduction in the number of officials has taken place, while the returns from certain State enterprises and important revenue-producing duties have been increased. Finally, the 1923 budget has been established within the limits prescribed by the League of Nations.

(2) The Council notes with satisfaction that the Austrian Government and the Austrian public, realising the promise which it gives for the future of Austria, have co-operated in the accomplishment of this programme. The confidence of the public has been shown in the subscription of the necessary capital of the new Bank of Issue and of over fifty million gold crowns to an internal loan before any external loans have been raised. Moreover, there has been an increase in three months of more than 500 % in savings and bank deposits and a large increase in the foreign currencies which serve as a cover for the new Bank of Issue.

(3) These striking facts have confirmed the Council in its belief that the scheme embodied in the Geneva Protocols gives ground for confident hope in the final reconstruction of Austria on condition that the Austrian Government continues to show unrelaxing determination and receives the confidence and continuous support of the people.

(4) The Council notes these results and signs of a return of national self-confidence with the greater satisfaction because it was foreseen by the League of Nations in September 1922 that the effort required from Austria for the maintenance of her economic independence and the restoration of her prosperity required from the whole nation a spirit of sacrifice and self-denial during the necessary transition period while the reform programme is being put in force.

(5) The Council is in complete agreement with the Commissioner-General, of whose firm action and well-advised recommendations it desires to express its appreciation and approval. The Council fully agrees with him that it is essential that the financial reconstruction of Austria and budget equilibrium should within two years be an accomplished fact and that the Austrian Government, with the support of the Austrian people, should proceed in the path of reform with rapidity and determination.

(6) The Council is convinced that, in so far as measures of reform are submitted under the constitutional law to the special Cabinet Council, this arrangement should not be used to render less effective the decisions required for the rapid execution of the programme of reform. The Council relies upon the spirit of co-operation and patriotism in the members of the Cabinet Council

to assist the Government effectively in the heavy task which it has courageously undertaken. It is only by unceasing energy and united action, by using their rights with a due sense of responsibility, and by giving to and obtaining for the Government all powers which may be necessary that they will crown their work with success.

(7) While recognising the considerable reduction in the number of officials which has already been achieved, the Council ought to draw attention to the passage of the Commissioner-General's report in which he points out that a satisfactory continuation of this reduction will only be possible if a radical reorganisation and simplification of the administrative system is undertaken and if the reforms are carried out with unrelaxing determination and, so far as possible, by the concentration of administrative powers in a single authority.

(8) Finally, the Council regards it as essential that the Austrian Government, with the support of every section and party of the nation, and with the assistance of the Commissioner-General, should set itself to give prompt and adequate effect to the measures of reform contemplated in the Geneva Protocols, which were dictated solely by the desire to safeguard the interests of Austria herself and to restore her to complete prosperity.

Third Period.

THE RAISING OF FOREIGN LOANS.

(From February 1st, 1923, to June 15th, 1923.)

Short-term Loan, February 1923.

The necessity for raising short-term foreign credits pending the issue of a long-term loan had been recognised in the Protocols, and, on receiving the consent of the Committee of Control, the Austrian Government immediately negotiated an issue of yearling Treasury Bills amounting to about £3½ millions, secured in the first place upon the revenues from the Customs and tobacco monopoly and redeemable out of the subsequent long-term loan.

Some of the guarantees expected for the main loan were, through delay in ratification, not available at this time. The original guarantors, *i.e.* Great Britain, France, Italy, and Czechoslovakia, therefore backed the issue by ensuring each 24.5% of the service, Belgium undertaking the remaining 2%. The mechanism of the guarantee was similar to that of the much more important long-term loan which will be described later. The short-term loan was placed as follows:

		£ Sterling
In London	£1,800,000 sterling	1,800,000
» Paris	60,000,000 French francs	800,000
» Amsterdam	6,000,000 Dutch florins	500,000
» Brussels	8,500,000 Belgian francs	100,000
» Stockholm	1,800,000 Swedish crowns	100,000
» Switzerland	5,000,000 Swiss francs	200,000
	Total	£ 3,500,000

The majority of the blocks bore 7 - 7½% annual interest, the French block 8%, the Swiss 6%; the English block and the Netherlands block were open to public subscription; the others were taken up directly by various banking syndicates. In England, that is to say on the market where more than half the loan was offered, it was over-subscribed by almost twice the amount by the public.

The success of the internal Austrian loans reflected the return of confidence in Austria itself. The success of these first external loans showed similarly that the confidence of other countries in the recovery of Austria was beginning to return; it also showed that the system of guaranteed loans provided for in the Protocols was practicable.

The proceeds, gradually released as required by the Commissioner-General from his controlled account, carried the Austrian Government through the first half of the year until the long-term loan was issued.

Reform in Austria.

Meanwhile, the work of financial and administrative reconstruction was pursued in Austria. It is described in full detail in the five monthly reports of the Commissioner-General¹ to the Council and may be summarised under the following headings:

- Mechanism of control;
- Budget position;
- Administrative reforms and reduction of the number of officials;
- General economic and financial situation.

¹ See *Official Journal*, March 1923, pages 307-338; April 1923, pages 435-466; May 1923, pages 511-542; July 1923.

Mechanism of Control.

The mechanism of control was organised during the early weeks of 1923, as described above, and continues in the same form at the present time. The yield of the Austrian Customs and tobacco monopoly (assets assigned as security for foreign loans) is paid into a separate account controlled by the Commissioner-General, who, after retaining the sums required for the service of loans, gives back the balance to the Austrian Government.

The gross receipts from these two sources of revenue have been as follows:

	(In milliards of paper crowns)		Total
	Customs	Tobacco monopoly	
January	68	102	170
February	60	110	170
March	73	114	187
April	81	107	188

On the basis of these four months the annual gross yield is equivalent to more than 150 million gold crowns and therefore much more than adequate as security for the maximum external loan of 650 million gold crowns contemplated under the Protocols.

The proceeds of all loans are paid into another controlled account from which the Commissioner-General only releases sums which he is satisfied are necessarily required by the Austrian Government in order to meet the monthly deficits on budget programmes which he has previously approved. Every month the Austrian Government has laid before the Commissioner-General its estimates of receipts and expenditure for the following month. These are checked and approved by him, and he thus forms a decision as to the amounts which he is prepared to release. On several occasions he has insisted that provisional estimates should be cut down. He has never allowed the actual deficits to exceed the estimates which he has once approved, and by refusing to release sums beyond those required under the monthly estimates submitted to him he has been able to exercise a decisive influence over the reform of public finance and administration.

The position of the new Bank of Issue continued to be sound. The gold and currency reserve increased more than the liabilities, and the cover is nearly 30% and much higher than is required under the Statutes. On the recommendation of Dr. Zimmerman, the Austrian Government appointed M. Schnyder, formerly Vice-President of the National Bank of Switzerland, as adviser to the Bank, with special powers which were secured by an amendment of the Statutes.

Budget Position.

The agreement concluded between the Provisional Delegation and the Austrian Government contained the half-yearly budget programmes which, it was estimated, would bring about budget equilibrium by the end of 1924. The following table shows the delegation's estimate for the first half of 1923, together with the provisional estimates for the first four months of the year, excluding arrears and other adjustments on previous months approved by the Commissioner-General:

	Average Jan.-June 1923 (Delegation)	January	February	March	April	Total Jan.-June	Monthly average
		(milliards of paper crowns)					
Expenditure	719	735	751	718	690	2894	723
Receipts	380	330	379	410	385	1504	376
Deficit	339	405	372	308	305	1390	347

It will be observed that the March and April budgets are well within the programme of reform — a fact which was noted by the Council with great satisfaction at its meeting in April. The Council added, however:

“At the same time, the Council feels a particular responsibility to the public and the Guaranteeing States now that the proceeds of the first loan are in the hands of the Commissioner-General and that authorisation has just been given for the issue of the main long-term loan contemplated by the Geneva Protocols.

“The Council has in mind the fact that the whole success of the scheme of reconstruction depends upon the continuously prompt execution of the reforms, and that for this purpose the Protocols confer not only the right but the duty upon the Commissioner-General to make the release of the proceeds of the loan in his hands conditional upon the due and satisfactory progress in these reforms. With this in mind, the Council notes specially the statement of the Commissioner-General that the period is approaching when the programme necessarily required considerable reductions in the limits of monthly expenditure and his definite opinion that these narrower limits will necessitate the execution in the near future of drastic and energetic reform, as detailed in his reports.”

In almost every one of his reports, the Commissioner-General has laid stress upon the fact that budget reform is dependent upon radical administrative reorganisation. The more important

administrative reforms which have so far been carried out are the following: A control by the Austrian Treasury over the spending departments, whose monthly estimates are checked and not allowed to be exceeded; the winding-up of certain minor offices; the suppression of temporary advances to the provinces; the abolition of reduced railway rates for officials; the reduction in the number of ministries from ten to seven.

Administrative Reforms and Reduction of the number of Officials.

The reduction in the number of officials has proceeded with varying success. It had been agreed between the Provisional Delegation and the Austrian Government that, in all, 100,000 officials should be dismissed in the following stages: 25,000 before December 31st, 1922, and 25,000 during each of the three succeeding periods of six months. Up to December 31st the programme was practically carried out to time, but on May 5th only 35,171 officials had been dismissed. This, as the Commissioner-General pointed out, is a part of the reform programme which becomes necessarily more difficult as it approaches completion. The Council, at its April session, emphasised its importance in the following resolution:

“The Council desires to call attention to the necessity for increasing the rate of reduction in the number of officials throughout the administration, noting that, while the earlier figures were satisfactory, the later figures appear to indicate some slackening of effort.”

The problem of the dismissal of officials is intimately bound up with that of the reorganisation of the State railways, the seriousness of which was pointed out by the Financial Committee of the League when the reconstruction scheme was framed. In his third report, the Commissioner-General pointed out that the subventions paid to the various railways were alone equal to the estimated deficit on the 1923 budget. On his advice, the Austrian Government appointed Sir William Acworth to study this problem, and he is assisted by a Swiss railway expert. With regard to the railway problem, the Council took the following resolution:

“In particular, the Council desires to call attention to the special urgency of rapid economy in the railway administration, the deficit of which must properly be regarded as the centre of the whole Austrian financial problem. The Council is glad to learn that the Austrian Government has taken the first steps towards placing the administration upon a commercial basis, and for this purpose is obtaining the best expert advice. The Council hopes that this comprehensive scheme will be proceeded with as rapidly as possible but that, in the meantime and without waiting for its completion, the many obvious and practicable measures of reform that can be now taken should be taken at once.”

General Economic and Financial Situation.

With the beginning of the reform scheme and the stabilisation of the crown, there occurred during January and February a great increase in unemployment, partly due to the fact that Austrian industry was suddenly deprived of the artificial stimulant of a continuously falling exchange. But the number, which rose to 170,000 in February, fell to 122,000 on May 15th, and in his May report the Commissioner-General noted other slight indications of an economic revival. Throughout, the Commissioner-General has laid stress upon the importance of attracting foreign capital for private enterprise and developing production.

On the other hand, month by month the Commissioner-General has recorded the favourable effect which the reform of public finance has had upon the general financial life of the country; of this, the two most striking indications are, first, the rise in the deposits in banks and savings banks; and, secondly, the remarkable stability of the Austrian crown, which has become one of the most stable currencies in Europe after being the least stable outside Russia.

In these circumstances the Austrian Government began negotiations for the long-term loan.

The Long-Term Loan.

In March the Austrian Government appointed a Committee, composed of the Austrian Minister Baron Franckenstein, M. Peter Bark, and Mr. F. H. Nixon.

The preliminary negotiations of this Committee showed that the moment was favourable for the issue of the loan and that there were great advantages in obtaining the whole, or practically the whole, in one set of simultaneous issues.

The Austrian Government therefore applied to the Committee of Control, through Dr. Zimmerman, for authority to issue the whole loan contemplated under the Protocols, subject only to any reduction that might prove necessary if the guarantees did not suffice to cover 100% of the full sum.

This authority was given on April 16th, when the following conditions were at the same time approved:

The loan was to be a 20-year loan, redeemable by June 1943. Trustees¹ were to be appointed by the Council to watch the special interests of the bondholder.

¹ The Council appointed as the first trustee M. Albert A. Janssen, Chairman of the Financial Committee of the League of Nations. The number of trustees is ultimately to be increased to three.

The guaranteeing Governments were to deposit collateral with the National Bank of Switzerland, which was to hold it on behalf of the trustees. The loan was to be issued, as far as possible simultaneously, about the beginning of June, in the different subscribing countries in the national currencies of those countries, except in Austria, where the issue was to be on a gold basis. The guarantees available sufficed to give 100% guarantee for a loan on this basis not exceeding 585 million gold crowns in effective yield plus expenses, the guarantee being in the following proportions:

Great Britain	24.5%
France	24.5%
Czechoslovakia	24.5%
Italy	20.5%
Belgium	2 %
Sweden	2 %
Holland	1 %
Denmark	1 %

In addition to the above sum, Austria will have at its disposal 20 million gold crowns which the Swiss Government is advancing. The Spanish Government, whose guarantee was not ratified in time to be included in the main loan, is considering a similar advance of about 26 million gold crowns. If this is duly made, Austria will have received approximately 630 million gold crowns (exclusive of expenses) or within 3% of the total sum originally contemplated.

The arrangements for the issue of the full sum of 585 million gold crowns (plus expenses) were successfully concluded, the details of issue being as shown in the following table:

Country	Date of Issue	Nominal Amount	Issued at	Interest
London (Bank of England)	June 9th	£14,000,000 sterling	80	6%
New York (Syndicate headed by J. P. Morgan & Co.) . .	June 11th	\$25,000,000	90	7%
Vienna	June 1st	\$13,000,000	—	—
France (Banque de Paris)	Middle of July	150,000,000 French francs	—	—
Rome	July	200,000,000 lire (probably)	—	—
Brussels (Société générale de Belgique) .	June 15th	25,000,000 Belgian francs	80	6%
Amsterdam (Hope & Co.)	June 14th	3,000,000 Dutch florins	80	6%
Stockholm (Enskilda Bank)	June 12th	13,110,000 Swedish crowns	80	6%
Geneva (Union financière).	June 15th	25,000,000 Swiss francs	81	6%

The large long-term loan has therefore been successfully concluded. Based upon the guarantees of nine different Governments, also secured by assets under the control of an international officer appointed by the League of Nations, utilised for a financial scheme of reconstruction in which twelve Governments are actively participating and for which the League as a whole is responsible, raised in at least nine financial markets in different currencies but upon the same securities, it is unique in the financial operations of the world.

With its successful conclusion the external world has done its share of the task set by the Protocols of Geneva. The main burden of the difficult task that still remains—the successful completion within the next 1½ years of the reforms which are to leave Austria's budget balanced and her financial position stable and self-supporting—must fall upon Austria herself and upon the Austrian Government, with the support and assistance of the Commissioner-General, Dr. Zimmerman.

The Council has expressed its congratulations and appreciation of the efforts made by many persons in many countries which have resulted in the remarkable progress so far achieved. In particular, while conveying its deep appreciation of the work already accomplished by the Austrian Government and people and by Dr. Zimmerman and his staff, it expressed the confident hope that they would continue to a successful conclusion the arduous task of financial and administrative reform which still remained to be accomplished.

B. WORK OF THE ECONOMIC COMMITTEE.

I. EQUITABLE TREATMENT OF COMMERCE (ARTICLE 23 OF THE COVENANT).

The third Assembly, on September 28th, 1923, noted with satisfaction the thorough enquiry which the Economic Committee had already made into the question of the equitable treatment of commerce and the progress achieved in regard to certain aspects of the problem.

(a) *Customs Formalities.*

The Assembly approved in particular the proposal to convene a Conference of Experts on Customs Formalities and hoped that measures would be taken not only to promote the success of the Conference but also to follow up its conclusions in such a way as to secure practical action by the Governments with the least possible delay.

The Economic Committee had already presented to the Council on September 16th, 1922, a preliminary programme for the Conference. This programme was carefully defined and limited, and it was understood that the discussions at the Conference would not extend to matters of policy in respect of tariffs or commercial agreements.

Further progress was made in preparation for the Conference during the session of the Economic Committee held at Geneva in January 1923. The Committee was anxious that all States represented at the Conference should have ample time, before the departure of their representatives, to consider the final documents which the Committee intended, with the approval of the Council, to collect and prepare as a basis for the discussions.

The Committee proposed that the Conference should be held at Geneva on October 15th, 1923, and that an invitation should be sent to the International Chamber of Commerce to attend in a consultative capacity. It further suggested that the invitations to the Conference should be accompanied by the programme approved in September 1922, and by a special request that the Governments receiving the invitation should furnish the Economic Committee as soon as possible with their observations.

The Council approved these suggestions during its January session, and invitations were addressed to all States Members of the League, to the United States of America, Germany, Mexico, Ecuador, the Irish Free State and the International Chamber of Commerce at Paris.

Meanwhile the Economic Committee secured the collaboration of customs experts from sixteen different countries from whom they received valuable memoranda explaining the customs regulations in force in their respective countries and submitting suggestions for their possible simplification.

The Economic Committee, during its sessions held in March and May 1923, revised the draft programme of the Conference with the assistance of the customs experts who met at Geneva simultaneously with the Committee in order to give it any advice which might be necessary. The Committee decided to attach to the revised draft programme a special commentary explaining in detail the intention and scope of the proposals contained in the programme. It further decided to circulate summaries of the results of the deliberations of the experts in the form of recommendations and suggestions which, in the opinion of the Economic Committee, deserved the favourable consideration of the participating States.

(b) *Unfair Competition.*

The Assembly, in its resolutions of September 28th, 1922, hoped that, as a result of the proposals elaborated by the Economic Committee in 1922, it would shortly be possible to modify the existing international conventions on unfair competition. The Council, in May 1922, had previously communicated to all the Members of the League and to the principal States non-Members a report of the Economic Committee on this subject together with draft articles for a proposed convention inviting the States Members of the League to present their criticisms and suggestions.

The following States forwarded their comments to the Secretariat: Austria, Belgium, Canada, Czechoslovakia, Esthonia, Finland, France, Great Britain, Luxemburg, the Netherlands, New Zealand, Roumania, South Africa and Sweden. The Committee has also received observations from the "Union pour la propriété industrielle" at Berne.

The Committee, during its session of January 1923, decided to await further observations before framing a final draft convention and instructed the Secretariat to address a further appeal to the Governments for their comments. This appeal was despatched on February 20th, 1923.

Replies have since been received from India, Japan, Poland and Bulgaria.

(c) *Treatment of Foreign Persons and Firms.*

The Assembly, in its resolution of September 28th, 1922, hoped that it would be possible for the Economic Committee to submit valuable recommendations at an early date in regard to the treatment of foreign persons and firms.

The Economic Committee, in a report submitted to the Council in September 1922, has previously expressed the opinion that unjust or oppressive treatment by one State of persons, firms and companies of other Member States admitted to carry on their commerce, industry or other occupation in its territories, constituted a clear violation of Article 23 (e) of the Covenant. The Committee had considered the subject and encountered many difficulties of a technical character. Though it had arrived at an agreement as to the general principles which ought to guide the Members of the League, it considered it necessary to continue and extend its enquiry before submitting a definite recommendation to the Council.

The Economic Committee concluded its investigations during its session held in May 1923. The results were embodied in a series of recommendations to be presented to the Council in July, 1923.

The Committee came to the conclusion that the time was not ripe for framing detailed rules for the equitable treatment of foreign persons and firms by means of a technical conference followed by a general convention. It hoped, however, that it would be possible to obtain general assent to certain principles by which the Members of the League would be guided both in their national legislation and administration and in any bilateral agreements which they might conclude with other States. The recommendations of the Committee deal with the equitable treatment of foreign nationals, companies and enterprises which, according to the laws of the various States, have been duly admitted to follow their industry or occupation in the territories of these States. They may be shortly summarised as follows:

Nationals and enterprises of one State duly established on the territory of another should enjoy national treatment in fiscal matters as regards their goods, industry, commerce or any other form of economic activity. Such nationals or enterprises, if they are admitted to carry on industry, commerce or any other form of economic activity without being established, should enjoy the same treatment in fiscal matters as nationals. Taxes imposed on branches of foreign businesses should be limited to the capital invested in the foreign country or to the profits of revenues arising from the business activities carried on in that country.

Foreign nationals and enterprises should be free to acquire and possess property of all kinds, real or personal, which is necessary for their economic activities. They should be able to dispose of this property with regard to cession, exchange, gift or legacy in accordance with the regime accorded to nationals. As regards the export of the product of the sale of real and personal property of foreign nationals and enterprises, no discrimination should be made according to their nationality. Foreign nationals and enterprises shall be free to appear before the courts of foreign countries either as plaintiffs or as defendants.

2. DRAFT CONVENTION ON ARBITRATION CLAUSES IN COMMERCIAL CONTRACTS.

The third Assembly, in its resolution of September 28th, 1922, drew the attention of the States Members of the League in a special manner to the recommendations in regard to commercial arbitration which had been discussed and formulated by the Economic Committee and presented to the Council on September 16th, 1922.

The importance of the enquiries conducted by the Economic Committee into this subject had been previously recognised by the Genoa Conference, and Article 14 of the resolutions of the Economic Commission of the Genoa Conference had expressed the hope that these enquiries would be continued.

Previous to the meeting of the third Assembly, the Economic Committee had appointed a Committee of Experts to advise them on the legal and commercial aspects of the question. The report of this Committee was communicated to the States Members of the League on October 30th, 1922.

The Economic Committee, during its January and May sessions 1923, in consultation with a drafting committee of legal experts, drew up a draft protocol with the object of giving effect to the recommendations contained in the report and of meeting the widely expressed desire of the commercial world that arbitration agreements should be ensured effective recognition and protection. The Council, which had already approved the substance of the articles to be included in the proposed convention, decided, on April 18th, 1923, that the Economic Committee might communicate the protocol to the Members of the League as soon as the final text had been prepared so that the Governments of distant countries might be able to consider it before their representatives left for Geneva to attend the fourth Assembly.

The protocol will be open for signature at the fourth Assembly by all States who desire to adhere to it.

3. BILLS OF EXCHANGE.

The third Assembly, in its resolutions adopted on September 28th, 1922, noted the proposals which had been made by the Economic Committee for securing greater uniformity in the national laws relating to bills of exchange.

The Council had approved these proposals in May 1922; they contemplated an international conference to be convened under conditions to be discussed with the Netherlands Government, which had played so important a part in the international regulation of this question, particularly in connection with the International Convention of 1912.

Following the discussions between the Economic Committee and a representative of the Dutch Government, Dr. Josephus Jitta, the Council decided, on September 16th, 1922, that Dr. Jitta should be asked to prepare a memorandum on the present legal situation setting forth the several ways in which greater uniformity might be achieved between different legislative codes among themselves and also between this group of codes and the law of the Anglo-Saxon communities. Professor Lyon-Caen, Sir Mackenzie D. Chalmers and Professor Klein, of the University of Vienna, were also invited to present memoranda.

The memoranda of the four experts have already reached the Secretariat, and it is proposed to arrange at an early date for a meeting between their authors for a discussion on the best practical measures to be taken for further action in this matter, in which the commercial world seems to take great interest. A larger meeting of experts is to be convened in the near future.

4. ENQUIRY INTO UNEMPLOYMENT IN COLLABORATION WITH THE INTERNATIONAL LABOUR OFFICE.

In accordance with the resolution passed by the third Assembly, the Economic Committee has considered the scope and method of the co-operation to be established with the International Labour Office in connection with the enquiry into unemployment. As the question is likewise on the agenda of the Financial Committee, no final policy can be agreed until after the meeting of that Committee in June.

5. ECONOMIC STATISTICS.

The Genoa Conference in 1922 passed a resolution to the effect that common principles should be generally adopted by the Governments in the compilation of economic statistics. The Economic Committee drew the attention of the Council to this resolution in June 1922, in which the view was expressed that it was desirable for the Economic Committee to take action in the matter.

The Economic Committee accordingly appointed a Sub-Committee to arrive if possible at a basis of collaboration with the International Institute of Statistics. The Institute was arranging to hold one of its regular General Conferences in 1923 and expressed its willingness to draw up its programme in collaboration with the Economic Committee. It was accordingly arranged that a Mixed Committee composed of representatives of the Economic Committee, the International Labour Office and the International Institute of Statistics should appoint experts in certain fields of economic statistics to prepare reports with a view to assisting the proposed Conference to deal thoroughly with the problem of the unification of methods of economic statistics.

The Mixed Committee met in London on December 4th, 1922. A Committee of Experts was elected and a programme of work was approved.

The Committee of Experts met on January 10th and 11th, 1923, at The Hague, where, after a general discussion of the programme approved in London, it divided itself into four Sub-Committees. These Sub-Committees prepared memoranda for discussion at a further meeting of the Expert Committee which was held at The Hague at the beginning of June and definite resolutions with regard to three out of the four subjects treated were adopted.

C. WORK OF THE FINANCIAL COMMITTEE.

The Financial Committee has been engaged in the past year in the study of various financial problems, notably double taxation. Its work in connection with the reconstruction of Austria will be found under a separate heading.¹ It has also examined various problems in connection with the financial administration of the Free City of Danzig, the appointment of a Financial Adviser to the Government of Albania, and the floating of a loan by the Greek Government.

FINANCIAL POSITION OF THE FREE CITY OF DANZIG.

On September 6th, 1922, the Financial Committee adopted various resolutions with regard to the financial situation of the Free City, this question having been referred to it by the Council. The resolutions expressed, first, the desirability that the Reparation Commission should consider whether it could not grant at the earliest possible moment some postponement of the liabilities placed upon Danzig as the result of the peace settlement; secondly, that the Allied Commission for the Allocation of former German State Property in Danzig should consider the desirability of finishing its work at once, and especially of deciding the future of the Danzig dockyards and the railway workshops; and, thirdly, that Danzig should immediately take in hand

¹ See page 49.

the question of introducing a new currency, and that, as a step in this direction, short-term Treasury Bonds might be issued by the Free City, either within its own territory or elsewhere in a sufficiently stable foreign currency. 2.

The Council approved these resolutions on September 16th, 1922.

Correspondence ensued between the Reparation Commission, the Conference of Ambassadors, and the High Commissioner of the League and the Danzig Government. The Danzig Government pointed out certain difficulties which would be encountered in carrying out the suggestions of the Financial Committee. It also expressed the opinion that the financial position of the Free City did not necessitate outside intervention in the form of foreign financial control but that it would be possible to balance the budget for the period 1922-23 without incurring a deficit. The Free City's requirements in working capital, however, would amount to a very large sum, and this must be considered as the crux of the financial situation.

On January 6th, 1923, the Reparation Commission informed the Secretary-General that a moratorium of 12 months could be granted to Danzig regarding her liabilities in respect of former German State property acquired by the Free City under the Treaty of Versailles, and the share of German and Prussian public debts attributable to the Free City in accordance with the terms of the Treaty.

The Council, on January 30th, decided to forward all correspondence regarding the financial situation of the Free City to the Financial Committee of the League with a request that it should follow its developments and make such further reports as might appear to be necessary.

The Financial Committee met on January 30th and 31st, 1923, in Paris and, after considering the situation, made certain proposals which were adopted by the Council on February 3rd, 1923. In the first place the Financial Committee desired to remind the Council that it had already considered the financial situation of the Free City and had given opinions which had been transmitted to the Free City by the Council. In pursuance of the action recommended by the Financial Committee, the Reparation Commission had granted the Free City a moratorium for a period of one year in respect of certain obligations arising out of the Treaty of Peace. The representative of the Free City had explained to the Council that, according to the conditions under which it was granted, this moratorium did not allow the Free City to carry on credit operations sufficient for its needs. In the resolution which the Financial Committee had taken in September 1922, it had expressed the opinion that the financial problem of Danzig could not be solved except by the substitution of a stable currency for the German mark. That view had not been adopted by the Free City. The Financial Committee recognised, however, that it was extremely difficult for the authorities of the Free City to substitute any fresh currency for the German mark at the moment, but desired, however, to state that at the time when it gave its opinion that substitution would have been possible. It was convinced that the Free City would never emerge from its monetary embarrassments unless a stable currency were adopted. The Committee was convinced that the authorities of the Free City could only carry out with very great difficulty the credit operations of which they stood in need during the period and under the conditions of the moratorium granted by the Reparation Commission. The Committee did not believe that, at that moment, the Free City ought to carry on credit operations for industrial or other installations, nor for the funding of its debt. Loans raised by it should be restricted to the sums required to provide working capital and should not exceed 500,000 gold marks. The Committee therefore recommended that the Council should approach the Reparation Commission and the Conference of Ambassadors with a view to assuring to the Free City the priority for credit operations not exceeding that sum.

On February 3rd, the Council approved the recommendations of the Financial Committee and authorised the Secretary-General to undertake the necessary negotiations with the Reparation Commission and the Conference of Ambassadors.

In a letter of May last, the Danzig Government emphasised the importance of an early acceptance by the Conference of Ambassadors and the Reparation Commission of the proposals made by the Financial Committee stating that the financial situation of the Free City had become more difficult in view of the recent fall of the German mark.

After an exchange of correspondence, the Reparation Commission informed the Secretary-General on May 18th, 1923, that, in order to facilitate, in so far as lay within its power, the conclusion of such financial arrangements which the League might think necessary for the assistance of Danzig, it would not claim any special security from Danzig in respect of any debt due.

DOUBLE TAXATION AND FISCAL EVASION.

The Financial Committee has continued to study the problems of double taxation and fiscal evasion.

The first of these questions has been examined by four well-known economists — M. BRUINS (of Dutch nationality), M. EINAUDI (of Italian nationality), Professor SELIGMAN (of American nationality), and Sir Josiah STAMP (of British nationality). These economists met at Geneva in March 1923 and drew up a report. After examining the economic consequences of double taxation in the greatest detail, the report reviews the theoretical solutions which can be proposed to meet the difficulties arising from the double imposition of taxes.

The experts drew special attention to the fact that various solutions would have to be examined in relation to the different economic conditions of the various States, some States being in the position of creditors and others in the position of debtors, because of their general incomplete

economic development and of their need of foreign capital. The Financial Committee and the Council, however, did not confine themselves to a mere theoretical study of this important problem. In order to reach a practical solution, it was found necessary to examine the question from an administrative and governmental standpoint.

Seven European countries (Belgium, Czechoslovakia, France, Great Britain, Italy, the Netherlands and Switzerland), at the request of the Council, appointed high officials of their fiscal administrations to represent them on the Committee which met at Geneva in June 1923. These officials, taking as a basis the report of the four economists, and paying special regard to the conventions recently concluded between various countries of Central Europe, have begun to discuss what general principles could be established in regard to the question, either by means of general conventions or by bilateral agreements.

The task is one of considerable difficulty, not only for the general economic reasons to which allusion has already been made but also because of the difference existing in the fiscal legislation of various countries, the legislation of some of which is of very ancient origin and cannot be changed without considerable difficulty.

Economic interests, budget interests and difference in legislation are the points on which it is hard to reach an agreement. The delegates of the seven Governments, nevertheless, greatly desire to find a practical solution. They have drawn up a preliminary report proposing that, in regard to *impôts réels*, or scheduled taxes, the principle should be adopted of dividing the amount of income to be taxed in proportion to the extent of the business carried on in any country by the taxpayer.

They have also proposed certain general principles regarding a global tax on income and on death duties.

They have further begun an examination of the problems connected with the campaign against fiscal evasion, which is interesting public opinion in general as well as Governments. Since the Government experts, by reason of their official duties, were unable to prolong their session at Geneva, they have adjourned until October. Very considerable progress may therefore be looked for in these two difficult questions of double taxation and fiscal evasion.

ALBANIA.

Appointment of a Financial Adviser.

The Committee considered this question in accordance with a resolution passed in 1921 by the Council and the Assembly to the effect that the Council would favourably consider requests made to it by States wishing to obtain the services of technical advisers.

The Committee recommended to the Council the nomination of Mr. J. D. Hunger, lately Administrator of Batavia, in the Dutch East Indies. The Council approved this nomination and the contract of Mr. Hunger. The Financial Adviser will present a quarterly report to the Council. (See also: Political Questions: Albania.)

GREEK LOAN FOR THE SETTLEMENT OF REFUGEES.

On February 2nd, 1923, the Council requested the Financial Committee to examine the request of the Greek Government that the League should assist it to obtain an international loan of £10,000,000 sterling, for the settlement of the refugees in Greece.

On April 23rd, the Council took note of the fact that the Financial Committee was awaiting essential information from the Greek Government before making its report. The Council appointed a sub-committee, consisting of the British, French and Italian members, with authority to invite the Greek Government to add a fourth member, to receive the report of the Financial Committee and advise the Council whether the League could itself accept any responsibility or take any action in the matter.

In view of the urgent necessity of collecting accurate information regarding the financial aspects of the Greek Refugees problem, and further, in order to obtain supplementary information to the answer furnished by the Greek Government to a questionnaire sent on March 14th, M. Parmentier, a member of the Financial Committee, accompanied by a member of the Economic and Financial Section of the Secretariat, left for Athens on May 23rd to investigate on the spot and in co-operation with Dr. Nansen's High Commissariat for Refugees, for whose benefit the funds obtained by the loan will be expended, the question of the loan.

FINANCIAL PUBLICATIONS.

Particular reference should be made to the increasing and generally recognised importance of the publications of the Secretariat issued in accordance with the suggestions of the Brussels Conference in 1920: The Memoranda on Public Finance, Currency, Central Banks and Budget Expenditure in National Defence and the Monthly Bulletin of Statistics. New and enlarged editions of the Memoranda have been prepared since the last Assembly, and a special endeavour has been

made to include such countries as had previously been omitted for lack of time or information. The favourable reception has been reflected in the sale figures, the first editions of the Memoranda having been completely exhausted.

The Secretariat has also published in four volumes the results of an enquiry, which was carried out at the request of the second Assembly, into the application of the principles laid down at the Brussels Conference. The official reports received from the various countries have been prefaced by an introduction, prepared by the Secretariat, summarising the financial and monetary developments.

On the recommendation of the Committee, the Secretariat has also begun to collect information concerning commercial banks and, in accordance with the resolution of the last Assembly, is conducting an enquiry into trade balances.

In accordance with the request of the Council, the Secretariat has prepared and published a report on the economic conditions in Russia.

II. THE ORGANISATION FOR COMMUNICATIONS AND TRANSIT.

PREPARATION FOR A SECOND GENERAL CONFERENCE ON COMMUNICATIONS AND TRANSIT.

The third Assembly, in a resolution adopted on September 28th, 1922, invited the Advisory and Technical Committee for Communications and Transit to continue the work with which it had been entrusted in preparation for the Second General Conference on Communications and Transit to be held at Geneva in 1923. It further noted with satisfaction the investigations which had been undertaken by the Committee for the purpose of drawing up conventions on the international regime of railways and on the international regime of ports to serve as a basis for the discussions of the Conference.

The Council, on April 19th, 1923, decided to convene the Conference on November 15th, 1923, at the seat of the League. It instructed the Secretary-General to invite to it the Members of the League and provisionally such recognised States not Members of the League as might be admitted to take part in the Conference under the terms of Article 2 of the rules of procedure for the organisation of General Conferences on Communication and Transit.

The Secretary-General was, at the same time, instructed to communicate to the States the agenda of the Conference as prepared by the Advisory and Technical Committee and, in general, to take all necessary steps for the organisation of the Conference.

The preparatory work of the Conference was done by various sub-committees which met during the first three months of the present year and was completed at a plenary session of the Advisory Committee held at Geneva from April 23rd to April 30th.

The Advisory Committee, in plenary session, approved the text of the four following draft conventions to serve as a basis for the discussions of the Conference.

(a) *Draft Convention relating to the International Regime of Maritime Ports.*

The draft Convention for Maritime Ports stipulates that the nationals, properties and flags of all contracting States shall have free access to the maritime ports under their sovereignty, and shall be treated on a footing of absolute equality in all that concerns the use of the ports. It is laid down in particular that no distinction shall be made as between the nationals, property, or flag of any contracting State and those of the State under whose sovereignty or authority the port is situated, or of a State whose nationals, property or flag enjoy the most favourable treatment.

It is further provided that all dues and charges levied for the use of maritime ports shall be equitable and shall be duly published before being put into force, and that in the application of Customs or other analogous duties the flags of all contracting States shall be treated on a footing of absolute equality.

Various reservations and exceptions are defined in the Convention. The Convention does not, for example, cover the maritime coasting trade, and no contracting State will be bound to afford transit for passengers whose admission in its territories is forbidden or for goods of a kind of which the importation is prohibited, either on grounds of public health or security or as a precaution against diseases of animals or plants. Nor would a State be bound to permit the transport of passengers or goods whose admission is prohibited by national legislation. The Convention does not prescribe the rights and duties of belligerents and neutrals in time of war nor has it any reference to the use of ports by warships or by vessels exercising any kind of public authority.

Disputes as to the interpretation or application of the Convention would be brought before the Permanent Court of International Justice in the absence of any special agreement or general arbitration provision, but the contracting States would undertake, before resorting to any judicial proceedings, to submit disputes for an opinion to any body established by the League of Nations as the advisory and technical organisation of the Members of the League in matters of communications and transit.

(b) *Draft Convention relating to the International Regime of Railways.*

The draft Convention for the International Regime of Railways is designed to facilitate international through traffic in every possible way. The contracting States are asked to undertake to

provide for a through service between existing lines whenever the needs of international traffic so require. It is proposed to unite the frontier services in a single common station whenever possible. It is stipulated that transport facilities shall not depend on the nationality of the passengers, on the ownership or the commercial origin of the goods, nor on the flag or ownership of the vessel employed either before or after their transport by rail. The contracting States undertake to organise more favourable time-tables and better conditions for international passenger and baggage traffic, and to regulate Customs and police formalities, so that international traffic may be hindered and delayed as little as possible.

It is further provided that agreements shall be concluded between contracting States whose lines constitute a continuous system of railways of the same gauge to enable rolling-stock to be exchanged and reciprocally employed. There are also articles referring to the introduction of a single contract covering the entire journey for international traffic, whether of goods or of passengers and baggage.

It is also stipulated that the contracting States shall grant to international traffic equitable tariffs, and that the establishment of these tariffs and their application shall not depend on the nationality of the passengers, on the ownership or commercial origin of the goods, nor on the flag or ownership of the vessel employed either before or after their transport by rail.

There are exceptions and reservations defined in the Convention analogous to those contained in the Convention relating to the International Regime of Ports.

Disputes as to the interpretation or application of the Convention would be submitted for an advisory opinion to any body established by the League of Nations as the advisory and technical organisation of the Members of the League in matters of communication and transit. Disputes as to the interpretation or application of the provisions of Articles 4 (para. 2), 18, 19, 20, 21, 29 to 38 inclusive and 41 to 44 inclusive of the Convention would be brought before the Permanent Court of International Justice in the absence of any special agreement or general arbitration provision, but the Contracting States would undertake, before resorting to any judicial proceedings, to submit disputes for an opinion to any body established by the League of Nations as the advisory and technical organisation of the Members of the League in matters of communications and transit.

(c) *Draft Convention relating to the Transmission in Transit of Electric Power.*

The contracting States would undertake to settle by common agreement all matters connected with the transmission in transit of electric power across territory under their sovereignty or authority. The methods adopted to provide this transit would be based upon purely technical considerations and would not, other than in exceptional cases, take political frontiers into consideration. No special dues or charges would be levied in respect of such transit.

Disputes would be submitted for an advisory opinion to the body established by the League of Nations as the advisory and technical organisation of the League in matters of communications and transit.

(d) *Draft Convention relating to the Development of Hydraulic Power on Watercourses forming Part of a Basin situated in the Territory of Several States.*

The States concerned in the development of hydraulic power on watercourses forming part of one and the same basin would undertake to settle by common agreement all matters connected with such development. The methods adopted for this purpose would be based on technical considerations without regard to political frontiers.

The Convention provides for the appointment of commissions whose composition and power would be determined by agreement between the States concerned.

Should the safety or utilisation of the territory of States concerned, other than the State on whose territory certain works are established, depend upon the strength of these works or upon their operation, any State concerned may at any time demand the appointment of such a Commission, the main duty of which will be to see that the Conventions concluded are observed and, in urgent cases, to announce the steps which, in its opinion, should be taken.

The provisions of the Convention for the settlement of disputes are similar to those contained in the Convention for the International Regime of Railways. A contracting State may appeal to the Permanent Court of International Justice if it can prove that the development proposed or undertaken by another contracting State is calculated to prejudice its interests.

The draft conventions prepared by the Advisory Committee have been distributed to the States Members of the League and placed on the agenda of the Second General Conference.

CONTINUATION OF THE WORK OF THE BARCELONA CONFERENCE.

The following States have ratified the General Convention on Freedom of Transit: Albania, Bulgaria, Denmark, the British Empire, New Zealand, India, Finland, Italy.

Thirty-two States have signed this Convention.

This Convention is at present in force and all the States represented at the Conference at Genoa announced that they intended to ratify it.

The following States have ratified the General Convention on the Regime of Navigable Waterways of International Concern: Albania, Bulgaria, Denmark, the British Empire, New Zealand, India, Finland and Italy.

Twenty-seven States have signed this Convention, which is in force and of which the ratifications are progressing normally.

Thirteen States have signed the Additional Protocol to the Convention on the Regime of Navigable Waterways of International Concern, which provides for the extension of the principles of this Convention to other waterways. Albania, Denmark, the British Empire, New Zealand and India have ratified the Protocol.

Finland has ratified the section of the Protocol referring to natural navigable waterways from the scope of which canals are excluded.

The following States have ratified the Declaration recognising the Right to a Flag of States having no Sea-coast: South Africa, Albania, Australia, Bulgaria, Canada, Denmark, the British Empire, New Zealand, India. Finland and Roumania have signified their adherence to this Declaration.

France has signed the Declaration and has notified that no ratification is necessary.

The Statute of the Danube, established shortly after the Barcelona Conference, was drawn up in conformity with the Barcelona Conventions.

The Statute of the Elbe, which has been signed, and that of the Oder, which is under preparation, were also drawn up with reference to the Conventions.

The Central Commission for the Navigation of the Rhine examined in December last the Conventions of Barcelona with a view to their application to the Rhine.

CONTINUATION OF THE WORK OF THE PASSPORTS CONFERENCE.

Fresh progress has been made in the simplification of passport formalities, as recommended by the Paris Conference of October 1920. The suppression of visas tends to become more general. The Organisation for Communications and Transit is continuing its enquiries on the subject and hopes to achieve further progress in the course of the year.

CONTINUATION OF THE WORK OF THE GENOA CONFERENCE.

The Governments represented at the Genoa Conference in 1922 recommended that the French railway administration should convene as soon as possible a conference of technical representatives of all the railway administrations of Europe and other interested countries.

The third Assembly, on September 28th, 1922, duly noted the decisions of the Genoa Conference and drew the attention of the Council to the fact that it was desirable to arrange for the representation of the Organisation for Communications and Transit at the Conference of Railway Administrations.

A representative of the Organisation for Communications and Transit accordingly attended the Conference of Railway Experts which met at Paris in December 1922.

At this Conference, the European railway administrations established an International Railway Union. The statutes of the Union provide for the attendance at its regular conferences of representatives of the Advisory Committee on Communications and Transit. In general, the League Organisation will act as a co-ordinating intermediary between international associations concerned with special aspects of the transport question, and as an investigating agency for questions in which Governments are interested raised in connection with work undertaken by the International Railway Union or any such technical non-Government institution.

The Advisory Committee has worked out a scheme for continuous liaison with the technical administrations concerned, which, under the budgetary provisions of the Assembly, may be brought into operation in the course of the year.

It should be noted that the Genoa Conference recommended that the competent technical organisation of the League should examine from time to time the progress realised in the execution of the proposals adopted at Genoa and should, if necessary, convene special meetings of experts with the assent of the interested States for this purpose. A first enquiry is now taking place, the results of which will be submitted in a general report to be considered by the Transit Committee before the fourth Assembly.

SETTLEMENT OF THE RAILWAY DISPUTE BETWEEN THE SAAR BASIN GOVERNING COMMISSION AND THE GERMAN GOVERNMENT.

The Advisory and Technical Committee for Communications and Transit, at its meeting on August 30th, 1922, appointed a Commission of Enquiry to examine the difficulties which had arisen between the Saar Basin Governing Commission and the German Government with respect to the application of the International Convention of Berne (the Transport of Goods by Rail) of October 14th, 1890. This action was taken at the request of the Council, as provided for in Article 7 of the Rules for the Organisation of the Advisory and Technical Committee as laid down at the Barcelona Conference.

The Committee appointed was as follows:

M. HEROLD,	Director of the Railways Section at the Federal Railways and Postal Department at Berne; Chairman of the Sub-Committee for Transport by Rail of the Advisory and Technical Committee; <i>Chairman.</i>
MR. MARRIOTT, C.B.E.,	Assistant to General Manager of the London and North-Western Railway Co.
M. RUUD,	Commander, Chief of Division, Norwegian State Railways Administration.
M. VOGEL,	Geheimer Oberregierungsrat und Vortragender Rat im Reichsverkehrsministerium, assisted by M. Voigt, vom Auswärtigen Amt. <i>Designated by the German Government.</i>
M. COURTILET,	Director of Railways, Posts and Telegraphs of the Saar Basin Territory. <i>Designated by the Governing Commission of the Saar Basin Territory.</i>

The Committee met at Luxemburg on November 23rd and 24th, 1922, and within two days succeeded in arriving at a draft agreement to be submitted to the German Government and the Saar Basin Governing Commission. The draft agreement in question was found to be acceptable to the two parties and was subsequently ratified.

III. THE HEALTH ORGANISATION.

CONSTITUTION OF THE PERMANENT HEALTH ORGANISATION.

It had been the intention of the first Assembly to make the already existing Office international d'Hygiène publique the basis of the new League Health Organisation. The Office international is independent of the League and was in existence before it. It has a membership of 39 States and its seat is at Paris. The first Assembly wished to model the Health Organisation on the general plan of the League itself, that is, with a conference (corresponding to the Assembly ; in this case the conference would have been the Office International, but with enlarged membership and wider powers), an executive committee (corresponding to the Council) elected by the conference, and a secretariat, which should form a section of the Secretariat of the League. But the United States is a member of the Office international, and the United States opposed this suggestion. As a result, the constitution of the Health Organisation was postponed for a time. Meanwhile, in June 1921, the Council had appointed a Provisional Health Committee, most of the members of which were also connected with the Office international d'Hygiène publique. This enabled the Health Committee of the League to co-operate with the Office international, the latter body to some extent fulfilling the functions of a general conference.

A further step in the development of the Health Organisation was taken by the third Assembly (September 1922), which considered that it might be possible, before the meeting of the fourth Assembly, to prepare, on the basis and according to the principles adopted by the first Assembly for the Technical Organisations of the League, the constitution of a Permanent Health Organisation, which will be submitted to the fourth Assembly for approval. On the basis of this resolution, the Council, at its session in January 1923, decided to invite the members of the Health Committee and the Committee of the Office international d'Hygiène Publique to form a special Mixed Committee to prepare for the fourth Assembly a scheme for the constitution of the Permanent Health Organisation. The Health Committee appointed five of its members to serve on the Mixed Committee. The Mixed Committee prepared a scheme which was approved by the Health Committee during its session held in June 1923 and subsequently transmitted to the Council.

THE WORK OF THE HEALTH ORGANISATION.

Intelligence Work.

The Health Organisation serves as a clearing-house for epidemiological intelligence and a central agency for collecting information on special health questions of international concern; both are activities which, obviously, in view of their world-wide scope, no national health administration can undertake.

(1) *Epidemiological Intelligence.*

The epidemiological intelligence and public health statistics collected and distributed through the Health Section of the League Secretariat are examples of this work. It has recently been possible to plan the work of epidemiological intelligence on a larger scale owing to an agreement concluded with the International Health Board of the Rockefeller Foundation, by which

the latter contributes a sum of \$32,840 a year for five years toward the maintenance of the Health Organisation's Epidemiological Intelligence Service, and the sum of 115,000 francs has been provided for this service in the draft budget for 1924. Under the above agreement, the work to be undertaken includes:

- (a) Study of the simplest and most reliable methods of obtaining information regarding the incidence of disease and the progress of epidemics.
- (b) Comparative study of public health statistics of different countries.
- (c) Study of the world distribution of particular diseases.
- (d) Comparative study of the incidence of particular diseases in different countries and their public health statistics, with a view to determining the nature and practical significance of observed differences between them.
- (e) Study of the periodicity of epidemics and the factors which cause or influence such periodicity.
- (f) Organising, with the concurrence of the public health administrations of the countries affected, missions of enquiry regarding the development of epidemics, or for other purposes referred to in the preceding paragraphs.
- (g) The publication and distribution of special reports and periodical bulletins.
- (h) A review of the public health of the principal countries of the world, with a view to the issue, if circumstances permit, of reports on the subject as a whole.
- (i) Organising a rapid interchange of information in regard to particular diseases in cases in which immediate action appears to be necessary.
- (j) The employment at headquarters or elsewhere of experts provided with requisite assistance and technical equipment.

As in all other branches of the Health Organisation's work, the aims of the Epidemiological Intelligence Service are severely practical and are directed towards providing National Health Administrations with the information most helpful to them in their work. As regards method, the general system followed is that a small body of experts at Geneva checks and collates the results of studies and enquiries and publishes general bulletins, while the actual investigations are undertaken mainly by experts in their respective countries, by existing national medical institutes and other technical agencies. At present the Health Section is issuing reports on the epidemiological situation of various countries, chiefly in Eastern Europe, at regular and short intervals and, in order further to complete the information thus sent out, an *Epidemiological Intelligence Bulletin* is also issued periodically. This Bulletin contains current statistics and charts on the incidence all over the world of Asiatic cholera, typhus, relapsing fever, dysentery, smallpox, anthrax, scurvy, etc. The information thus gained is analysed and certain general conclusions are drawn. Special reports are also prepared from time to time, as, for example, the report on the sanitary condition of Russia, issued in September 1921 as the result of investigation on the spot.

The Health Committee, at its sixth session in May-June 1923, approved the above programme as well as the systematic publication of the epidemiological intelligence of the different countries. It was hoped that this information would serve as a basis for a further and more detailed study of the best methods of obtaining and circulating epidemiological intelligence and public health statistics.

(2) *Information on Vital Statistics and the Organisation of Health Administrations.*

The Health Section of the Secretariat has begun to collect information from the national health administrations on the methods by which vital and public health statistics are compiled and on the organisation of the actual Health Administration. The object of this enquiry is to obtain information that may be digested into reports for circulation to the health administrations, thereby enabling them to gauge more accurately the significance of information received from other countries, as well as to organise more effectively co-ordination between the administrations in such matters as notification of diseases, preparing international conventions, enquiries or other collaboration on specific points, etc.

(3) *Enquiry in the Eastern Mediterranean and Black Sea Ports.*

Another scheme started on the initiative of the Health Committee and belonging to this same group of its activities was the despatch of a Commission to the Eastern Mediterranean and to Black Sea ports to enquire into international arrangements regarding the prevention of epidemic diseases in the Near East. The war has broken up an area which was formerly under one health administration and has greatly disorganised other health administrations. Moreover, conditions have changed greatly in matters of first importance from the point of view of health work. For instance, the annual pilgrimages to the Moslem Holy Places in Palestine and the Hedjaz used to be undertaken largely by water, but now they are more and more being conducted overland by rail and road.

The result is the urgent necessity of revising the International Sanitary Convention concluded at Paris in 1912, in order to meet the altered conditions.

A revised draft of the first part of this Convention has already been prepared by the Office international d'Hygiène publique with the object of including typhus and relapsing fever in the

Convention and of providing more thoroughly for the application of sanitary measures to land traffic. The Commission of Enquiry, which was sent out in full agreement and after preliminary understanding with the Office international d'Hygiène publique, made a thorough investigation of the whole position and drew up a report to the Council, suggesting a revised text for Parts II, III and IV of the Paris Convention, as well as a number of special measures designed to unify and improve health control in the areas of: (1) Egypt and the Suez Canal; (2) the Arabian Peninsula, Palestine and Syria; (3) Constantinople and the Black Sea ports. The report furthermore emphasised the need for an International Sanitary Committee, under the auspices of the Council, to coordinate the work of the public health authorities throughout the Near East.

(4) *Enquiry into the Diseases in Tropical Africa.*

A further enquiry undertaken by the Health Committee concerned the incidence of sleeping sickness and tuberculosis in Equatorial Africa, where the war gave rise to an increase of disease and a relaxation of control. For the purpose of this enquiry, the Health Committee appointed a Committee of Experts from the three countries—Belgium, France, Great Britain—having colonial interests in tropical Africa. The findings of this Committee will serve as the basis for the action recommended by the Health Committee on the subject.

(5) *Enquiry in Far-Eastern Ports.*

On November 3rd, 1922, the Health Committee, at the suggestion of its Japanese member and with the approval of the Governments concerned, sent a small mission on a six-months journey of investigation to the chief ports in the Far East for the purpose of studying the various sanitary, anti-epidemic and quarantine regulations, with particular attention to the necessity for preventing the spread of diseases by sea-borne traffic. The object of collecting this information is partly that this is useful in itself and partly that it may serve as the basis for a conference between the Powers concerned for co-ordinating and improving sanitary and anti-epidemic measures throughout the Far East. This is important, for, although temporarily over-shadowed by the fresh giant source of land-borne infection from Russia, sea-borne diseases coming from the Far East have been the main enemy of sanitary authorities all over the world.

Applied Research Work.

The second group of activities conducted through the Health Organisation may be defined as applied research work, that is, the initiation of laboratory investigations conducted simultaneously and on the basis of a common plan by leading institutes all over the world, and directed towards securing the practical application of the results of this research. The Health Organisation cannot finance pure research work; it confines itself to facilitating the application of the discoveries already made.

(1) *Sera and Serological Tests.*

One set of modern discoveries of great and increasing importance in modern therapeutics are the great discoveries in the domain of immunisation, that is, the production of anti-toxic sera and the sero-diagnosis of syphilis. In order to utilise fully these discoveries in both curative and prophylactic medicine, as well as to facilitate the further development of this branch of science, the need for international agreement on various methods of measuring and testing the potency of anti-toxins has long been realised. Hitherto these methods have varied not only in different countries but sometimes even in different laboratories in the same country, and the differences have been on fundamental principles, as well as on points of mere detail. Consequently it has often been impossible to check the accuracy of contradictory information about the efficacy of some serum, because it was not possible to compare the units employed in each case. The same confusion and difficulties were confronted in the sero-diagnosis of syphilis, the value of which does not consist solely in the fact that it facilitates the discovery of infection but also in that it increases the curative possibilities of salvarsan taken in time and sheds light on the success of the treatment. Here, too, the great variations in method have brought about differences in results that interfere with diagnosis and make the fight against this scourge more difficult.

For all these reasons some method of standardising internationally the units and methods employed had long been considered desirable, and many attempts were made before the war to achieve this end. These efforts, however, had always broken down owing to the difficulty of securing sufficiently close and prolonged co-operation between a sufficient number of laboratories and research institutes. After the war the difficulties appeared even greater, but it was found possible to overcome them through the agency of the Health Organisation.

In December 1921 the Health Organisation held a Conference in London on the Standardisation of Sera and Serological Tests, as the starting-point of a general enquiry undertaken conjointly with the Office international d'Hygiène publique. The State Health and Serological Institutes of Austria, Belgium, Denmark, France, Germany, Great Britain, Italy, Japan, Poland, Switzerland

and the United States of America took part in the preliminary conference, which drew up a programme of enquiry and research to be carried out by different laboratories and centralised in the Copenhagen Serological Institute, acting as a clearing-house for all the work.

From September 25th to 27th, 1922, a meeting of a Sub-Committee on anti-tetanus and anti-diphtheria sera was held at Geneva, attended by representatives of the State epidemiological laboratories of Denmark, France, Germany, Great Britain, Italy, Japan, Soviet Russia and the United States, at which the anti-toxic unit for diphtheria was re-established and an international unit proposed for tetanus serum.

The results of the work on anti-pneumococcus and anti-dysentery sera, as well as the sero-diagnosis of syphilis were examined and a further programme of research work adopted at a second general conference held at the Pasteur Institute in Paris from November 20th to 26th, 1922. This conference not only marked a fresh and successful stage in the long cumulative process which all research work entails but showed how the basis of this work is widening as it proceeds, for at this second conference State Health Institutes from Austria, Belgium, Denmark, France, Germany, Great Britain, Japan, Poland, Roumania, Russia, Switzerland and the United States were represented.

(2) *Biological Products.*

In connection with the work on biological products, a proposal was discussed at the fifth session of the Health Committee held in January 1923 to apply similar methods of co-ordinating international research to the standardisation of certain biological products used as very powerful drugs, such as digitalis, pituitary and thyroid extracts, insulin (the anti-diabetic hormone of the pancreas), etc. These products are variable and unstable chemically and their therapeutic properties bear no constant relation to their chemical composition. It is therefore generally necessary to standardise these preparations physiologically, that is, by the effect on a particular animal of a dose of standard size, or some similar method. Here again the methods in use in different countries vary widely, and international agreement on some form of testing and standardising these drugs would be desirable. This would be of peculiar importance in the case of insulin, for this drug has clearly a very important medical future, while the recent date of its discovery means that as yet no "vested interest" in any particular form of standardising unit doses has yet arisen that would make more difficult the achievement of international agreement on this subject.

A technical conference for the study of the problem of the standardisation of biological products will be held at Edinburgh on July 19th, 1923.

Executive and Co-ordinating Work.

The third group of activities conducted through the Health Organisation is directed toward making that organisation the agent for developing mutual understanding between the health administrations of different countries, initiating bilateral or general agreements between these administrations for specific purposes, and executing the common policies decided on by the national administrations at inter-governmental conferences.

(1) *Work of the Epidemic Commission.*

The first example of this kind, and one of the first health problems with which the League had to grapple, was the question of epidemics in Eastern Europe. In order to meet it, the Epidemic Commission was set up as a temporary organisation by the Council in May 1920. The task of the Commission was to prevent the spread of epidemics in Eastern Europe, and it was decided that this should be carried out on the lines recommended by the Health Conference by the Council in London and which met from April 14th to 17th, 1920. The chief measures suggested by this Conference comprised:

- (a) The organisation of quarantine stations;
- (b) The equipment of hospitals;
- (c) Measures for cleansing and disinsecting;
- (d) Supply of food, clothing, soap, motor transport, and similar necessities.

The work of the Commission, which still continues, represents a first experiment in international sanitary co-operation on a large scale. The funds for the work are derived from contributions received from Governments in reply to appeals made by the Council and by the first, second and third Assemblies. Certain donations have also been made by the League of Red Cross Societies. Hitherto £205,000 have been raised. These funds were in the first place used for work in Poland. Later the Commission extended its activities to Russia and Latvia, and in May 1922 an agreement facilitating the work of the Commission in Russia was drawn up between the Epidemic Commission and the Soviet authorities, and the Commission opened offices in Kharkov and Moscow.

In the autumn of 1922, following upon the war in Asia Minor, a great stream of refugees began pouring into Greece. The number quickly reached one-fifth of the total population of

Greece and continues to increase. Most of the refugees reached Greece in a state of destitution and under conditions permitting of no sanitary control whatever. The Council, acting on an urgent resolution of the Assembly, which was then in session, appointed Dr. Nansen as its High Commissioner for Refugees, and appeals for assistance were issued by the third Assembly; to these some of the Governments there represented responded almost immediately by offers of money. Of these monies Dr. Nansen, at the request of the Greek Government, assigned £5,000 for sanitary purposes. The Greek Government thereupon requested the help of the Epidemic Commission, and three of its members were sent to Greece. One of these members has since acted as technical adviser to the Greek Government and has inspected all the refugee camps on the mainland and on the islands. A second member of the Epidemic Commission, acting again at the request of the Greek Government and in collaboration with a committee for the combating of epidemics set up by the Greek Health Ministry, organised a preventive vaccination campaign among the refugees, using for the purpose the £ 5,000 assigned for medical purposes by Dr. Nansen, as well as some of the remaining funds of the Epidemic Commission. Some eighty Greek doctors, medical students and inspectors of hygiene were recruited, divided into ten vaccination columns and distributed among the refugee camps, which, for administrative purposes, are divided into two zones, with centres respectively at Athens and Salonica. Up to April 1st, 1923, some 1,674,585 vaccinations have been effected against smallpox, cholera and typhoid fever. This number, however, represents only some 60 % of the total number of refugees, and new refugees are ceaselessly pouring in from Constantinople and Asia Minor.

Even if sufficient funds are available to carry out the vaccination campaign on a decisive scale, the problem will remain of stamping out malaria (which is endemic in Greece and finds very fertile soil in the refugee populations) and of organising an effective public health system. These questions form part of the general problem of assimilating the vast and destitute refugee population — a tremendous problem that the Greek Government is now facing and for which it requires financial aid. For this purpose the Greek Government applied to the Council to lend its moral support in the raising of a loan of £10,000,000 for the settlement of refugees, and the Council has instructed the Financial Committee of the League to study the nature of the problem with a view to ascertaining what sort of guarantees would make it possible for Greece to float a loan for this specific object. If it becomes possible to raise such a loan, the work of absorbing and settling the refugee populations can be approached in earnest, and it is possible that in this connection the Health Committee may be called upon to give its technical advice for the solution of the two principal public health problems that confront Greece to-day.

The Health Committee, during its sixth session held in May-June 1923, took note of the useful work done by the Epidemic Commission. The Committee was of the opinion that recent experience in Greece, together with the experience of the Epidemic Commission since its inception, demonstrated that, if the Commission were to be placed in a favourable position to deal with unexpected risks of spread of infection arising from sudden calamities or disasters affecting large populations, it should at least have some funds, not necessarily large, which could be drawn upon for immediate use when these conditions arose. The Health Committee also decided to ask the Council to consider fully and favourably any proposal which would ensure that a small fund is kept by the League at the disposal of the Commission for emergency work to be utilised for the prevention of the spread of epidemic diseases in exceptional instances where such measures are suddenly called for alike in the interests of the public health of the world and for strengthening the public health organisations of countries which may require immediate assistance.

(2) *Action taken on the Resolutions of the Warsaw Health Conference.*

The Warsaw Health Conference convened by the Polish Government¹ for March 20th, 1922, with the collaboration of the Health Organisation of the League, came to the conclusion that there could be no economic reconstruction in Eastern Europe until the menace of epidemics had definitely been disposed of, just as the Panama Canal could not be constructed until yellow fever had been eliminated. A comprehensive plan for a health campaign was prepared to include not only the strengthening of the sanitary defences of the border States but a vigorous effort to stamp out epidemics at the heart in Russia. To bring the task within practicable dimensions, it was proposed that an attempt should first be made to establish sanitary centres at some of the most important railway junctions and to "clean up" some of the big towns. The plan also provided for an anti-epidemic campaign in the Donetz basin, which is vitally important for the economic life of Russia owing to its iron and coal deposits and which, at the same time, was a typhus and cholera centre, a famine area, and easily accessible from several Black Sea ports.

It was estimated that the carrying-out of this plan would cost about £1,500,000. The Health Committee was designated by the Conference as the executive organ for carrying out the whole scheme, with the proviso that it must include representatives of all the States interested. By this it was intended that German and Russian delegates should serve on the Committee. The Russian and Ukrainian delegations passed a minority resolution asking that a special international commission should be formed to act as an executive agent (since then, it will be noted, a German member has been added to the Health Committee and an arrangement has been concluded with Soviet Russia (see below). The plan proposed by the Warsaw Conference was then submitted to the Genoa Conference, which at that time was engaged in discussing the economic reconstruction of Europe. The Genoa Conference approved the findings of the Warsaw Conference and its members

¹ See "Records of the Third Assembly, Plenary Meetings", Volume II, page 64.

undertook to solicit from their respective Parliaments the necessary funds. Hitherto, however, the funds have not been forthcoming, and it would appear that the interdependence of economic reconstruction and a large-scale health campaign is interpreted to mean that both must wait for political agreement between the countries concerned.

On the other hand, the second and third proposals of the Warsaw Conference bore immediate fruit. The first of these proposals was to strengthen the medical personnel of Russia and the border States by organising courses in Warsaw, Moscow and Kharkov for the training of public health officials in combating epidemics. The money for this undertaking was provided by a donation of £5,000 from the League of Red Cross Societies. The first course, which was started in November 1922, was completed three months later, and fresh courses were organised forthwith. In each case the teaching staff was mostly composed of local doctors of distinction, but, in addition, a Roumanian, a German and a British expert acted as lecturers at the first course. For the second course five eminent foreign specialists were engaged. There were also exchanges between the Polish and Russian lecturers. The need for trained personnel in Eastern Europe, particularly in Russia, has been very keenly felt in view of the prevalence of disease and the unsettled conditions which have for several years interfered with the training of doctors. As a sort of material basis for these courses, sanitary museums have been set up in the three centres of instruction, with specimens or models illustrating the various phases of anti-epidemic work.

The third proposal of the Warsaw Conference, which was also immediately put into effect, was that a series of conventions should be concluded between the various border States of Russia themselves and between the border States and Germany, Czechoslovakia, Hungary, Austria, the Kingdom of the Serbs, Croats and Slovenes, Bulgaria, etc. A number of such conventions have already been concluded and others are being negotiated. These conventions are designed to strengthen the sanitary defences of the States concerned and to promote closer collaboration between their respective health administrations. The conventions deal with the exchange of information about the incidence of disease, prompt notification, exchange of publications, etc.; they define what constitutes infected districts and what measures should be taken to prevent the spread of disease; they define also the measures to be taken on land and water frontiers respectively as regards persons, baggage, goods, train, road and boat transport; measures such as inspection, disinsecting, surveyance, observation, quarantine stations and other special measures in frontier zones, etc.

The conventions include three new departures: The first is that the health administrations notify each other directly of ascertained or suspected cases of disease, instead of, as formerly, through diplomatic channels. Copies of the information thus sent are, however, communicated to the diplomatic representative of the State receiving it and to the Foreign Office of the State sending it, as well as to the Health Section of the League Secretariat (which constitutes the second new departure). The third new departure is that most of these conventions contain a provision that, in case of differences regarding the interpretation or application of the conventions, the contracting Powers, if unable to arrive at a direct agreement, shall resort to the Health Organisation of the League as mediator.

By an arrangement concluded with the Soviet Russian Delegation at the Genoa Conference, the members of the Health Committee, together with a delegate from the Central Health Authorities of Soviet Russia, constitute a special international commission for discussing the anti-epidemic campaign as it affects Russia.

This special international commission met at Geneva in January 1923, and Dr. Siemashko, Russian Health Commissioner, attended. One of the most important results of the deliberations was the appointment of an expert to collaborate with Russian scientists in carrying out a test as to the reliability of intestinal vaccination. Sir William Leishman, who was invited to take up this work, has accepted the invitation. Further, Professor Zinsser, of Harvard University (United States), has gone to Moscow for six weeks to assist in this work. The experiments were begun in May 1923, both in the army and amongst the medical staff and railway officials.

(3) *Collaboration with International Organisations and Organisations of the League.*

The League of Red Cross Societies is represented on the Provisional Health Committee. Moreover, the Health Committee, at its sixth session, held in May/June 1923, decided to entrust Surgeon-General Cumming, Chief of the United States Public Health Service, and Dr. Chagas (Brazil) with the duty of maintaining liaison between the Health Committee and the Pan-American Health Bureau.

The Health Committee, during its sixth session took cognisance of the resolution of the Council adopted on April 19th, 1923, and noted a memorandum from the President of the World Dairy Conference which is to be held at Washington. It decided that the communications of the experts at the Conference, obtained through the members of the Health Committee, should be addressed direct to Dr. Cumming or to the Health Section of the Secretariat of the League.

The International Labour Office is also represented on the Provisional Health Committee, and the Health Organisation collaborates with other organisations of the League in advisory and preparatory work, generally undertaken at the request of the Council, for example, with the Opium and Transit Committees and the Permanent Mandates Commission. With the International Labour Office it has collaborated in the study of anthrax and other diseases of industrial importance. It appointed a joint Sub-Committee with the Opium Committee of the League for conducting an enquiry as to the quantities of opium and other dangerous drugs needed for legitimate consumption annually in each country. A third example of this kind of co-operation

was the appointment by the Health Committee and the Transit Committee of a joint Sub-Committee to study the question of establishing certain minimum standards for the health administration of waterways. The war, by setting up many new States and altering frontiers, has multiplied the number of international waterways in Europe. At the same time the epidemic condition of Russia and general post-war conditions make it doubly necessary that there should be effective measures against the spread of infectious diseases along waterways. For this purpose the joint Sub-Committee laid down certain principles regarding the duty of the Health Administrations of riparian States to notify promptly and frankly the existence of disease, to avoid obstructing commerce and circulation by burdensome charges or restrictions, while maintaining a reasonable level of efficiency, etc. The Health Committee had collected information bearing on these points which had served as a technical basis for preparing a draft international convention for the sanitary control of the traffic on the waterways; this draft convention is to be submitted to the Mixed Sub-Committee of the Health and Transit Committees for examination.

(4) *Interchanges of Public Health Personnel, and Individual Fellowships.*

The clearest instance of how the Health Organisation can be instrumental in bringing about mutual understanding between national health administrations is afforded by the system of interchanges of public health personnel that was started in October 1922. It has been possible to undertake this work largely owing to the generosity of the International Health Board of the Rockefeller Foundation, which contributes \$60,080 a year for three years to the League funds for the purpose. With the help of these funds the Health Committee has organised a system of visits, including lectures, observations and practical work, for medical officers of health wishing to study the way in which health problems are dealt with in foreign countries.

For the first interchange of sanitary staff there was a two-months course (October 9th to December 17th, 1922) in Belgium and Italy for a selected number of health officials, followed by a stay of a few days at Geneva. In both Belgium and Italy the public health officials taking the course were given a series of lectures in the respective capitals by the heads of the health services, and this was supplemented by visits to hospitals, asylums, crèches, reservoirs, aqueducts, drainage and sewage systems, bacteriological laboratories, local and central administrations — in a word, a first-hand view of all the machinery for preserving health and combating disease in a modern State. This theoretical course of study and observation was followed by a period of actual apprenticeship to the health services of the countries concerned, and for this purpose the officials taking the course were scattered all over the country they were visiting.

Thus these officials — 2 from Austria, 2 from Belgium, 1 from Bulgaria, 2 from Czechoslovakia, 4 from Italy, 5 from Poland, 5 from Soviet Russia and the Ukraine and 2 from the Kingdom of the Serbs, Croats and Slovenes — gained a good working knowledge of the sanitary administration of two West European countries and forged a number of enduring personal links, both with each other and with important members of the health services of the countries they visited. During the last few days of the course they assembled at Geneva, where they all presented reports, gave their individual views, and engaged in discussion on what they had seen and what practical bearing their experiences might have on the organisation of future courses. They were also taken over the League Secretariat, brought into touch with its leading members, and given a series of lectures on the nature, organisation and work of the League, with special reference to the Health Organisation, its history, constitution and achievements, its relations to Governments and national health services, and to the rest of the League machinery.

On February 25th, 1923, a second interchange was started in England and lasted seven weeks in that country followed by five weeks in Austria. The 30 officials taking this course were drawn from the Health Administrations of Austria, Belgium, Czechoslovakia, Denmark, Finland, France, Great Britain, Hungary, Italy, Japan, Norway, Poland, Roumania, Russia, the Kingdom of the Serbs, Croats and Slovenes, Sweden and the United States. This interchange took place under the auspices of the British Ministry of Health and was organised by the Society of Medical Officers of Health. After a week of general lectures given in London, the participants in the interchange were scattered in groups of four in several of the most important centres in the provinces for a period of practical apprenticeship and observation with the local health authorities. This stage lasted four weeks, after which the participants reassembled in London for a study of the sanitary organisation of the port and an exchange of observations on the experience gained, as well as a final conference under the guidance of the leaders of the British Public Health Service. The second half of the interchange in Austria followed the same lines, except that a tour of the country for a visit to all the most important health centres took the place of the practical work. On the completion of the interchange, the officials were again assembled at Geneva, where they were taken over the Secretariat of the League and the Labour Office, and generally made familiar with the working of the League's machinery, particularly the Health Organisation.

The third interchange took place in Italy from May 21st to June 12th. The object of this interchange was somewhat different, as it was not for general officers of health wishing to study the whole sanitary organisation of a country but was intended solely for specialists in malaria. As this disease is endemic in Italy, the Italian Health Service has developed its methods to a very high state of perfection. Consequently, the officers taking part in this course were all specialists, and the course itself was concerned exclusively with a theoretical exposition followed by visits and a practical demonstration of how malaria is fought in Italy. The countries taking part in this interchange were Albania, Bulgaria, Germany, Greece, Holland, Poland, Portugal, Russia, Kingdom of the Serbs, Croats and Slovenes, Spain and the United States.

Russia, Greece and Albania were particularly interested in this interchange, since the fighting of malaria is a serious problem in these countries.

A fourth interchange is planned for 1923 and will also be for specialists, on this occasion bacteriologists and laboratory assistants engaged in laboratory work on medical subjects. In this case it is proposed to conduct an interchange in the true sense of the word, that is, to send, for instance, a worker from the Institute of Tropical Medicine in London to the Institute of Tropical Medicine in Holland and *vice versa*. The laboratories and bacteriological institutes of the following twelve countries will take part: Belgium, Czechoslovakia, Denmark, France, Germany, Great Britain, Holland, Italy, Poland, Russia, Kingdom of the Serbs, Croats and Slovenes and the United States. The number of bacteriologists participating in the interchange is nineteen.

A further general interchange will begin next September in the United States, and, in addition, the Health Committee has organised a system of individual fellowships by which one or two medical officers of health wishing to study some practical problem in the prevention of disease or general sanitary work can, on complying with the conditions laid down by the Health Committee and with its approval, visit any given country to study the subject and can draw a certain stipendium from the Health Organisation for the purpose. It is expected that these individual fellowships will be particularly useful to Far Eastern countries, which obviously cannot avail themselves so extensively of the collective interchanges.

The purpose of all this work is not only the direct practical value to the participants of gaining specific knowledge of their subjects but largely also to help build up an *esprit de corps* and traditions and habits of co-operation and mutual helpfulness between all the national health administrations, which, in view of the growing interdependence of the modern world, are bound to work together more and more frequently and more and more closely

11.

HUMANITARIAN QUESTIONS.

I. TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS

WORK OF THE ADVISORY COMMITTEE.

The Resolutions of the Third Assembly.

On September 19th, 1922, the Assembly adopted five resolutions regarding the traffic in opium and other dangerous drugs.

The first resolution expressed the view that the import and export certificate system was the most practical means of controlling the traffic and the belief that international action alone could make this system a success. The Governments were urged to adopt it without delay.

In the second resolution it was suggested that the Governments parties to the International Opium Convention of 1912 should agree not to issue licences for the import of opium or other drugs covered by the Convention from any country which had not ratified or put into force the Convention and which had not adopted the system of import and export certificates. It was further stated that the Assembly considered the question both important and urgent but that, being of a complicated and technical nature, the Advisory Committee should examine it in detail before any definite action was taken.

In the third resolution, all Governments were urged to inform the Advisory Committee of the amount of drugs required for the internal consumption of their countries, since this was the first step necessary in dealing with the limitation of the world's supply of dangerous drugs.

The fourth resolution emphasised the view that, as long as the drugs to which Chapter III [medicinal opium, morphine, cocaine, heroin, etc.] of the International Opium Convention applied were produced in quantities exceeding legitimate requirements, there was a danger that the surplus would find its way into illegitimate channels and that the control of production so as to limit it to the amount required for legitimate and medical purposes was the most effective method of putting a stop to illicit traffic. The Assembly recommended that the enquiry into the world's legitimate requirements should be pressed forward as rapidly as possible and hoped that a provisional estimate would be submitted to it in September 1923.

The fifth resolution contained a recommendation that the Council should invite the Government of the United States to nominate a member to serve on the Advisory Committee.

Action taken by the Council in September 1922.

On September 26th, 1922, the Council noted the Assembly's resolutions and instructed the Secretary-General to arrange with the Chairman of the Advisory Committee for an early meeting of the Committee. The Council called special attention to the Assembly's recommendation that Governments parties to the International Opium Convention should be asked to agree not to issue licences for the export of opium or the other drugs covered by the Convention to any country which had not yet ratified or put into force the Convention or adopted the system of import and export certificates. The Council further instructed the Secretary-General to invite the Government of the United States to nominate a member to serve on the Committee.

Fourth Session of the Advisory Committee.

The Advisory Committee held its fourth session at Geneva from January 8th to 14th, 1923, and submitted a report, which was considered by the Council on February 1st, 1923.

The Committee noted with regret that the Government of the Kingdom of the Serbs, Croats and Slovenes had not sent a representative in accordance with the invitation of the Council and the Assembly. The United States of America sent a representative to attend the meetings of the Committee in an unofficial and advisory capacity.

Import and Export Certificates and the Convention of 1912.

The Committee carefully considered the second resolution of the Assembly to the effect that Governments parties to the International Opium Convention should be asked to agree not to issue licences for the import of opium or the other drugs covered by the Convention to any country which had not ratified or put into force the Convention or which had not adopted the import and export certificate system.

The Committee noted that among the States which had not adhered to the Convention were Argentine, Persia, Switzerland and Turkey, and that among the Members of the League which had not adopted the import certificate system were Brazil, France, Hungary, Portugal, Roumania, the Kingdom of the Serbs, Croats and Slovenes, and Spain.

The Committee reiterated its opinion that, in order to obtain an effective control over the traffic in dangerous drugs, the fullest international co-operation was necessary and that the import certificate system was the most satisfactory method so far suggested by which that co-operation could be secured. A State which stood outside that system, and, still more, a State which stood outside the Convention, hindered, if it did not altogether defeat, the realisation of the aims of the International Opium Convention.

Some members of the Committee urged that the system would not produce the results desired, would create a monopoly for certain countries, would lead to an increase in smuggling, might even tend to increase the production of the drugs, and would create a group of countries which would be prevented from trading with countries which had adopted the method but which would not be prevented from trading among themselves. Finally, the resolution might have the effect of depriving countries which adopted it from obtaining important medical necessaries. It was argued that, as Turkey and Persia were outside the Convention, the effect of the resolution would be in practice to give India a monopoly of the supply of opium for export. Further, Turkey and Persia would not decrease their production, while India would have to increase her own in order to meet the demands which had hitherto been supplied by Turkey and Persia. The restriction placed on trade would have the effect of increasing prices and would make smuggling even more profitable than it was at the moment. It would also increase the difficulties connected with the gradual and effective suppression of the use of prepared opium. Other members of the Committee were of the opinion that, although an attempt to increase production might follow if the resolution were adopted, the loss of its regular markets by a country where the production of raw opium was a staple industry would inevitably be followed by a rapid decrease in production.

With regard to the monopoly which might be created to the advantage of India, it was pointed out that the amount of opium required for the manufacture of drugs for medical and scientific needs was only a comparatively small percentage of the world's production of opium and that opium of high quality and in considerable quantities was produced by other countries, for example, Greece and the Kingdom of the Serbs, Croats and Slovenes. These countries would be able to compete with India without difficulty in the open market. The representative of India stated that perhaps his Government might be willing to give an undertaking not to increase the present price at which it was selling raw opium to other Governments if by so doing the effective carrying-out of the Assembly's resolution could be secured. Although it was hypothetically possible that, if the system proposed by the Assembly were adopted, States might deprive themselves of medical preparations obtainable only from countries standing outside the Convention and the import certificate system, it was pointed out that the difficulty might be met, if it were serious, by a modification of the Assembly proposal.

With regard to the fear that the proposal would lead to an increase in illicit traffic, it was urged that this traffic was already flourishing and that the object of the proposal was to make it more difficult. It was pointed out that, even if the first effect of the proposal might be to encourage the smugglers, it was only by the completion of a chain of international control, which the Assembly's proposal was designed to secure, that the illicit traffic could be effectively suppressed.

The Committee decided to postpone taking a final decision regarding the Assembly's resolution until the following session (May 1923).

Adhesions to the Convention of 1912.

The Committee was informed that Turkey seemed to be considering the question of adhesion to the International Opium Convention and that the Persian Government proposed to submit at an early date to the Persian Parliament the question of the ratification of the Convention without reservation.

The Committee noted the fact that many Central and South American countries had not adhered to the Convention and suggested that special enquiries might be made with a view to removing any difficulties or misunderstandings which might exist in these States.

Annual Reports, Statistics and Exchange of Information.

The Committee noted that a large number of States had not sent in their annual report for 1921 and that the statistics for the manufacture of morphine, cocaine and other drugs had not yet been supplied by some of the chief manufacturing countries. The Committee asked the Council to urge the Governments of these States to forward their reports and statistics at the earliest possible moment, since, without this information, the work of the Advisory Committee would be greatly hampered. It further decided that, as regarded the drugs mentioned in Article XIV of the Convention¹, a limit should be fixed below which, for the purpose of statistical returns, imports and exports might be disregarded if desired, and that for preparations of each of the drugs morphine, heroin and cocaine, the limit should be 3 kilogs. It was understood that the limit would not apply to the pure drugs and their salts.

The Advisory Committee noted a report submitted by a Joint Sub-Committee of the Health Committee and the Opium Committee regarding methods for determining the world's requirements of opium and other drugs.

The Committee recommended that the arrangements for the mutual exchange between Governments of information regarding seizures of drugs should be extended so as to include information regarding the proceedings and movements of persons known to the authorities to be engaged in carrying on an illicit international traffic.

The Committee decided to place on record its opinion that, despite the large number of difficulties and delays which had arisen in connection with the execution of the International Opium Convention, progress had been made and great strides had been taken by many countries towards bringing the traffic under effective control. A considerable amount of information had already been supplied to the League by Governments, and public interest in the questions involved had very largely increased.

Action taken by the Council in the first half of 1923.

On February 1st, 1923, the report of the Advisory Committee came before the Council and was adopted. On the proposal of the French representative, the report of the Rapporteur, introducing the Committee's report, was amended, so as to cause the passage concerning the import and export certificate system to read as follows:

"The Committee, in its report, expresses the hope that the Council may think it well to point out to the Members of the League that, though in some countries the adoption of the import certificate system will involve or has involved changes in legislation, yet, in its opinion, the system is a true corollary to stipulations of the Opium Convention, and its adoption is, perhaps, advisable in order not merely to enable the country concerned to control its imports and exports but also to enable other countries to control theirs."

In addition, the Council transmitted the following resolution, concerning the increase in penalties for trafficking, proposed by the French representative, to the Advisory Committee for its examination, together with the minutes of the discussion to which the resolution had given rise:

"The attention of Governments is drawn, on behalf of the Council, to the importance of reinforcing the penalties provided by the laws in force for crimes concerning the illegal traffic in opium and other dangerous drugs and of providing a term of imprisonment in addition to a fine.

"The Advisory Committee on Traffic in Opium shall lay before the Council each year a report on the suppression of the illicit traffic in opium and other dangerous drugs in the various countries."

¹ (a) Medicinal opium;

(b) All preparations (official and non-official, including the so-called anti-opium remedies) containing more than 0.2% of morphine or more than 0.1% of cocaine.

(c) Heroin, its salts and preparations containing more than 0.1% of heroin.

(d) All new derivatives of morphine, of cocaine, or of their respective salts and every other alkaloid of opium.

The Council also expressed the view that the Advisory Committee could decide for itself as to what measure of publicity could be given to its sessions.

On April 17th, 1923, the Council reappointed, as Assessors to the Advisory Committee for another year, Sir John Jordan, M. Brenier and Mrs. Hamilton Wright and thanked them for the services which they had rendered to the Committee.

Fifth Session of the Advisory Committee, May and June 1923.

The Advisory Committee held its fifth session from May 24th to June 7th, 1923. The session was a particularly important one in view of the proposals submitted by the American Delegation and of the conclusions which, as a result of its previous work, the Committee unanimously reached for the establishment of a programme of practical action. In addition, the Advisory Committee examined the general situation regarding the production and use of opium and other drugs throughout the world.

Composition of the Committee.

The ordinary Government representatives were present and, in addition, the United States sent the Hon. Stephen G. Porter, assisted by Bishop Brent and Surgeon-General Blue, to represent it in an advisory capacity.

The Serb-Croat-Slovene Government, not having replied to the renewed invitation addressed to it by the Council, was not represented.

Publicity of Meetings.

The Committee decided that the meetings of the session should be held in public unless the members of the Committee wished to sit in private for the discussion of any particular question. It should be recorded that, in actual fact, all the meetings of the session were held in public.

Proposals of the United States of America.

The Delegation of the United States submitted the two following proposals:

"1. If the purpose of the Hague Opium Convention is to be achieved according to its spirit and true intent, it must be recognised that the use of opium products for other than medicinal and scientific purposes is an abuse and not legitimate.

"2. In order to prevent the abuse of these drugs, it is necessary to exercise the control of the production of raw opium in such a manner that there will be no surplus available for non-medicinal and non-scientific purposes."

In explaining these proposals, the United States representative showed that they were fully in accordance with the letter and spirit of the International Opium Convention of 1912. The proposals were examined in great detail by the Committee, and, after a very full discussion, a unanimous conclusion was reached. The conclusion was to the effect that the Advisory Committee accepted the United States' proposals and recommended them to the League of Nations for adoption, as they embodied the general principles by which the Governments should be guided in dealing with the question of the abuse of dangerous drugs, principles on which, in fact, the International Convention of 1912 was based. In accepting these proposals, the representatives of the Governments of France, Germany, Great Britain, Japan, the Netherlands, Portugal and Siam made the following reservation: "The use of prepared opium and the production, export and import of raw opium for that purpose are legitimate so long as that use is subject to and in accordance with the provisions of Chapter II of the Convention."

The Committee noted the great value of the co-operation of the United States in the efforts which the League had been making for the past two years to deal with the question of the abuse of dangerous drugs, and expressed the belief that all the Governments concerned would be desirous of co-operating with the United States in giving the fullest possible effect to the Convention. The Committee recalled the fact that in the last two years it had been working towards the same ends as those stated in the American proposals by taking all possible steps to secure the adherence of all countries to the Convention, by investigating the question of the world's needs for medical and scientific uses of manufactured drugs with the view to the eventual limitation of their production, by recommending the system of import and export certificates, by arranging the exchange of information between States concerning illicit traffic, by inviting Powers with territories in the Far East to review their requirements of opium, by submitting proposals for an investigation by the Chinese Government of the conditions in China with a view to the more effective application of Chapter II of the Convention, and by collecting and publishing information on the measures taken in each country to give effect to the Convention. As a means, therefore, of giving effect to the proposals of the United States, the Committee recommended that the Council should invite: (a) the Governments of those States in which morphine, heroin or cocaine and their respective salts were manufactured, and the Governments of States in which raw opium and the coca leaf were produced for export for the purpose of such manufacture; and (b) those Governments having

territories in which the use of prepared opium was temporarily continued under the provisions of Chapter II of the Convention, and the Government of China,

to enter into immediate negotiations by nominating representatives to form a committee or committees or by other means to consider whether an agreement could not be reached between them on the following measures with a view to giving the fullest possible effect to the Convention of 1912:

The limitation of the amounts of morphine, heroin or cocaine and their respective salts to be manufactured ;

The limitation of the amounts of raw opium and coca leaf to be imported for that purpose and for medicinal and scientific purposes ;

The limitation of production of raw opium and coca leaf for export to the amount required for such medical and scientific purposes (the latter limitation should not be deemed to apply to the production and export of raw opium for the purpose of smoking in those territories where the practice was temporarily continued) ;

The reduction of the amounts of raw opium to be imported for the purpose of smoking in those territories where it is temporarily continued and as to the measures to be taken by the Government of the Republic of China to bring about the suppression of the illegal production and use of opium in China.

The Indian representative associated himself with the recommendations of the Committee subject to the reservation that "the use of raw opium, according to the established practice in India, and its production for such use, are not illegitimate under the Convention."

The Delegation of the United States, commenting on the recommendations of the Advisory Committee, stated that the reservation concerning the use of prepared opium appeared to be but a reaffirmation of Chapter II of the Convention and therefore gave rise to no question. With regard to the recommendation for the summoning of conferences, the United States representatives said they were without instructions on the matter from their Government, but would submit it to their Government for favourable consideration.

Application of Part II of the Convention with reference to European Possessions and other Countries in the Far East.

The Advisory Committee very fully discussed the question of the use of prepared opium and the figures for consumption in the European possessions and other countries in the Far East. It concluded that the general situation did not for the moment show that gradual reduction of the use of prepared opium which was stipulated by the terms of Chapter II of the Convention. It accordingly adopted a resolution proposed by the British representative, by 6 votes to 1, with one abstention.

The resolution recommended that the Council should invite the Powers with Far Eastern territories where the use of opium for smoking is temporarily continued to enter into immediate negotiations, by means of a conference of representatives of those Governments or otherwise, to consider what measures should be taken to give a more effective application to Chapter II of the Convention. The Committee made the following suggestions for the consideration of the Governments attending the Conference:

(1) That the farm system, where still in operation, should be abolished, and the opium business made a Government monopoly.

(2) That the retail sale of prepared opium should be made only through Government shops and that all private shops should be abolished; the persons in charge of such Government shops should receive a fixed salary without commission.

(3) That a uniform maximum limit should be fixed for the amount of prepared opium placed on sale for consumption, calculated according to the number of the adult Chinese male population, and that the annual imports of raw opium should be limited to the amount required for that rate of consumption.

(4) That the possibilities of the system of registration and licensing already in vogue in some Far Eastern territories should be thoroughly explored.

(5) That the possibility of making uniform the retail price of prepared opium in the different territories and the penalties for the infraction of laws relating to its import, export, sale and use should be considered.

(6) That an agreement should be concluded with a view to the application of the foregoing measures.

(7) That the position should be reviewed periodically by the interested Powers and that the question of reducing still further the maximum limit fixed by the Agreement should be considered.

The Committee decided to recommend to the Council that the Minutes of the discussion of the Committee on this question should be communicated to the Governments with the resolution.

Limitation of the Manufacture of Morphine from Opium Derivatives and Cocaine.

The Advisory Committee examined such figures as had been obtainable regarding the manufacture of morphine, other opium derivatives and cocaine in the producing countries, and received

explanations from the representatives of Japan to the effect that, as no figures for the quantity of morphine actually remaining in stock in Japan were available, the statistics for import and manufacture combined could not be taken as representing consumption. The Committee noted that, from information supplied by the Japanese Government to the Japanese Diet on February 2nd, 1923, it appeared that the quantity of narcotic drugs required by Japan for internal consumption was far below the amounts imported and manufactured. The Japanese representative stated that it might be supposed that some quantity of the drugs was smuggled out of Japan without the knowledge of the Government, but that new ordinances had been lately promulgated with the object of restricting the export and import of morphine, cocaine and their respective salts and of supervising their manufacture, sale and consumption. The Committee was glad to receive the assurances of the Japanese representative that his Government was taking more effective measures to cope with the general situation in Japan regarding narcotics.

The Committee emphasised the importance of obtaining the adhesion of Switzerland to the Convention and to the system of import and export certificates, since the statistics before the Committee showed that, as regarded one country alone — the United States — the great majority of imports of the derivatives of opium and cocaine was furnished by Switzerland. Twenty-one Governments had transmitted an approximate estimate of their total annual requirements of drugs for internal consumption.

The Committee also noted that the information regarding the manufacture of drugs was steadily increasing and that it would soon become possible to form a rough estimate of the world's requirements.

Signature and Ratification of the International Opium Convention of 1912.

The Committee noted that fifty-one States Members of the League had signed and forty-two had ratified the Hague Convention, and it was informed by Mrs. Hamilton Wright, one of the assessors, that the Turkish Delegation to the Lausanne Conference had officially requested her to state that Turkey was willing to accept the Convention and the same restrictions as any other nation.

The following States Members of the League have signed but not ratified the Convention:

Argentine, Colombia, Costa Rica, Esthonia, Latvia, Lithuania, Paraguay, Persia and Switzerland.

Albania has neither signed nor ratified the Convention.

Import and Export Certificate System.

The Committee noted that twenty States had accepted and put into force the Import and Export Certificate System and that thirteen more had accepted it in principle.

It further received explanations of the system in force in the United States and instructed the Secretariat to communicate particulars of this system to all the States signatory to the Convention in order that they might be in a position, before sanctioning exports to the United States, to obtain the production of a certificate from the competent authority in the United States.

The Portuguese representative informed the Committee that a Bill was at the moment before the Portuguese Chamber providing for the issue of a certificate of import to all countries demanding it. This arrangement would apply to European and Insular Portugal. It was thought preferable to make special provisions for the Portuguese colonies in view of the special conditions obtaining in Macao.

Through lack of time, further consideration of the position with regard to the Import and Export Certificate System was postponed until the Committee's next session. The Committee was also unable to reach a decision on the resolution passed by the third Assembly in relation to countries failing to ratify the International Opium Convention or to adopt the Import and Export Certificate System, since the position in regard to Persia, Switzerland and Turkey was not yet properly defined.

The following States have put into force the Import Certificate System:

Albania, Austria, Czechoslovakia, Denmark, Esthonia, Great Britain, Greece, India, Italy, Japan, Latvia, Luxemburg, Mexico, New Zealand, Norway, Panama, Poland, Siam, South Africa, Spain.

The following States have adopted it in principle:

Australia, Bulgaria, China, Cuba, Germany, Haiti, Hungary, Lithuania, Netherlands, Newfoundland, Peru, Switzerland, Sweden.

Annual Reports.

The Committee noted that fifteen annual reports for 1921 and eleven for 1922 had been received by the Secretariat, and it decided to ask the Council to urge once more on the Governments the importance of sending in annual reports on the traffic in opium and other dangerous drugs in accordance with the unanimous recommendation of the Assembly.

Traffic in Cocaine.

The Committee noted that eighteen Governments had replied to the request to furnish information with regard to the manufacture of cocaine and that twelve countries had sent in an estimate of their requirements.

Exchange of Information with Regard to the Seizures of Drugs.

The Committee attached the utmost importance to the exchange of information between Governments regarding the seizures of drugs made in connection with the suppression of the traffic.

It therefore adopted a resolution recommending not only that information on seizures should be communicated by the immediately interested Governments to each other but also that all important seizures should be communicated to the Secretariat of the League in order that the fullest international publicity might be secured with the consent of the Governments concerned.

World Production of Opium.

The Committee reviewed the general situation with regard to the world production of opium and noted the lack of any accurate or detailed information for most of the producing countries.

It understood that the investigations which the Chinese Government undertook to make were in progress but that no reports had yet been received. The Committee reached the conclusion that, from the most recent information in its possession, the situation in China was worse than it had been last year. The Chinese representative, however, assured the Committee that the Government of China would never, in any circumstances, legalise the production of opium in China and that the present recrudescence was due to the temporary lack of control by the Central Government in certain provinces.

Discrepancies in Statistical Returns and the Position of Bonded Warehouses.

The Committee examined the replies of the British, Japanese and United States Governments on the discrepancies between British and American returns of exports of drugs to Japan and the Japanese statistics of imports of drugs from those countries.

The British representative proposed that some arrangement should be concluded between Governments for the preparation on a uniform basis of their statistics of the import and export of drugs.

During the discussion on the question, the Japanese representative informed the Committee that the former practice in his country of waiting until narcotics landed in bond were withdrawn from bond before they were regarded as imports had been discarded.

The Committee appointed a Sub-Committee, which prepared a report on the possibility of establishing a system whereby uniformity in statistics could be obtained. It was decided to request the Council to transmit a statement prepared for the Sub-Committee by the Secretariat to all Governments for their observations, together with a note prepared by the British representative on the position of bonded warehouses in relation to the traffic.

Exemptions to Preparations not covered by the Terms of the Convention.

The Siamese representative on the Committee raised the question as to what exemptions should be granted by a State to preparations which did not come within the terms of the Convention because they contained less than the percentage of morphia or cocaine prescribed by the Convention.

The Committee decided to request the Council to ask Governments whether any difficulties had been experienced in regard to this question, and, if so, that the information relative thereto should be communicated to the Secretariat.

Increase in Penalties.

The Committee took note of the resolution proposed by the French representative on the Council regarding increased penalties and submitted by the Council to the Committee for its opinion.

During the discussion, the French representative on the Committee drew its attention to the advisability of instituting the penalty of imprisonment and, if possible, of deportation (*interdiction de séjour*).

The British representative drew attention to the increased penalties adopted in Great Britain under the Dangerous Drugs Act of 1923.

The Committee adopted a resolution to the effect that it considered the infliction of severe penalties to be one of the best means of preventing the spread of the illicit traffic, and recommended the increase of penalties in certain countries and the adoption of the penalty of imprisonment and, if possible, of deportation (*interdiction de séjour*). It also recommended a very strict application of the penalties and the introduction of clauses providing for the punishment of infractions committed in foreign countries.

II. TRAFFIC IN WOMEN AND CHILDREN.

WORK OF THE ADVISORY COMMITTEE.

The Resolutions of the Assembly.

The third Assembly, on September 20th, 1922, adopted the Report of the Advisory Committee on the Traffic in Women and Children.

The Fifth Committee of the Assembly, in presenting this report for approval, drew particular attention to some of the principal matters dealt with in the report and commented on these matters in the following terms:

The Convention of 1921.

1. It is very satisfactory to find that the new Convention which was opened for signature during the second Assembly has been signed by so large a number of States—no less than 33. But the Advisory Committee points out that there are still a good many States, including some Members of the League represented on the Advisory Committee, which have not yet taken the necessary action, and it recommends that these States should be urged to do so as soon as possible. Of the States which signed the Convention, only ten have yet taken the necessary steps to ratify it, but many delegates, including those from Greece, Cuba, Japan, Italy, Roumania, Switzerland, China, Portugal, Poland, Sweden, Chile, and the Kingdom of the Serbs, Croats and Slovenes, informed the Fifth Committee that their Governments hoped to be able to ratify the Convention before long. It is very important that all States which have signed the Convention should proceed to present their ratifications at the earliest possible moment.

The Appointment of Central Authorities.

2. The carrying-out of the administrative measures prescribed by the Conventions depends to a large extent on the appointment of central authorities. Most of the States which are parties to the Convention have already appointed such authorities, but some States have not yet done so, and the Advisory Committee recommends that the Council should urge them to do so. A complete list of central authorities will be kept by the Secretariat and circulated to all States from time to time.

3. The Committee has drawn up a valuable scheme for the co-ordination of international work in connection with the traffic. Under this scheme, the Secretariat of the League will keep closely in touch with the central authorities appointed by States, as well as with the voluntary organisations, in order that there may be a free exchange of information, and that complaints and reports may be forwarded without delay to the proper quarter for investigation and action.

Employment of Women in Theatrical Engagements Abroad.

4. The question of affording greater protection to women who accept engagements abroad to perform in theatres, music-halls, etc., came before the Committee and was considered in connection with the question of emigration. The Committee makes some important recommendations on these subjects which it is understood will be brought to the notice of the Governments by the Council. Other matters are to be made the subject of further investigation by the International Labour Conference.

Annual Reports.

5. In accordance with one of the recommendations of the International Conference of last year, each Government will be asked to furnish an annual report of the measures taken to deal with the traffic in women and children. A form of annual report was drawn up by the Committee.

Employment of Foreign Women in Licensed Houses.

The Assembly also passed the following resolution concerning the employment of foreign women in licensed houses:

"That, in view of the fact that the system of State regulation which exists in certain countries is thought in many quarters to encourage the traffic in women, the Advisory Committee should be asked by the Council to consider whether, pending the abolition of the system, it could be agreed that no foreign woman should be employed or carry on her profession as a prostitute in any licensed house, and that the recommendations of the Advisory Committee on the subject should be included in its next report to the Council."

Second Session of the Advisory Committee.

The Council, on October 2nd, 1922, instructed the Secretary-General to invite the Advisory Committee to consider the resolution of the Assembly on the employment of women in licensed houses and hoped that the Committee would meet at an early date.

The Advisory Committee on the Traffic in Women and Children met from March 22nd to 27th, 1923, and its report was presented to the Council on April 19th, 1923.

The Committee discussed this draft report in public and decided to ask the Council's opinion as to whether its meetings should in future be held in public. The Council subsequently ruled that the Committee had the right to decide the question of holding its meetings in public in its discretion.

Annual Reports.

The Committee decided to ask the Council to instruct the Secretariat to prepare a summary of the annual reports of the Governments on the measures taken to deal with the traffic. It was understood that this summary would be circulated to the Members of the League and to the Advisory Committee.

Laws and Regulations.

The Committee also decided that a digest of the laws and regulations relating to the traffic in women and children should be prepared by the Secretariat and distributed to all the Governments and to the Advisory Committee and that information regarding new laws and regulations should be distributed annually.

Signature and Ratification of the Convention of 1921.

The Committee noted that Denmark, Finland, Panama and twenty British colonies had adhered to the Convention of 1921 as a result of the letter sent in August 1922 to all Governments requesting those which were not already parties to the Convention to take the necessary action without delay. The Committee further noted that Bulgaria and Greece were taking steps to sign and ratify the Convention. The following Members of the League were at present outside the Convention: Argentine, Bolivia, Bulgaria, France, Guatemala, Haiti, Honduras, Liberia, Luxemburg, Nicaragua, Paraguay, Peru, Salvador, Kingdom of the Serbs, Croats and Slovenes, Spain, Uruguay and Venezuela. The following States had signed but not yet ratified it: Albania, Brazil, Chile, China, Colombia, Costa Rica, Cuba¹, Czechoslovakia, Esthonia, Greece¹, Hungary, Italy, Japan, Latvia, Lithuania, Netherlands, Persia, Poland and Danzig, Portugal, Roumania, Switzerland and Sweden. In the course of the discussions of the Committee, it was pointed out that of the nine Governments officially represented on the Committee, three had not adhered to the Convention and four had not yet ratified.

The representatives of Italy, Poland, France, Roumania, Uruguay and Japan informed the Committee of the steps that their Governments were taking to sign or to ratify the Convention.

Employment of Women in Theatrical Engagements Abroad.

The Committee suggested in 1922 that protection might be given to women seeking employment abroad in theatres and music-halls, etc., either by requiring a special licence or by precautions taken in consultation with professional associations before passports were granted. The Committee made no addition to these recommendations but thought that each country should adopt the method best suited to its special circumstances. Before considering this question afresh, the Committee decided to await the observations of the Governments on the recommendations contained in its first report.

Emigration and Immigration.

The Committee recommended that information on the following matters should be collected in collaboration with the International Labour Office: (a) arrangements for the protection of immigrants and transmigrants before departure; (b) regulations providing for their protection during the voyage; (c) measures taken to accommodate and find employment for them on arrival; (d) treatment of undesirables.

The Committee thought that the voluntary associations should also be asked to supply such information as they could furnish on these points.

Reports of Voluntary Organisations.

The Committee further noted the reports of the voluntary organisations presented on behalf of the International Bureau, the International Women's Organisations, l'Association catholique internationale des œuvres de protection de la jeune fille, Fédération des unions nationales des

¹ Since the second session of the Advisory Committee, Cuba and Greece have ratified the Convention.

amies de la jeune fille and the Jewish Association for the Protection of Girls and Women. The Committee drew special attention to the fact that many of the associations were hampered by lack of funds, and expressed the hope that public opinion in all countries would realise the importance of the work they were doing and that a more liberal response in the form of private subscriptions might therefore be forthcoming.

Employment of Foreign Women in Licensed Houses.

It became apparent during the discussions on the Assembly resolution concerning the employment of foreign women in licensed houses that various members of the Committee viewed the matter from different angles. The majority considered that the existence of licensed houses was a direct incentive to the traffic in women and laid stress on the words contained in the resolution "pending the abolition of the system." They thought that the appropriate remedy was the abandonment of the system of licensed houses but accepted the Assembly resolution as an intermediate step. Other members thought that by agreeing to a resolution of this kind they would appear to be acquiescing in a system which they opposed and thereby countenancing State regulation and licensed houses. Others agreed with the principle of the resolution but considered that in itself the prohibition, even if effect could be given to it, would be illusory, or that the object could best be obtained by the application of legislation concerning immigration. A minority of the Committee objected altogether to the resolution.

Further, the question was raised as to whether it was within the competence of the Committee to deal with a resolution concerning State regulation in any form. It was argued that the international conference which had met in Paris in 1902 had been careful to exclude this topic from its discussions, and that it did not seem to be covered by Article 23 of the Covenant, which defined the mandate of the Committee. In answer to this objection, it was pointed out that the Advisory Committee had been specifically instructed by the Council, on the recommendation of the Assembly, to give advice on this particular question, and that the question of competence had therefore been settled.

A resolution was finally passed by the Committee by four votes (Denmark, Italy, Japan and Poland) to two (France and Uruguay), with two abstentions (Roumania and the United States). The Chairman (British representative), who did not possess a vote, expressed himself in favour of the resolution; the Spanish delegate was absent when the vote was taken but had spoken against the resolution. The resolution read as follows:

"The Advisory Committee, having, at the request of the third Assembly of the League, examined the question of the employment of foreign women in licensed houses, recommends that, pending the abolition of the system of State regulation, no foreign woman should be employed or carry on her profession as a prostitute in any licensed house."

The Committee adopted two further resolutions arising out of this question: (1) that the Governments of those States which possessed a system of regulation should be asked for a full report on its working and results and that those States which had abandoned the system should be asked to report on the reasons which had led them to take this course; (2) that women, as well as men, should be employed among the police engaged in dealing with prostitution.

Proposed Enquiry by Experts.

The delegate of the United States submitted to the Committee a proposal that an investigation should be undertaken by the League to ascertain the extent of the traffic in women in different countries and the effectiveness of the measures hitherto taken to suppress it. The Committee concurred in this proposal and recommended that the Council should appoint an expert, or experts, to conduct an enquiry on the spot in collaboration with the Governments concerned.

Action taken by the Council in 1923.

The Council examined the report and the recommendations of the Advisory Committee on April 19th, 1923.

It approved the recommendations that the Secretariat should be instructed to prepare a summary of the annual reports received from the Governments; that the Governments should be invited to furnish a full statement of the laws and regulations in force in their respective countries; that the Secretariat should have a digest of these laws and regulations prepared and distributed to the Members of the League; that the attention of the Governments should be drawn to the desirability of adhering to, or ratifying, the Convention of 1921 without delay; and that information should be obtained in collaboration with the International Labour Office on emigration questions relating to women and children.

Employment of Foreign Women in Licensed Houses.

The Council then considered the resolution of the Advisory Committee with regard to the employment of foreign women in licensed houses, noting that there had been some divergence

of opinion on this subject in the Advisory Committee. After some discussion, it decided to communicate to the Members of the League the report of the Advisory Committee, together with the minutes of the Committee concerning the employment of foreign women in licensed houses and the minutes of the Council dealing with the same subject.

The Council (recognising the connection which might exist between the system of licensed houses and the traffic in women) decided to ask those States Members of the League which had recently abandoned a system of State licensed houses to communicate the reasons which led them to take such a decision, in so far as those reasons concerned the traffic in women and children, and, further, to ask those States in which a system of licensed houses existed whether such a system in its practical operation appeared to facilitate or hinder the traffic in women and children.

Proposed Enquiry by Experts.

Further, the Council decided to appoint experts to undertake the enquiry recommended by the Advisory Committee into the conditions under which the traffic is carried on, with the consent and collaboration of the Governments of the countries concerned. These experts were to draw up a questionnaire to be forwarded to the interested Governments. The experts would have authority to make an enquiry on the spot, with the agreement of the interested Governments, and to examine the replies to the questionnaire and the reports on the results of the enquiry, from which they would be enabled to form their conclusions.

The Council also decided to communicate the Advisory Committee's recommendation concerning the employment of women police to all the Governments for their information.

III. DEPORTED WOMEN AND CHILDREN IN TURKEY AND NEIGHBOURING COUNTRIES.

The third Assembly, on September 28th, 1922, adopted the following resolutions:

"I. The Assembly approves the conclusions of the report presented by Dr. Kennedy, Chairman of the Commission of Enquiry on Deported Women and Children, and is of the opinion that the League of Nations should continue its work in this direction.

"II. The Assembly requests the Council to urge the Governments responsible for any territories, either under mandate or under Allied control, where members of the Commission for the Reclamation of Women and Children are working, to instruct their officials in these territories to give strong support and assistance to the Commission and its members.

"III. A further sum of £1,500 shall be allocated to the funds of the Commission in order that the valuable work at present being undertaken by the Commission in Aleppo may be continued."

On October 2nd, 1922, the Council noted the resolutions of the Assembly and urgently recommended them to the attention of the responsible Governments.

On January 30th, 1923, the Council noted a letter from Dr. Kennedy, Chairman of the Commission of Enquiry, which stated that, owing to the threatening situation in Constantinople, it had been necessary to evacuate the orphanages of the Lord Mayor of London's Armenian Relief Committee, and that he had been advised by the British High Commissioner that the British staff of the Commission of Enquiry should leave Constantinople. It was later found possible to resume this work in the form of the provision by the Commission of temporary accommodation for deported women and children, not accompanied by adult male relatives, who are in process of being evacuated from Turkey.

IV. OBSCENE PUBLICATIONS.

The Assembly, on September 28th, 1922, adopted the following resolutions:

"I. To ask the Council of the League, in accordance with Article 24 of the Covenant, to authorise the Secretariat to assist Members of the League and any other States which are parties to the international movement for the suppression of obscene publications in all measures which may be necessary for this purpose.

"II. To ask the Council to draw the attention of all States to the International Agreement of 1910; those States which have signed or acceded to it should be asked to give full effect to its provisions, and those States which are not yet parties to it should be urged to accede to it at an early date.

"III. To invite the Council to communicate the draft Convention of 1910, with a questionnaire, to every State with the request that it should forward its comments

thereon to the Secretariat of the League of Nations. The Secretariat will co-ordinate the replies received and submit them as a whole to the French Government, requesting it, on behalf of the Council, in view of the initiative taken by that Government in 1910, to convene a new conference under the auspices of the League, to be held at Geneva about the time of the fourth Assembly and to be composed of plenipotentiaries empowered to draw up the text of a new convention and to sign such a convention."

On October 20th, 1922, the Council noted the resolutions adopted by the Assembly and instructed the Secretary-General to take the necessary action.

On March 24th, 1923, the Advisory Committee on the Traffic in Women and Children discussed a suggestion of the International Bureau to the effect that the question of obscene publications might eventually be entrusted to the Advisory Committee on the Traffic in Women and Children. The Committee decided, in view of the intended conference, not to mention the subject in its report to the Council.

Up to the present, sixteen replies from Governments to the questionnaire have been received by the Secretariat. These have been summarised, and a copy of the summary has been sent to the French Government with an invitation to call the conference in accordance with the terms of the above resolution.

12.

MEASURES TO HELP REFUGEES.

I. RUSSIAN REFUGEES.

Resolutions of the Assembly.

The Assembly, on September 28th, 1922, voted resolutions to the effect that, in adopting Dr. Nansen's report on the work of the preceding year, it desired to express its entire satisfaction with the way in which he had discharged his duties. Further, since the work of the High Commissioner was not yet finished, the Assembly decided to invite the Council to request Governments to support and assist the High Commissioner, especially as regarded the development of the means of general and professional education and the securing of employment for the refugees.

The Council was also invited to draw the attention of all States Members of the League to the importance of the system of identity certificates drawn up by the Conference on that subject, held at Geneva in July 1922, and to request those Governments which had not yet given a favourable reply to consider whether they could not bring the system into force without delay.

The Assembly also requested the Council to provide by international co-operation for the maintenance of the Russian refugees who were incapable of providing for their own livelihood in the States where they were congregated.

Action taken by the High Commissioner in 1922 and 1923.

On October 2nd, 1922, the Council noted and confirmed the resolutions of the Assembly. On February 2nd, 1923, Dr. Nansen laid a report before the Council.

Despite very serious obstacles, his delegates in the various countries had been able to make substantial progress. He had been continually faced with financial difficulties but had been ably assisted in his financial administration by Colonel Proctor, who had assumed responsibility for the administration, among other funds, of the £150,000 placed at the disposal of the League by the British Government.

Colonel Corfe had rendered valuable services in Greece.

Identity Certificates and Visas.

Nineteen Governments had adopted the identity certificate drawn up by the Conference on Identity Certificates for issue to Russian refugees in their territories, and had recognised similar certificates issued by other Governments.

The 19 Governments were as follows:

Albania, Austria, Bolivia, Bulgaria, Finland, France, Germany, Great Britain, Greece, Guatemala, Italy, Latvia, Lithuania, Luxemburg, Norway, Holland, Roumania, Kingdom of the Serbs, Croats and Slovenes, Switzerland.

Further, the Governments of Czechoslovakia, Siam and South Africa had agreed to adopt the system in principle. The Governments of Belgium, Canada and Esthonia had informed the High Commissioner that they were not prepared to issue the certificates, but it was hoped to obtain the adhesion of the Governments of China, Denmark, Hungary, Japan, Persia, Poland and Sweden¹.

The adoption of the system of identity certificates has been of inestimable value to Russian refugees as it freed them from their disabilities as "Staatenlöse" and enabled them to travel more or less freely to destinations where it was possible for them to obtain employment or to join their friends. It has also been of considerable value to Governments, which could by this means ascertain with great accuracy the number of Russian refugees in their territories and facilitate their departure elsewhere.

The Work in Constantinople.

The office for Russian refugees in Constantinople had become the largest refugee institution in Constantinople. Weekly meetings of the representatives of all the important local relief organisations were convened by the Delegate of the High Commissioner in order to confer on the various problems which arose. The office had the confidence of the Allied High Commissioners, the various embassies and legations and of the refugees themselves.

On an average, 1,000 refugees asked the office for assistance every week. It had already evacuated 17,000 refugees to four countries at an approximate cost of £2 10s. per head. It had completed the evacuation of 1,000 invalids and their families and made special arrangements with Russian and Bulgarian organisations in Bulgaria for their maintenance and future welfare, and it had, in addition, transferred to Bulgaria a thousand able-bodied workmen, where they had been provided with employment in the Pernik mines.

During the summer of 1922, the American Relief Administration generously undertook to feed the remaining 10,000 necessitous Russian refugees in Constantinople on condition that the League made arrangements for their evacuation within a specified period. A sum of £30,000 was necessary for these evacuation arrangements and an appeal for this amount was made to the Members of the League. About one-half of the sum required was eventually subscribed by the Members of the League and the remainder by the American Red Cross, by means of whose further local co-operation the Constantinople office had been enabled to make such progress that, as a result of an arrangement with the Bulgarian Government, 5,000 of these refugees were evacuated to Bulgaria; the remainder have been evacuated to other countries, so that the responsibility of the League regarding these refugees has now ceased.

The Constantinople office had afforded considerable assistance in securing visas and in the part payment of transport expenses for individual refugees who had found work in other countries. An average of 230 individual departures per week to 44 countries had been secured. The Constantinople office had, in addition, secured the evacuation of some hundreds of Russian Jewish refugees to Palestine, the United States and other countries, thanks to the collaboration of the Jewish Colonisation Association.

The High Commissioner, on his arrival at Constantinople in October 1922, was informed by Hamid Bey, the representative of the Angora Government, that, by virtue of the terms of the treaty existing between his Government and the Soviets, all Russian refugees in Constantinople would have to be evacuated before the Turks occupied the city. This would have meant the evacuation of 15,000 self-supporting refugees. A state of panic ensued on the publication of this information, and some hundreds of refugees made urgent preparations to leave Constantinople. The Government of the Kingdom of the Serbs, Croats and Slovenes was asked to receive another 5,000 refugees, and the High Commissioner offered a contribution of £10,000 towards their maintenance. The Serb-Croat-Slovene Government, however, did not wish to receive these refugees unless guarantees for their permanent maintenance were given. This the High Commissioner was unable to do through lack of funds. He was finally successful in obtaining an assurance from the Soviet Government that it had no intention of requesting the Angora Government to insist on the evacuation of the refugees and he hoped that the Angora Government would not insist on the departure of the remaining refugees in Constantinople.

The legal status of the Russian refugees in Constantinople after the occupation of the city by the Angora Government caused considerable anxiety. The High Commissioner had thought it best to afford these refugees protection by means of identity certificates similar to those adopted by other Governments. He proposed that the certificates should be prepared by the Constantinople office and issued by the High Commissioners of the three Allied Powers. The British, French and Italian Governments had signified their approval of this procedure, and the French Government had generously agreed to issue visas to 1,400 refugees to enable them to enter France. The sympathy of the Turkish Government was being solicited in this connection, and it was hoped to secure its recognition of the identity certificate system.

¹ *Denmark* and *Poland* have recently adopted the system.

A negative reply was received from *China*, but further representations have been made.

Information has been received unofficially that *Hungary* is prepared to adopt the system.

Mexico has also declared unofficially her willingness to recognise the certificates issued by other Governments.

The Work in Bulgaria.

Without the co-operation of the Bulgarian Government, the successful solution of the Constantinople problem would have been almost impossible. The Bulgarian Government had received or consented to receive 1,000 invalids, 1,000 workmen and their families, 600 children, 5,000 refugees remaining from those fed by the American Relief Administration and many hundreds of individual refugees. Some 75 per cent. of the 10,000 refugees at one time constituting the Constantinople problem had been provided with homes in Bulgaria. The 600 refugee children in Bulgaria had been maintained by the Bulgarian Government until August 1922, and subsequently by the High Commissioner, who required £3,750 a year for their maintenance and education.

The office of the High Commissioner at Sofia worked in close co-operation with the existing Russian refugee relief organisations in Bulgaria.

The Kingdom of the Serbs, Croats and Slovenes.

The Kingdom of the Serbs, Croats and Slovenes sheltered about 55,000 refugees, who constituted a heavy charge on its national exchequer. It afforded free transport on its railways to such refugees as desired to leave the country, and it issued identity certificates to the refugees on its territory. It had also given instructions to its representative in Constantinople to issue some hundreds of individual visas for self-supporting refugees.

The Refugees in France.

The French Government had given free visas to 1,400 Russian refugees in Constantinople. It had transferred to France 3,000 refugees from Corsica and Tunis and placed them in productive employment. Some hundreds of refugee orphans from Constantinople had been placed in French families and an additional 1,000 orphans from Poland and the Kingdom of the Serbs, Croats and Slovenes had been given permission to enter France. A central co-ordination committee of the representatives of the various Russian organisations in France had been formed by the High Commissioner's delegate.

The Refugees in Greece.

Up to the autumn of 1922, 5,000 Russian refugees in Greece were maintaining themselves by productive employment, and some had been supported by the Greek Government. The enormous influx of Greek refugees, however, had naturally caused the Greek Government to withdraw its subsidy, though it had maintained its grant to 400 Russian refugee invalids in Salonika. It had also issued identity certificates and afforded free transport in Greece to all Russian refugees desiring to leave the country.

The Russian refugee office at Athens had evacuated 500 refugees to European countries and 800 refugees who desired to return to Russia.

Dr. Nansen, in his report, asked the Council to appeal urgently to the Governments for assistance for the 4,000 refugees remaining in Greece. The hospital for invalid Russian refugees in Salonika had received a gift of £200 from the "All-British Appeal Committee", and the New Zealand Government had promised provisionally £100 a year for three years for the education of Russian refugee students in Greece.

The Refugees in Other Countries.

The Russian refugee problem was especially grave in Germany, Poland and other countries bordering on Russia. In Germany there were stated to be no fewer than 600,000 refugees and in Poland 300,000. The High Commissioner maintained delegates in these countries working in close co-operation with the Governments and with the existing Russian organisations.

Refugees taken over from the British Government.

In May 1922 the High Commissioner relieved the British Government of responsibility for 4,600 Russian refugees in Egypt, Cyprus, Touzla and the Kingdom of the Serbs, Croats and Slovenes in consideration of a payment of £150,000. Arrangements had been made whereby the Serbo-Russian State Commission assumed responsibility against a capital grant for 1,500 of these refugees in the Kingdom of the Serbs, Croats and Slovenes. The majority of the refugees from Egypt, Cyprus and Touzla were evacuated to Bulgaria. The Bulgarian Government had allowed the refugees to move freely in Bulgaria, thus considerably facilitating the problem of finding them employment. Very little sickness was to be found among these refugees, which was largely due to the work of a mixed medical board, consisting of a British army doctor, a Russian Red

Cross doctor, and a Russian doctor attached to the High Commissariat. By the end of the year such substantial progress had been made with the liquidation of these refugees that only a few difficult categories remained a charge on the High Commissioner.

Repatriation and Reconstruction.

The High Commissioner had continued his negotiations with the Soviet authorities and had obtained important concessions from the Soviet Government on behalf of such refugees as sought his assistance in connection with their repatriation. There was evidence of a strong feeling among certain categories of the refugees in favour of repatriation. Some thousands of refugees had returned to Russia in 1922 entirely on their own initiative and at their own risk. Many of them had returned without any permission from the Soviet authorities. The High Commissioner's representative in Russia reported that these refugees had received uniformly favourable treatment.

International Co-operation for the Maintenance of Refugees.

Several Governments, notably the Government of the Kingdom of the Serbs, Croats and Slovenes, had pointed out that those Members of the League offering hospitality to Russian refugees had undertaken a considerable burden and had urged that this burden should be shared by other Members. The High Commissioner asked the Council to consider what means could be taken to give effect to this proposal.

The Council noted the report and congratulated the High Commissioner on the courage and tenacity which had enabled him to overcome the great difficulties with which he was faced in dealing with the problem.

II. REFUGEES FROM ASIA MINOR.

Action by the Assembly in 1922.

On September 19th, 1922, the Assembly adopted a resolution accepting Dr. Nansen's offer to place the services of his Russian Refugee Organisation at the disposal of the League for the administration of any relief afforded to refugees from Asia Minor, on the understanding that the work for Russian refugees would not be hindered. The Assembly further invited the Council to place a sum at the disposal of Dr. Nansen taken from the item "Unforeseen expenditure" in the Budget and sufficient to enable the necessary administrative measures to be taken until adequate arrangements from other sources could be made. On September 25th the Assembly passed a further resolution to the effect that, recognising the extreme urgency of bringing effective aid to the refugees in the Near East, Members should be asked to inform their Governments of the situation and recommend an immediate and adequate financial contribution to Dr. Nansen's organisation.

Action by the Council in 1922.

On September 19th, 1922, the Council considered the first resolution adopted by the Assembly and placed at the disposal of Dr. Nansen a sum of 100,000 Swiss francs taken from the item "Unforeseen expenditure" of the Budget for 1922.

Action taken by the High Commissioner in 1922 concerning the Exchange of Populations.

On October 2nd, 1922, Dr. Nansen left for Constantinople, having telegraphed to Mustapha Kemal Pasha, with the object of entering into direct relations with the Turkish Government at Angora. In the course of several interviews with Hamid Bey, the Diplomatic Representative at Constantinople of the Turkish Grand National Assembly, Dr. Nansen pointed out the various questions with which he desired to deal, particularly the question of an exchange of populations between Greece and Turkey. On October 15th the High Commissioners of France, Great Britain, Italy and Japan resident in Constantinople formally invited Dr. Nansen to take all possible steps to endeavour to reach an agreement regarding an exchange of populations between the Greek and Turkish Governments as soon as possible, independently of the Peace negotiations. Dr. Nansen was further informed by the Greek Government that it was very desirous that he should arrange such an agreement. On October 23rd, Dr. Nansen received a telegram from Mustapha Kemal Pasha stating that the proposed exchange was acceptable in principle but that it would have to be considered by the Government at Angora. At Dr. Nansen's request, the Greek Government furnished him with a document giving him full powers to negotiate the desired agreement. On October 30th he was informed by Refet Pasha, Governor of Thrace, newly arrived from Angora, that the President

of the Council of Ministers at Angora agreed in principle with the exchange of populations, excluding Western Thrace, and empowered Hamid Bey to conduct the necessary negotiations with the High Commissioner of the League. On October 31st Dr. Nansen conferred with Hamid Bey, who informed him that the Angora Government only permitted him to negotiate on the basis of a total and enforced exchange of populations, from which the population of Constantinople would not be excepted. Dr. Nansen said that he could not limit the discussion in the manner proposed by Hamid Bey and suggested that the Turkish Representative should ask his Government for further instructions, while he, on the other hand, would ask the Greek Government whether it would accept total and enforced exchange of populations, including the population of Constantinople, as a basis of discussion. Hamid Bey preferred not to consider any points of detail concerning the exchange while awaiting the decision of his Government. On November 2nd, Hamid Bey having to depart suddenly to attend the Peace Conference at Lausanne, Dr. Nansen addressed a memorandum to the Government at Angora setting forth his sincere desire to obtain a solution of the question and asking the Government to inform him whether it was prepared to negotiate without delay, and independently of the Peace negotiations, an agreement for the exchange of populations on the basis of a voluntary emigration of the racial minorities in Turkey and Greece, including the civilians detained in Asia Minor. He further enquired if it were prepared to appoint delegates with full powers to conclude with Greek representatives and under his auspices an agreement which would be submitted immediately for ratification by the two Governments. The Greek Government informed Dr. Nansen that it could not agree to a total and enforced exchange of populations, including that of Constantinople. Dr. Nansen kept the High Commissioners of the Allied Powers informed of the progress of these negotiations and explained that, in his opinion, it would not be possible to negotiate an agreement on the lines suggested by the representative of the Angora Government, even if the Greek Government had accepted the proposal. Dr. Nansen received no reply to his memorandum of November 2nd to the Angora Government. He subsequently attended the Peace Conference at Lausanne and proposed to the representatives of the invited Powers that negotiations should be renewed. Lord Curzon, the President of the First Committee of the Conference, asked Dr. Nansen to make a statement on the subject. Dr. Nansen complied and urged that if an exchange of populations was to be effected, it should be effected in time for at least a considerable portion of the exchanged populations to be enabled to cultivate the land of their new farms during the coming spring. The question was referred by the First Committee of the Conference to a Sub-Committee presided over by Signor Montagna. Dr. Nansen attended the meeting of the Sub-Committee and submitted a further statement on the situation suggesting in what way the wishes of the two parties might be harmonised but emphasised that a compulsory treaty of exchange could only be satisfactorily carried through if both the Turkish and Greek Governments acted with absolute loyalty and good faith.

Action taken by the High Commissioner regarding the Refugees in Greece and Asia Minor.

Dr. Nansen visited Constantinople and Athens in the months of October and November 1922 with the object of ascertaining the general situation with regard to refugees in Asia Minor. He further made a tour of inspection through Western Thrace, where many of those refugees had found refuge. The problem which faced him was complicated by the fact that the numbers of refugees were increased by the population of Eastern Thrace which began to leave their homes immediately after the conclusion of the Mudania armistice. The numbers of refugees of Greek and Armenian origin scattered throughout Greece and Western Thrace amounted to about 900,000, including 300,000 from Eastern Thrace. The refugees from Eastern Thrace had been able to bring away with them portions of their movable possessions, including their cattle, wagons, clothing, and, in some cases, their agricultural implements. The abundant harvest, however, which had just been reaped, was left behind. The refugees from Asia Minor had, on the other hand, left their homes in such haste that they had no other possessions than the light summer clothing which they were wearing at the time of their departure.

In addition to these refugees the population of those areas of Asia Minor in which the military operations of August and September 1922 had been carried out was in great distress. In order to assist them, the High Commissioner co-operated with the Turkish Red Crescent and despatched to Smyrna 200 tons of flour, bought with the funds placed at his disposal by the Assembly. He further provided transport for a number of Turkish refugees in Constantinople to enable them to reach their homes in Asia Minor in time to carry out the autumn sowing of their fields. In addition, a representative of the Epidemic Commission aided the Turkish Red Crescent with medical supplies, especially vaccine and serum.

The Greek Government made great efforts to distribute the refugees throughout Greece in such a way as to enable them to be absorbed by the local population. As a temporary measure of relief the High Commissioner acquired a considerable quantity of flour, which was despatched to the islands of Samos and Chios, where it was distributed by his representatives. The American Red Cross, under Dr. Ross Hill, brought help in the form of food and other direct relief. The High Commissioner established a Central Committee in Athens for co-ordinating the work of relief being carried out by the various charitable organisations concerned with the problem. The American Relief Organisations, within a few weeks of the arrival of the refugees in Greece, transferred sufficient machinery and equipment to take over the feeding of nearly one million people, and the High Commissioner launched an urgent appeal for assistance to all Members of the League to enable him to acquire the sum of £50,000 promised by the British Government when a similar

sum had been contributed by other Members of the League. The High Commissioner also appealed for clothing and blankets.

A representative of the Epidemic Commission of the League of Nations arrived in Greece with some 100,000 doses of vaccine for the inoculation of the refugees, as the danger of serious epidemics was very grave.

By the middle of January 1923, not less than 30,000 of the refugees had perished from cold and exposure, despite the great efforts which the Greek Government had made to house them. No serious outbreak of epidemics had occurred. The High Commissioner authorised his Deputy Commissioner, Colonel Procter, to organise a series of feeding camps in Western Thrace. These camps were first set up in Dedeagatch but were subsequently removed to other points in the interior. By these means 10,000 refugees were fed daily. The Greek Government placed at the disposal of Colonel Procter vacant land for cultivation. Numbers of the refugees were housed on this land in tents given to the High Commissioner by the Belgian Government. Building materials were also supplied by the Greek Government, from which villages were constructed.

Attached to the feeding camps was a hospital of 120 beds organised in conjunction with Lady Rumbold's Constantinople Fund for Refugees.

Dr. Nansen's representatives were further able to give a certain measure of assistance to the Anglo-American Committee working in Salonika.

The High Commissioner's appeal for clothing and blankets met with generous response in many countries, notably in Great Britain, where the heads of the Ex-Service-Women's Organisation, the All-British Fund and other organisations despatched more than 70 crates of clothing a day to Athens. Up to the end of January, about 1,400 crates had been received.

The funds contributed by the British Government to the High Commissioner amounted, by the end of 1922, to £19,208, but he was informed by the British Government that it was unable to keep open after January 1st, 1923, its offer to double all contributions from other Members of the League received by the High Commissioner up to £50,000. The High Commissioner accordingly appealed once more for funds to those Members of the League which had not so far contributed.

Action taken by the Council in 1923.

On February 2nd, 1923, the Council examined a report submitted by Dr. Nansen containing the foregoing information, and adopted the following resolution:

"The Council, having heard the report of Dr. Nansen dated January 26th, 1923, decides to set aside from the item 'Unforeseen expenses' (item 29 of the budget for 1923) the sum of 50,000 Swiss francs, in order to enable Dr. Nansen to liquidate the various administrative engagements which he has assumed notably in connection with the Epidemic Commission."

On April 23rd the Council heard a further report from Dr. Nansen on the situation. The report gave details of the plan adopted by Colonel Procter definitely to establish the refugees as self-supporting members of the community within as limited a period of time as possible. The guiding principle of this plan was to cease the distribution of indiscriminate charity, which tended to cause degeneration among the refugees, and to encourage them to work for themselves.

Village settlements in Western Thrace were to be established for about 10,000 refugees, who were to be fed and generally cared for until their crops could be reaped, about the end of July 1923. Skilled and general workers were to be established in the occupations for which their previous life and training fitted them, such as farming, charcoal-burning, brick-making, carpet- and blanket-weaving, lace-making, fishing, etc. A hospital was to be established to ensure a proper standard of health among the refugees.

As a result of this plan, an area of land between Gumuldjina and Porto Lagos, consisting of 100,000 Greek acres, was allocated by the Greek Government for the purposes of colonisation. This land was virgin soil of the best quality with a plentiful water supply, and was in close proximity to the railway line from Dedeagatch to Xanthi. A central hospital was established in the middle of the area, and the sites for the villages were marked out. The land was subdivided among the settlers, the boundaries of each settlement being clearly defined by a council elected by the villagers and presided over by a Government official, and the use of several mechanical ploughs was secured.

By the middle of February, eight agricultural villages were in course of construction and the villagers were already clearing the land of scrub preparatory to ploughing it, and by the end of April 13 villages had been built and the ploughing and sowing were well advanced.

To deal with work of this kind, a labour bureau was established at Gumuldjina in offices placed at the disposal of the High Commissioner by the local bishop. The local charcoal-burning industry was placed under the control of the High Commissariat, and became self-supporting by April, many families being employed in this work. Brick-making was in progress. A laundry industry was established, and lace-making and embroidery provided employment for about 40 % of the women. Carpet-manufacture was begun, and a small factory has been set up. The Governor-General has in all cases co-operated very closely with the High Commissariat in the general direction of the work.

The report pointed out that the reconstruction work, successful though it was, was on a very small scale if the size of the whole problem was taken into consideration. The result obtained

showed, however, that some 11,000 refugees will become self-supporting by July 1923 at an approximate cost to the League of Nations of £1 per head.

Anatolian Refugees in Constantinople.

Dr. Nansen received a telegram from the Near East Relief to the effect that 30,000 Anatolian refugees were in the greatest state of destitution in Constantinople and asking for co-operation. Owing to a gift of £1,000 by the All-British Appeal and of clothing to that value, Dr. Nansen's representatives in Constantinople have been able to afford some measure of relief to these refugees. The Greek Government expressed itself willing to receive these refugees after disinfection, subject to arrangements being made for their maintenance in Greece.

Greek Loan.

On February 2nd, 1923, M. Politis, representative of Greece, laid before the Council a request from the Greek Government that the League should assist it to obtain an international loan of £10,000,000 sterling, which should be used solely for the permanent settlement of the refugees. The Council decided to refer the matter to the Financial Committee for examination and report. On April 23rd, 1923, Dr. Nansen strongly urged the Council to decide on the question of the loan with the least possible delay in view of the fact that the American Relief Organisations would cease work at the end of June and thus leave many thousands of refugees faced with the prospect of immediate starvation. He pointed out that the Greek Government afforded means of redeeming the loan in ten years, and that the American Relief Organisations were understood to be willing to consider proposals for co-operation with a view to the final solution of the problem.

The Council, in congratulating Dr. Nansen on the success of his efforts, adopted the following resolution:

"The Council, having heard Dr. Nansen's statement as to the position of the refugee problem in Greece;

"Understanding that the Greek Government is now engaged in collecting the essential information which the Financial Committee requires in order to examine, in accordance with the authorisation already given by the Council, the practicability of the flotation of a loan on the basis of securities which Greece could offer:

"Now requests the High Commissariat, in consultation with the Greek Government, to consider whether, if a loan should prove practicable, it would be possible to replace the temporary relief measures that, except in a part of Western Thrace, have hitherto alone been undertaken, by a general plan enabling refugees in other parts of Greece to be settled on the land or otherwise established on a self-supporting basis, and, if so, to prepare a scheme for the purpose;

"And hereby appoints a Sub-Committee, consisting of the British, French and Italian members of the Council, with authority to invite the Greek Government to add a fourth member, to receive the reports from the Financial Committee and from the High Commissariat, and to advise the Council at its next session whether the League itself can properly and usefully accept any responsibility or take any action."

The Council further granted Dr. Nansen 50,000 francs from the item "Unforeseen expenses" in order to meet the necessary administrative charges in connection with the work of relief. It was understood that this sum should form the first charge on the proposed loan to the Greek Government.

Government Contributions to Near East Relief Fund.

Japan	10,000 yen
Switzerland	15,000 Sw. frs.
Brazil	£1,000
Canada	135,120 Sw. frs.
Denmark	£1,000
New Zealand	£1,000
Sweden	£1,000
Norway	£1,000
Spain	£2,000
Great Britain	£19,208
Luxemburg	20,000 Belgian francs

13.

INTERNATIONAL BUREAUX.

By Article 24 of the Covenant, all international bureaux established by general treaties are placed under the direction of the League if the parties to such treaties consent. The Council has on several occasions been asked to consider in what way the League's direction over international bureaux should be exercised in accordance with Article 24.

I. PUBLICATIONS RELATING TO INTERNATIONAL ORGANISATIONS.

The Secretariat of the League prepares and publishes a *Quarterly Bulletin of Information on the Work of International Organisations*, the first number of which was issued in October 1922. The *Bulletin* is a record of the meetings and general activities of the various existing international institutions. The Secretariat, by means of the *Bulletin*, keeps itself in constant touch with the different public and private international organisations, acts as a central information office in making their activities known to each other and gives them a certain amount of publicity.

The "Handbook of International Organisations" published in 1922 and containing succinct information as to the number, objects, history and general activities of some 352 international organisations, whether established by private initiative or created by general treaties, has been revised in order to bring the information up to date.

II. INTERNATIONAL INSTITUTE OF COMMERCE.

In September 1922, the Council received a request from the International Institute of Commerce to be placed under the direction of the League. This body had in 1921 submitted a previous request to the effect that it might be considered as the official organ of commercial documentation of the League. It now desired merely to be placed under the direction of the League, as had been done with other associations.

The Council referred the application for examination to the Economic Committee of the League. The Economic Committee, during its seventh session in January 1923, suggested that it should be authorised by the Council to enlist the co-operation of the Institute of Commerce, as and when occasion might arise, on subjects with regard to which it might be able and willing to assist.

The Council, on January 30th, 1923, approved the proposals of the Economic Committee and requested it to examine the practical questions for which, by reason of its technical competence, the Institute might usefully be asked to give its assistance.

III. INTERNATIONAL COMMITTEE ON AGRICULTURE.

At its meeting on January 30th, 1923, the Council considered a request from the International Committee on Agriculture to be placed under the direction of the League.

Sixteen countries are represented on the Committee, which was founded in 1889 and has its seat in Paris. Its object is the study of agriculture and rural economy, and it has held eleven international congresses and published a number of valuable reports on different aspects of agriculture. The Committee was not established by a general treaty and therefore does not necessarily come under the provisions of Article 24 of the Covenant.

The Council therefore decided to request the Economic Committee of the League to examine the advisability of placing the International Committee on Agriculture under the direction of the League and to submit a report at a subsequent session of the Council.

IV. INTERNATIONAL ASSOCIATION FOR THE PROMOTION OF CHILD WELFARE.

The International Association for the Promotion of Child Welfare was established at Brussels in 1921 in accordance with a decision of the two International Congresses on Child Welfare held in 1913 and 1921. Some ten States are members of the Association, of which eight have agreed

to an international convention. The Association falls under the category of international bureaux known as "semi-public". In June 1922, it applied to be taken under the direction of the League, and this application was considered by the Council at its meeting in September 1922.

Before coming to a final decision, the Council decided to ask for further information regarding the constitution and work of the Association, and particularly whether it were possible for it to modify the constitution of its governing body — an international committee selected in July 1922 during the first ordinary session of the Association. On this Committee the majority of the members is not composed of representatives of adherent Governments but includes delegates of voluntary organisations and even private individuals.

In February 1923 the President of the Association, M. Carton de Wiart, informed the Secretary-General that the members of the international committee were not disposed to make the changes suggested by the Council, and requested that the matter be again placed before the Council. The Council reconsidered the matter on April 17th, 1923, but decided that, as various Governments seemed to take somewhat different views, the question should again be adjourned to a subsequent session in the hope of reaching a satisfactory solution.

V. INTERNATIONAL COMMISSION FOR AIR NAVIGATION.

The International Commission for Air Navigation was constituted on July 11th, 1922, under Article 35 of the Convention relating to the Regulation of Aerial Navigation dated Paris, October 13th, 1919. According to this article, "there shall be instituted, under the name of the International Commission for Air Navigation, a permanent international commission placed under the direction of the League of Nations."

Ten States have ratified the Convention, which is now in force, and the Commission accordingly comes automatically under the direction of the League. The Commission, from the nature of its work, is in close touch with the Organisation for Communications and Transit of the League.

14.

WORK OF THE COMMITTEE ON INTELLECTUAL CO-OPERATION.

PERSONNEL OF THE COMMITTEE.

The Assembly, in a resolution adopted on September 28th, 1922, expressed the hope that the Committee on Intellectual Co-operation would continue its work with the help of the most competent men of all countries to the extent allowed by the credits voted by the Assembly.

The Committee, acting in the spirit of this resolution, has made a practice of consulting experts and of appointing correspondents in various countries not represented on the Committee itself.

M. Einstein having retired from the Committee, M. H. A. Lorentz, Professor of Physics at the University of Leyden, has been appointed in his place.

ENQUIRY INTO THE POSITION WITH REGARD TO INTELLECTUAL WORK.

The Assembly, on September 28th, 1922, adopted the following resolution:

"The Assembly notes with satisfaction the resolutions by which the Council has authorised the Committee on Intellectual Co-operation to undertake an enquiry into the position with regard to intellectual work, and to appoint three sub-committees to investigate questions of bibliography, questions of inter-university co-operation, and questions of intellectual proprietary rights"

It was decided, in conformity with a resolution adopted by the Council on September 13th, 1922, that this enquiry should be undertaken by means of general questionnaires addressed to the Governments and of special questionnaires addressed to the universities, learned societies, professional associations, and certain experts in the various countries.

The questionnaire to be addressed to the Governments was approved by the Council on January 30th, 1923. The Committee asked for information concerning the State administrative organisations taking part in the direction of intellectual life in the various countries, the laws, decrees, or circulars, and the official statistical data relating to higher education, the principal scientific, literary and artistic institutions in the various countries, the international conventions relating to intellectual work and to education, and the intellectual relations of the various countries with their neighbours.

It will not be possible to terminate this enquiry before the meeting of the fourth Assembly. Numerous replies have, however, already been received, and a considerable number of these replies have come from the United States of America. The results of the enquiry will be published as soon as sufficient material has been received by the Committee.

The Work of the Sub-Committees.

The three sub-committees appointed under the Assembly resolution — the Sub-Committee on Bibliography, the Sub-Committee on Inter-University Co-operation, and the Sub-Committee on Intellectual Proprietary Rights — met for the first time at Paris in December 1922. Two sub-committees — the Sub-Committees on Bibliography and on Inter-University Co-operation — met at Brussels in March 1923 for a second session. At each session, a large number of experts were consulted.

The Sub-Committee on Bibliography has devoted special attention to the questions of analytical bibliography as an effective and rapid method of exchanging scientific information. On the proposal of Madame Curie, it adopted a number of recommendations on this subject, which have been forwarded to the competent learned bodies and bibliographical institutions. It also examined the question of bibliography limited to the titles of books, and recommended that the alphabetical index of the International Institute of Bibliography at Brussels should be used as a basis for all future work in this field.

The Sub-Committee considered a proposal for the constitution of one or more international libraries to be constituted by means of a compulsory international deposit of books. On examination there were seen to be difficulties in the way of realising such a scheme at the present moment. The Sub-Committee therefore drafted a plan for the co-ordination of existing libraries in the various countries, notably by the preparation of collective national catalogues and the encouragement of exchanges between libraries or groups of libraries.

The Sub-Committee further studied plans for various bibliographical publications and referred these plans to the meeting of the plenary committee. It has, however, already undertaken the preparatory work for the most urgent of these publications, namely, an *index bibliographicus*, giving all the information available on existing bibliographical institutions and periodicals.

The Sub-Committee on Inter-University Relations has come to the conclusion that the convening of an international university congress is not at present possible. It has, however, adopted recommendations for the exchange of professors for a more extended instruction in modern languages, literature and civilisation, and for the institution of university courses on contemporary nations.

It has studied the question of an exchange of students and of the equivalent recognition of studies and degrees, as well as international holiday courses, and is preparing definite recommendations on these questions.

The Sub-Committee regards as specially urgent the foundation of an international bureau of university information. This bureau would act as a regular connection between the national bureaux in the countries where they exist and would satisfy the requirements of the countries in which national university bureaux have not yet been established.

The Sub-Committee on Intellectual Property came to the conclusion that it was possible to develop the protection of intellectual property as at present assured and to extend it to scientific property. It instructed one of its members, M. Ruffini, to prepare a report on the subject. It is hoped that the principles defined in this report may be applied in the various countries and that they may eventually form the basis of an international convention. Some concrete cases are examined in a second report by M. de Torres Quevedo.

CONVENTIONS RELATING TO THE INTERNATIONAL EXCHANGE OF PUBLICATIONS.

The Assembly, on September 28th, 1922, adopted the following resolution:

“The Assembly decides to send an appeal to all countries which have not yet accepted the Conventions relating to the international exchange of publications, signed at Brussels on March 15th, 1886, asking them to give their adhesion thereto.”

The Council, in accordance with this resolution, instructed its President, at a meeting held on October 4th, 1922, to address an appeal to all the countries which had not yet accepted the Conventions. The appeal was despatched on November 20th, 1922. Several Governments (Germany, Finland and Lithuania) have informed the Council that they will give the matter favourable consideration. Roumania has declared herself ready to adhere to the Convention. It appears, however, from replies which have been received from several other Governments, in particular, the Government of the British Empire, that the Conventions of 1886 do not entirely

correspond with the practical needs of the moment and that it accordingly seemed advisable to study the possibility of improving them. These improvements would meet the wishes of the majority of the States to avoid an unduly considerable expenditure.

The Sub-Committee on Bibliography has studied this question in detail and has consulted the Director of the *Service belge des échanges*, which, from the outset has in practice played an important part in the organisation of these exchanges. It decided to obtain information from the directors of the various national services as to the conditions of their work and as to the reforms which appeared to them desirable. This enquiry may serve as a basis for a conference of the directors of the national bureaux.

CONDITIONS OF INTELLECTUAL LIFE IN COUNTRIES WHERE IT IS ESPECIALLY ENDANGERED.

The Assembly, on September 28th, 1922, adopted the following resolutions:

“(a) The Assembly has noted with much interest the detailed investigations carried out by the Committee on Intellectual Co-operation regarding the conditions of intellectual life in countries where its continuance is especially endangered. The Assembly invites the Council to follow up this important question within the limits proposed by the Committee on Intellectual Co-operation.

“(b) The Assembly invites the Council to stimulate an intellectual co-operation based upon international solidarity, in order to procure scientific books and documents for the universities and schools of those countries which, as a result of war, have been deprived of them and which have not sufficient resources to acquire them.”

The Council considered the questions raised by these resolutions at a meeting held on October 4th, 1922. It drew a distinction between the position in Austria, which was particularly difficult and which called for immediate and effective assistance, and that of the other countries of Central and Eastern Europe. It instructed the Committee on Intellectual Co-operation to choose an Austrian correspondent, and it asked the Committee to address an appeal on behalf of Austria to the institutions and learned societies of all countries.

The Committee chose for its Austrian correspondent Professor Dopsch, of the University of Vienna. Professor Dopsch is forwarding to the Committee periodical and detailed reports on his activity and is preparing a general review on the position of intellectual life in Austria.

The appeal on behalf of Austria was issued on November 4th, 1922. Some 1,000 copies were printed and despatched.

The Committee has received numerous replies to this appeal from various countries, including Belgium, France, Great Britain, Greece, India, Italy, Japan, Spain, Sweden and the United States. The replies indicate that a considerable number of institutions are making a serious effort to come to the assistance of Austria, particularly by the despatch of scientific publications.

The Council, in considering the position of the other countries where intellectual life was especially endangered, asked the Committee to present detailed proposals as to the most effective means of ascertaining their requirements and of informing those which might be prepared to assist.

The Committee, in accordance with these instructions, submitted a definite plan which was approved by the Council on January 30th, 1923. The Committee has since taken steps to put this plan into effect. It has invited institutions in the various countries to serve as intermediary between the Committee and the intellectuals of the various countries. These institutions have consented to assist the Committee in its enquiry and to inform it of the most urgent requirements of scientific bodies and of intellectual workers in general. Local institutions are assisting the Committee in Albania, Austria, Bulgaria, Czechoslovakia, Esthonia, Finland, Greece, Hungary, Latvia, Lithuania, Poland, Roumania and the Kingdom of the Serbs, Croats and Slovenes. In the majority of cases the local institutions have formed national committees on intellectual co-operation which are in regular communication with the Committee of the League of Nations. The Committee has also transmitted requests coming from the Free City of Danzig and has collected information on the situation of intellectual workers in Germany.

The correspondence with these institutions shows that in a majority of the above countries intellectual life has been immensely stimulated since the war, but that it is impeded not only by material difficulties but by the difficulty of keeping intellectually in touch with other countries. These countries find themselves deprived of the scientific and literary publications of other countries owing to the unfavourable exchange. Their intellectual workers feel it urgently necessary to complete their professional education abroad, and this again is practically impossible owing to the crisis in the exchanges. There is a corresponding difficulty in publishing the results of scientific work which is done in these countries. Information as to their requirements has been forwarded by the Secretary of the Committee on Intellectual Co-operation to the institutions which, in the western countries, are dealing with intellectual exchanges and intellectual assistance for countries less fortunately situated. In special cases the Committee has addressed a direct appeal to the scientific institutions producing the publications required. In some cases these appeals have resulted immediately in the despatch of scientific publications to the countries in need of them.