IX. DISARMAMENT

1937

1 - 4
LEAGUE OF NATIONS

CONFERENCE FOR THE REDUCTION AND LIMITATION OF ARMAMENTS

PUBLICITY FOR NATIONAL DEFENCE EXPENDITURE

ACTION TAKEN ON THE BUREAU'S RESOLUTION OF MAY 31st, 1937.

Note by the Secretary-General:

With reference to the resolution adopted by the Bureau on May 31st, 1937, the Secretary-General has the honour to communicate to members of the Bureau and to all Governments represented at the Conference for the Reduction and Limitation of Armaments the replies to Circular Letter Conf.D./C.L.16, dated June 19th, 1937, received from the following Governments:

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The Governments of Egypt, Spain and Venezuela have acknowledged receipt of the Circular Letter.


1. I have the honour to forward herewith a copy of the resolution adopted by the Bureau of the Conference for the Reduction and Limitation of Armaments on May 31st, 1937.

2. In pursuance of the above-mentioned resolution, I am sending you under separate cover document Conf.D./C.G.I60(I):

"Publicity of National Defence Expenditure: Draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission."

I should be glad if you would be good enough to inform me whether your Government is prepared, in principle, to accept a system of publicity based on that Convention. I venture, at the same time, to point out that explanations of and the reasons for the proposals contained in the draft Convention will be found in the report of the Technical Committee, document Conf.D.158, Volumes I to III. These volumes were addressed to your Government at the time of their publication in 1933 and 1935.

3. I should be glad if you would send your reply to the Secretariat before September 1st, 1937, in order that the Bureau may consider all the communications received from Governments in the near future.

4. The Minutes of the two meetings of the Bureau held on May 31st, 1937, will be sent to you shortly.

(Signed) J. AVENOL,  
Secretary-General.

Annex.

Conf.D./Bureau 76(I).  

LEAGUE OF NATIONS.  
Conference for the Reduction and Limitation of Armaments.  
Bureau of the Conference.

RESOLUTION ADOPTED BY THE BUREAU ON MAY 31ST, 1937.

The Bureau of the Conference for the Reduction and Limitation of Armaments, convened by the Council of the League of Nations on the proposal of the French delegation and in accordance with the recommendation made by the Assembly on October 10th, 1936;  
Having informed itself of the work accomplished by the Committees of the Conference since the Bureau's last meeting on November 20th, 1934;  
Having heard the statements and proposals made by certain of its members and recorded in to-day's Minutes;  
Noting that the general political and economic situation is not at present such as to ensure the success of a resumption of the work on all the questions forming part of the Conference's programme;  
But considering, none the less, that, among the drafts framed by the Conference, that concerning publicity for national defence expenditure and the working of an organ of supervision and co-ordination would, under certain conditions, be a suitable subject for an agreement which would represent a first step;  
Considering, moreover, that, in certain countries, legislative measures have been taken setting up a national system of supervision for the manufacture of and trade in arms:

Decides:

(1) To communicate that text of the draft Convention on Publicity for National Defence Expenditure and the Working of an Organ of Supervision and Co-ordination to all the Governments which are or have been represented at the Conference, with the request that they inform the Secretariat of the Conference whether they are prepared, in principle, to accept a system of publicity based on that Convention;

(2) To meet again on a date to be fixed by the Council of the League of Nations, for the purpose of considering the replies from the Governments, discussing the draft Convention on Publicity for National Defence Expenditure, and deciding upon appropriate measures;

(3) To instruct the Secretariat to collect and communicate to the members of the Bureau any useful information obtainable as to the present position in regard to the national control of the manufacture of and trade in arms in the principal countries.

1 In accordance with the Bureau's resolution, this circular letter was sent to all the Governments which are or have been represented at the Conference.
II. REPLIES FROM GOVERNMENTS.

United States of America.

Berne, August 31st, 1937.

Acting under instructions from my Government, I have the honour to transmit herewith the following communication:

The receipt is acknowledged of your note, dated June 19th, 1937, forwarding a copy of the resolution adopted by the Bureau of the Conference for the Reduction and Limitation of Armaments on May 31st, 1937, and requesting to be informed before September 1st, 1937, whether the Government of the United States of America is prepared, in principle, to accept a system of publicity of national defence expenditure based on the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission of the Conference for the Reduction and Limitation of Armaments.

In reply, the Government of the United States of America, while reserving its position in full with regard to the Draft Convention referred to above, is prepared to renew its acceptance of the actual principle of budgetary publicity and to accept as a basis of discussion a system of publicity of national defence expenditure in accord with the principles enumerated in the afore-mentioned draft Convention.

In accepting the principle of publicity for national defence expenditure, the American Government wishes to make two observations:

(1) It has been the consistent practice of the American Government to publish the particulars of all expenditures made for national defence and, in addition, it has furnished each year complete statistics for publication in the Armaments Year-Book of the League of Nations. Expenditures made by the American Government for armaments are open to public scrutiny; the principle of budgetary publicity is in practice applied by the United States.

(2) The United States reiterates its firm understanding that any agreement which may result with regard to one phase of the comprehensive problem of disarmament must be regarded as a complementary measure, a corollary, to a direct general reduction of armaments. The increasing burden of armaments, due to a failure on the part of nations directly concerned to find a solution of questions of a political or economic nature makes the need for a reduction of armaments more than ever imperative, and my Government believes that the day must soon come when the Governments of the world can, and must, make another move forward in the direction of a limitation and reduction of armaments. In the meantime, pending a solution of basic economic and political problems, and until the moment when the efforts of the nations of the world to reach a general settlement of the armaments problem may be crowned with success, it is the view of the American Government that partial agreements should be approached with caution and only upon assurance that they would not accentuate existing differences of points of view and that all countries would be willing, ultimately, to accept their provisions.

(Signed) Donald F. Bigelow,
Chargé d'Affaires a.i.

Belgium.

Brussels, August 28th, 1937.

With reference to your letter of June 19th last, Conf.D./C.L.16, I have the honour to inform you that the Belgian Government is prepared, in principle, to accept a system of publicity of national defence expenditure acceptable to the main body of States and based on the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission set up by the Conference for the Reduction and Limitation of Armaments.

(Signed) P. H. Spaak.

United Kingdom of Great Britain and Northern Ireland.


With reference to the letter Conf.D./C.L.16 of June 19th from the Acting Secretary-General, I am directed by Mr. Secretary Eden to inform you that His Majesty's Government in the United Kingdom are prepared, in principle, to accept a system of publicity of national defence expenditure based on the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission, provided that such a system is also accepted by the principal naval and military Powers of the world.

(Signed) C. W. Baxter.
Denmark.


In reply to your letter Conf.D./C.L.16 of June 19th, 1937, I have the honour, on my Government's instructions, to inform you that it is prepared, in principle, to accept a system of publicity of national defence expenditure based on the draft Convention relating thereto which was published in 1934.

My Government draws your attention to the fact that Danish military aviation is not an independent service, but consists of two groups attached to the army and the naval forces respectively. Consequently, the expenditure thereon is contained in the budgets of these services. It would, however, be possible to extract the amounts in these two budgets which relate to the administration, etc., of aviation and to give them separately.

(Signed) William Borberg.

Finland.

Helsingfors, September 7th, 1937.

With reference to your letter of June 19th, 1937, Conf.D./C.L.16, I have the honour to inform you of the following:

The Government of Finland is at present prepared, as it has always been, to co-operate in all measures taken jointly to bring about general disarmament, whether it is a question of publicity and supervision only, or of the limitation or reduction of armaments, properly so called.

In conformity with the attitude it has adopted, the Government of Finland is also prepared, in principle, to support the joint arrangements based on the draft Convention on the Publicity of National Defence Expenditure prepared by a Technical Committee of the Conference for the Reduction and Limitation of Armaments.

In view of the many changes which have occurred in the circumstances which prevailed at the time the said draft was prepared, the Government of Finland desires, however, to draw attention to certain conditions which would seem to it essential if it is to participate in the proposed arrangement.

When the said draft was prepared, there reigned a relatively large measure of confidence between the States, and there was some justification for assuming that all the States would become contracting parties to a general disarmament convention, and would consequently be bound in the same manner by the rights and obligations deriving therefrom. In these circumstances, it was possible to plan for such unlimited publicity that the data obtained from war budgets would have been published for the benefit of the whole world.

At the present time, on the other hand, there is a growing mistrust in the relations between the States, and the general circumstances are such that it is difficult to assume that even all the more important States would be willing to participate in the arrangement in question. If, in these circumstances, the information obtained were to be published, or were to be readily available in some other way to all, and thus even to the States which had not participated in the proposed arrangement, it would be of special advantage to the latter States. They would, in fact, receive any benefit which must be derived from this arrangement while not being required to render a similar service to the others—that is to say, to give information regarding their own defence expenditure. Such a situation would confer a kind of privilege on States which remained outside the proposed arrangement and would therefore diminish the desire of the States to participate therein. The Government of Finland therefore presumes that the information which would be required on the basis of the proposed arrangement would be confidential and would be exchanged only on the basis of strict reciprocity.

In these circumstances, it is clearly difficult to foresee whether the proposed system, once introduced, would be efficacious, and this gives relatively great importance to the difficulties attaching to its realisation. There will be no readiness to submit to great inconvenience for modest results. In this connection, it should be noted that Finland has always emphasised that it is very difficult for small countries to submit the data in question separately for the three armed forces. That is why Finland proposed as early as the beginning of the Conference on the Reduction and Limitation of Armaments that, in the event of defence expenditure not exceeding a certain sum, there should be no obligation to split it up among the three armed forces. In the present circumstances, it appears still less desirable to the Government of Finland to take on the relatively heavy work which would be involved in submitting budgetary data separately for the three armed forces, at any rate until some experience has been obtained as to how the proposed system works in practice. In consequence, until further notice, the Government of Finland maintains the point of view that States whose defence expenditure does not exceed, say, 80 million gold francs per annum should be exempted from the obligation to give the required information separately for the three armed forces.

(Signed) K. R. Savolahti,
Secretary-General ad interim.
France.

Paris, September 12th, 1937.


I have the honour to inform you that the Government of the Republic is prepared to agree to such a system of publicity on condition, naturally, that this system should be accepted and applied concomitantly by the principal military Powers.

If, as the discussion at the Bureau of the Conference seems to show, it appears desirable to make certain simplifications in the Draft Convention of a nature to facilitate its application without impairing its efficacy, the French Government will be able to put forward concrete proposals in this connection.

(Signed) Yvon DELBOS.

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Hungary.


In reply to your circular letter Conf.D./C.L.16 of June 19th, 1937, concerning the draft Convention on Publicity for National Defence Expenditure, in which you asked my Government whether it would, in principle, be prepared to accept a system of publicity based on that Convention, I am instructed by my Government to refer you to the declaration made by His Excellency General Gabriel Tanczos in the twelfth plenary meeting of the seventeenth ordinary session of the Assembly, on the occasion of the constitution of the Third Committee. This declaration was as follows:

"In view of the position which certain Powers take up, on principle, in the matter of equality of rights regarding armaments, the Hungarian delegation, while appreciating the generous and praiseworthy intentions which doubtless inspired the originators of the proposal about to be adopted by the Assembly, feels compelled, to its great regret, to refrain from taking part in the work of the Third Committee." (Official Journal, Special Supplement No. 155, page 91).

So long as equality of rights in the matter of armaments does not exist in practice, the Royal Hungarian Government does not see its way to participating in work connected with the reduction of armaments and, consequently, it considers that it would be useless for it to express its views regarding the question of principle concerning the publicity of national defence expenditure.

(Signed) L. DE VELICS,
Minister.

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India.

London, August 4th, 1937.

In reply to your letter of June 19th, Conf.D./C.L.16, I am directed to inform you that the Government of India are prepared to accept, in principle, a system of publicity for national defence expenditure, based on the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission provided that acceptance by other Governments is sufficiently general to justify the conclusion of an international convention providing for such system.

I am to request that the Bureau of the Conference for the Reduction and Limitation of Armaments may be informed accordingly.

(Signed) A. W. DUNTON.

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Japan.

Geneva, August 27th, 1937.

With reference to your letter of June 19th, Conf.D./C.L.16, I am instructed by my Government to inform you of the following:

The Japanese Government has no objection, in principle, to the establishment of a system of publicity, but, in view of the present situation and, in particular, of the international economic and financial position, it regrets that it is not prepared to publish its national defence expenditure in the form advocated in the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission.

(Signed) YOSHITANE KIUCHI,
Acting Director of the Japanese Office for International Conferences.
Mexico.

Geneva, August 31st, 1937.

With reference to document Conf.D./C.L.16 of June 19th, 1937, I have the honour to inform you, on behalf of the Ministry for Foreign Affairs of my country, that the Mexican Government is prepared, in principle, to accept a system of publicity of national defence expenditure based on the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission (document Conf.D./C.G.160(1) and Addendum).

(Signed) Isidro FABELA,
Minister.

Norway.

Oslo, September 2nd, 1937.

In reply to your Circular Letter of June 19th last (Conf.D./C.L.16) in which you were good enough to forward me a copy of the resolution adopted by the Bureau of the Conference for the Reduction and Limitation of Armaments on May 31st, 1937, I have the honour to inform you that the Norwegian Government is prepared, in principle, to accept a system of publicity of national defence expenditure based on the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission.

(Signed) Halvdan KOHT.

New Zealand.

Wellington, 2nd August, 1937.

I have the honour to acknowledge the receipt of your letter of June 19th Conf.D./C.L.16, and to thank you for the copy, forwarded therewith, of the resolution adopted on May 31st, 1937, by the Bureau of the Conference for the Reduction and Limitation of Armaments.

In reply, I have to say that His Majesty’s Government in New Zealand entirely approve of publicity of national defence expenditure, and are in principle prepared to accept a system based on the draft Convention that you have been so kind as to forward.

(Signed) M. J. SAVAGE,
Prime Minister.

Portugal.

Geneva, August 28th, 1937.

In reply to circular letter Conf.D./C.L.16 of June 19th, 1937, accompanying the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission, I have the honour to inform you that my Government is prepared, in principle, to accept a system of publicity based on the said draft Convention.

(Signed) L. Esteves FERNANDES.

Roumania.

Geneva, September 2nd, 1937.

In reply to letter Conf.D./C.L.16 of June 19th, 1937, I have the honour to inform you that the Roumanian Government, in accordance with the statement made by its delegate at the meeting of the General Commission on Disarmament on June 7th, 1933, is prepared to accept, in principle, a system of publicity based on the draft Convention for the Publicity of National Defence Expenditure.

The Roumanian Government, however, makes a distinction between expenditure on the upkeep of means of national defence as at present existing, for which it accepts the system of publicity, and expenditure on the acquisition of new material. The Roumanian Government considers that publication of the latter would be inopportune until after the armament programme at present being carried out is completed. When the programme has been carried out, expenditure connected with it will become expenditure on upkeep, and there will no longer be any difficulty with regard to publication.

(Signed) Georges CRUTZESCO.
Sweden.


By a circular letter dated June 19th, 1937 (Conf.D./C.L.16), you were good enough to ask me to inform you whether the Swedish Government would be prepared, in principle, to accept a system of publicity of national defence expenditure based on the draft Convention on this subject prepared by the Technical Committee of the National Defence Expenditure Commission of the Conference for the Reduction and Limitation of Armaments (document Conf.D./C.G.160(1)).

I have the honour, in reply, to make the following communication:

During the meeting of the Bureau of the Conference for the Reduction and Limitation of Armaments on May 31st, 1937, the representative of Sweden, M. Westman, stated that Sweden was ready to accede to a convention on the publicity of national defence expenditure. Consequently, the Swedish Government had carefully considered the texts drawn up by the Special Committee with a view to such an agreement. M. Westman merely asked whether the very detailed provisions laid down by the Committee should not be simplified and, at the same time, made more rational. Further, M. Westman pointed out, the entry into force of a convention on the publicity of expenditure would necessarily involve the establishment of a permanent body for co-ordination and supervision, which would have an important task to fulfil.

In drawing attention to the observations made on the above-mentioned occasion by the representative of Sweden, I have the honour to inform you that the Swedish Government is prepared, in principle, to accept a system of publicity of national defence expenditure based on the draft Convention prepared by the Technical Committee.

(Signed) Staffan SöDERBLOM,
Director ad interim of Political Affairs.

Czechoslovakia.

Berne, September 6th, 1937.

With reference to your circular letter dated June 19th, 1937, Conf.D./C.L.16, I have the honour to inform you that the Czechoslovak Government greatly appreciates the reasons which prompted the adoption, on May 31st, 1937, by the Bureau of the Conference for the Reduction and Limitation of Armaments of the resolution therein referred to. Indeed, the Czechoslovak Government has always regarded the limitation and reduction of armaments, in conformity with Article 8 of the Covenant, as a fundamental and pressing task of the League of Nations, and there is nothing in the present political situation to cause it to change its point of view in any way. On the contrary, to-day more than ever, the Czechoslovak Government is convinced of the need for, and urgency of, the work of general disarmament.

A thorough examination of the Bureau’s resolution and of the draft Convention prepared by the Technical Committee of the National Defence Expenditure Commission leads the Czechoslovak Government to believe that the budgetary publicity of national defence expenditure, as contemplated in the draft Convention, could only be achieved by means of a general system comprising the principal world Powers; otherwise, its aim would not be attained.

The Czechoslovak Government is therefore prepared to accept the main lines of the draft Convention, provided, however, that the principal world Powers, and particularly those which are of special concern to the Czechoslovak Republic, from the point of view of her national security, are prepared to act in the same way.

(Signed) KUNZL-JIZERSKY,
Permanent Delegate.
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League of Nations Publications.

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1937.IX.3. Armaments Year-Book (Bound separately).

1937.IX.4. Statistical Year-Book of the Trade in Arms and Ammunition.