Geneva, June 15th, 1931.

LEAGUE OF NATIONS

Report on the Work of the League since the Last Session of the Assembly.
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INTRODUCTION

June 30th, 1931.

The work of the League since the last Assembly has been directed mainly to questions connected with the preparation of the Disarmament Conference, the present economic crisis and collaboration with certain Governments which have invited its assistance in technical matters.

International Conferences, however, in preparation for several years, have been held under the auspices of the Organisation for Communications and Transit, dealing with the buoyage and lighting of coasts, river law and road traffic, while a second session of the Conference for the Unification of the Law relating to Bills of Exchange has completed the work of its first session by adopting Conventions dealing with cheques.

The Conference on the Limitation of the Manufacture of Narcotics, convened in accordance with the resolution adopted by the Assembly in 1929, is still in session.

LEGAL QUESTIONS.

AMENDMENT OF THE COVENANT OF THE LEAGUE.

Proposals for the amendment of the Covenant of the League to bring it into harmony with the Pact of Paris, prepared last year by a Committee of Enquiry, were referred by the Assembly in 1930 to its First Committee which made a series of important amendments in the texts submitted. The Assembly was not invited to take an immediate decision on the question of the further amendment of the Covenant, but asked the Secretary-General to submit the texts to the Governments for their observations. The replies of the Governments will be communicated to the Assembly in a special report.

THE SIGNATURE AND RATIFICATION OF GENERAL CONVENTIONS.

The Secretary-General was requested by the Assembly in 1930 to ascertain each year from the Governments their intentions with regard to any general convention which they had signed but failed to ratify before the expiry of one year from the date of the closing of the protocol of signature. He was further asked to ascertain from the Governments Members of the League of Nations which had neither signed nor acceded to a convention within five years of its being opened for signature whether they intended to do so or what their objections might be. The Secretary-General has carried out these instructions in regard to all the conventions to which they apply and the results will be communicated to the Assembly in a special report.

PREPARATION OF GENERAL CONVENTIONS.

The Assembly, in 1930, recommended certain rules for the procedure to be followed in the preparation of general conventions negotiated under the auspices of the League. The rules in question have been communicated to the Technical Organisations of the League and to the Governments, and the Assembly will in September be invited to consider whether they should be modified as the result of any suggestions which may be made.

PROGRESSIVE CODIFICATION OF INTERNATIONAL LAW.

The Council asked the Assembly last year to consider proposals for the continuation of the work of the Conference for the Progressive Codification of International Law held at The Hague in March and April 1930. There was some difference of opinion among the delegations to the Assembly as to the steps to be taken with a view to carrying on the work of codification and the Governments have been invited to give their views on the subject. The question will be considered again this year by the Assembly.
FINANCES OF THE LEAGUE.

During the year 1930, 86.62 per cent of the amount of the contributions due for the year was received from the States Members as against 89 per cent in 1929. The total amount received, including working capital, on account of arrears during 1930 was 1,038,218.21 francs, as compared with 634,981.53 francs during 1929.

The Secretariat of the League showed a surplus of 273,101.07 francs on December 31st, 1930, and the Permanent Court of International Justice a surplus of 385,976.75 francs. On the same date the International Labour Organisation showed a deficit of 535,179 francs.

The budget for 1932 amounts to 35,407,109 francs as compared with 31,637,501 francs for 1931. There is a net increase in the budget of the International Labour Office of 389,158 francs. The Disarmament Conference involves an increased credit of 3,700,000 francs and there is an appropriation of 480,000 francs for the development of liaison with China.

REDUCTION OF ARMAMENTS.

WORK OF THE PREPARATORY COMMISSION FOR THE DISARMAMENT CONFERENCE.

The Assembly, on September 30th, 1930, expressed its conviction that the Preparatory Commission for the Disarmament Conference would, during its next session, to be held in November 1930, be able to complete its work on a preliminary draft Convention for the reduction and limitation of armaments and thus enable the Council to convene a Disarmament Conference at an early date. The Preparatory Commission met at Geneva from November 6th to December 9th, 1930. It drew up a draft Convention and a final report.

THE DRAFT CONVENTION.

The Convention opens with a general article under which the contracting parties agree to limit and as far as possible reduce their respective armaments in accordance with its provisions. The Convention provides for the limitation of effectives in time of peace, a limitation of the period of service in conscript armies, an indirect limitation of land material by means of a limitation of expenditure on armaments, a direct limitation of naval material, a limitation of expenditure on material for naval armaments, a limitation of the total horse-power for dirigibles and aircraft and a total limitation of annual expenditure on land, sea and air armed forces and formations organised on a military basis. It provides for publicity in respect of each of these limitations, for the prohibition, subject to reciprocity, of the use of chemical arms and for the absolute prohibition of bacteriological methods of warfare. It also contains provisions for the creation of a permanent Disarmament Commission.

THE REPORT OF THE PREPARATORY COMMISSION.

The report of the Preparatory Commission contains a commentary on the text of the draft Convention and gives particulars of all the reservations, whether general or particular, submitted by the delegations during the framing of the various texts. Certain Governments state that a reduction of some or all of the categories of armaments is not possible for them, as their present forces are insufficient to guarantee national safety. Other Governments reserve the right to submit further definite proposals to the Disarmament Conference. The German delegation declares that it will vote against the draft Convention as a whole, on the ground that it excludes essential elements from the limitation and reduction of land armaments and may even allow armaments to be increased. The American delegation makes a reservation in regard to the budgetary limitation of armaments, and the delegate of the Union of Soviet Socialist Republics declares that the attitude of his Government is negative.

The Preparatory Commission observes that it will be for the Conference itself, not only to decide as to the adoption of the draft Convention, but also to define its practical scope by fixing in figures the extent of the undertakings which it involves. It represents that the successful discharge of this complicated and delicate task will depend first and foremost on a thorough and systematic preparation of the Conference, and in a large measure on the atmosphere that will prevail during its proceedings. It invites the Council to take the necessary
steps for the preparation of the Conference and to fix the date of its meeting. The President of the Preparatory Commission, while recognising that the draft Convention does not settle all divergencies of principle among the various Powers with regard to disarmament, emphasises that never before in the history of the world have the nations contemplated an international regulation of the means of national defence and that this fact alone gives to the work of the Commission a profound significance.

PRELIMINARY MEASURES TAKEN BY THE COUNCIL.

The Council began its preparatory work for the Disarmament Conference during its session held in January 1931. It fixed the date for the convening of the Conference for Tuesday, February 2nd, 1932. It requested the Secretary-General to forward to the Governments the report of the Preparatory Commission and the preliminary draft Convention. It further asked him to obtain from the Governments particulars of the present position as to their armaments and to secure such advice as might be necessary in order to complete the technical scheme embodied in the Convention. He was authorised, in particular, to obtain the views of the Governments on the proposals of the Committee of Experts on Budgetary Questions and to request the Communications and Transit Organisation of the League of Nations to convene a meeting of experts with a view to fixing rules for the adoption of a standard horse-power measurement for aeroplane and dirigible engines.

The Council, during its May session, reviewed the results of this preliminary work. The Secretary-General had, between the January and May sessions of the Council, received particulars of the present position as to their armaments from the Governments of the Grand Duchy of Luxemburg, Finland and the Union of Soviet Socialist Republics. He had also received proposals from the British and German delegations as to the form in which the information supplied by Governments concerning their armaments should be given.

The British Government suggested that the preliminary exchange of information between the Governments as to the position of their armaments would be considerably more useful to the Disarmament Conference if it were supplied by each Government on a uniform model, and they submitted detailed proposals based on the publicity tables annexed to the draft Convention. The German Government, while agreeing that the information should be supplied on a uniform model, did not regard information supplied on the basis of the publicity tables annexed to the draft Convention as adequate, and it submitted tables providing for fuller information, particularly regarding material — in service and in stock — of land, sea and air armaments and regarding trained reserves.

The Council considered the German and British proposals at its meetings on May 20th and May 23rd, 1931. The representative of Great Britain emphasised that the publicity tables attached to the draft Convention had been adopted by the Preparatory Commission after full discussion, and that the German proposal was based on principles constantly advocated by the German Government but as constantly rejected by the majority of other countries. The German representative urged that the particulars supplied by the Governments should include all the essential factors of armaments and that the Disarmament Conference could neither obtain a clear idea as to the reduction of war material required by the different States, nor assess the military forces represented by the effectives of the different armies, unless it was supplied with complete and accurate tables.

The representative of Spain, acting as rapporteur, summarised the conclusions of the Council at its meeting of May 23rd, 1931. The British proposal was not ideal, but it was important to concentrate upon what appeared to be feasible, and the German proposal was based upon principles which, after lengthy discussion, had not been accepted by the Preparatory Commission. The Governments invited to the Conference should therefore be asked to supply the information required in accordance with the tables mentioned in the British proposal. The information should be forwarded to the Secretary-General not later than September 15th, so that it might be simultaneously interchanged between the Governments which had supplied it.

The German representative, not wishing to prevent unanimity from being achieved, abstained from voting on the report.

The Council decided, in January, that Geneva should be the seat of the Conference, provided the town was in a position to offer all the requisite facilities. The Secretary-General was able to assure the Council in May that these facilities would be adequate and the Council accordingly confirmed its previous decision.
THE BUDGETARY LIMITATION OF ARMAMENTS.

The Preparatory Commission adopted, during its session in November and December 1930, the principle of the limitation of expenditure on armaments. The Committee of Experts on budgetary questions, first constituted in November 1926, accordingly resumed its work at Geneva in December 1930. It was invited to study the methods of publicity and of the limitation of expenditure on armaments which the Preparatory Commission had decided to embody in the draft Convention. The Committee of Experts adopted a unanimous report, a draft annex to the Convention, a model form of budgetary expenditure and certain tables. The report was sent direct to the Governments in March 1931 in accordance with a decision of the Council.

The Council in May decided that the Governments should be asked to fill in the model form.

PRIVATE MANUFACTURE OF ARMS, AMMUNITION AND IMPLEMENTS OF WAR.

The Assembly, in 1930, recommended that the Special Commission appointed to frame a draft Convention on the supervision of the private manufacture of arms, ammunition and implements of war should be convened as soon as possible after the completion of the work of the Preparatory Commission for the Disarmament Conference. The Council, however, on considering the matter in January 1931, noted that the recommendations of the budgetary experts might have a direct bearing on the solution of certain problems entrusted to the Special Commission and therefore decided to postpone the convening of the Special Commission until the Committee of Budgetary Experts had submitted a final report.

The budgetary experts subsequently found it impossible to recommend any method of detailed publicity by categories in regard to material of war. The Council accordingly came to the conclusion that it would be for the Disarmament Conference to regulate, when the time came, the question of publicity in regard to war material and therefore decided that it would serve no useful purpose to convene the Special Commission until after the Disarmament Conference had met.

ARBITRATION AND SECURITY.

The Assembly, during its session in 1930, considered a report from the Committee on Arbitration and Security on the possibility of transforming into a general Convention the Model Treaty to strengthen the means of preventing War drawn up in 1928. The Committee on Arbitration and Security had not found it possible to submit the text of a general Convention, but, in respect of certain articles, had drafted two alternative texts, subject to reservations. The Assembly noted, however, the degree of progress which had been made in its third Committee in reconciling the different points of view and asked the Council to instruct a special Committee to continue the study of the question.

The special Committee, consisting of representatives of France, Germany, Great Britain, Greece, Guatemala, Italy, Japan, the Netherlands, Norway, Poland, Spain and Yugoslavia, met at Geneva from May 11th to 15th, 1931, and unanimously adopted a draft general Convention, with certain reservations, covering the questions on which the Committee on Arbitration and Security had only been able to submit alternative texts. The report of the special Committee, with the draft Convention, has been distributed to the Members of the League with a view to its examination by the forthcoming Assembly.

The Council has drawn special attention to a recommendation made by the special Committee to the effect that the Members of the League should give their delegates to the Assembly the necessary instructions to take a definite decision on the text and the necessary powers to sign the Convention, if they so desire, in the event of it being approved by the Assembly.

COMMISSION OF ENQUIRY FOR EUROPEAN UNION.

ORIGIN OF THE ENQUIRY.

During the session of the Assembly in 1929, M. Briand, Foreign Minister of France, announced that he had under consideration a scheme for closer union between the European States. The scheme was embodied in a memorandum which was distributed in May 1930 to the twenty-seven Governments of Europe, Members of the League, and during the months
that followed, certain of these Governments formulated their observations, which were duly forwarded to the Government of France.

On September 9th, 1930, at a private meeting held in the Council Room of the League of Nations at Geneva, representatives of the European Members of the League met and considered what further action should be taken. A resolution was adopted noting the results of the enquiry and expressing the conviction that a close collaboration of European Governments in all fields of activity would provide an essential guarantee for the maintenance of peace in the world. It was explicitly recognised that any action contemplated should be taken in full agreement with the League of Nations and with due respect to all the principles of the Covenant.

As a result of this resolution, the question was placed on the agenda of the Assembly, which, on September 17th, 1930, invited the Governments of the European States Members of the League of Nations, acting with the assistance of the Secretariat as a Commission of the League, to pursue their enquiry into the possibility of a closer co-operation between themselves. It requested that the first results of this enquiry should be embodied in definite proposals to be submitted to the Assembly in 1931. The Governments were reminded that, in so far as such co-operation might seem to them to be useful for the pursuit of their enquiry, it was open to them to conduct it in conjunction with non-European Members and non-member Governments.

There have been three sessions of the Commission of Enquiry — on September 3rd, 1930; from January 16th to January 21st, 1931; and from May 15th to May 21st, 1931.

**Organisation and Procedure.**

The Commission has elected for its Chairman, M. Briand, and appointed as its Secretary the Secretary-General of the League.

The Secretary-General was instructed in September 1930 to collect such information as might assist it in carrying out its task, and in January 1931 he presented to the Commission a report on certain technical questions which had already been examined or were in course of examination by the League, bearing directly or indirectly on the economic crisis and of special interest to the European States. The International Labour Office also submitted a memorandum on questions within its competence. The Commission, after considering this material and the proposals of certain Governments, adopted in January 1931 a series of resolutions involving the appointment of special ad hoc committees to consider particular questions.

The Commission has declared itself to be a Commission of the League of Nations, whose duty it is to submit reports to the Assembly or the Council, which will decide on the effect to be given to its recommendations, the interests of all the Members of the League being thus secured. It may resort for assistance to the technical bodies and advisory committees of the League. The meetings of the Commission are open to extra-European States Members of the League, even if they do not sit on the Commission.

Members of the Commission desiring to place questions on its agenda are asked to communicate with the Secretary-General. The discussions of the Commission will, in principle, be public.

The Commission has invited the Governments of Iceland, Turkey, the Union of Soviet Socialist Republics and the Free City of Danzig to participate in the enquiry on the economic crisis in so far as it affects Europe.

The Commission, in May, appointed an Economic Co-ordination Sub-Committee to co-ordinate the work of the special committees. The Sub-Committee will submit a general report to the Commission of Enquiry in September.

**General Political Situation.**

The Commission, meeting in January, expressed the view that economic recovery was being hindered by lack of confidence in the course of future events, due to widespread political anxiety, and that it was important for the improvement of economic conditions that there should be a firm assurance of European peace. The members of the Commission, as Foreign Ministers or responsible representatives of European States, asserted their determination to use the machinery of the League to prevent any resort to violence.

**Disposal of the Grain Surplus of 1930.**

The Commission, during its session in January, suggested that the representatives of the grain exporting countries of Central and Eastern Europe and the European importing countries should meet at an early date and make a common effort to find a means of disposing of the
existing grain surplus. A Conference of the countries concerned met in February and the representatives of certain of these countries undertook to arrange for the necessary contracts to be made for the purchase by the importing countries of the stocks of wheat available.

**THE EXPORT OF FUTURE HARVEST SURPLUSES.**

The Commission, in January 1931, set up a Committee to study measures which might facilitate the export of future harvest surpluses, including tariff arrangements. The Committee consisting of representatives of Austria, Belgium, Czechoslovakia, Estonia, France, German, the British Empire, Italy, Norway, Switzerland and Yugoslavia, met in February 1931. It expressed the view that it would be an advantage for producers in all continents to co-operate in meeting the crisis which had arisen from the over-production of cereals throughout the world.

The Commission also considered specific proposals for improving the European situation including conditions and cost of transport, banking facilities for the purchase and sale of cereals and methods of payment. More particularly it was requested to examine the Customs advantages which certain European countries had been asked to accord to the exporting countries of Central and Eastern Europe and it is trying to devise some scheme whereby an exceptional preferential system may be regularly applied and co-ordinated as between the exporting and the importing States. The Commission of Enquiry has emphasised that any such facilities would have to be regarded as an exceptional temporary measure and framed with due regard to the interest of third Parties.

**AGRICULTURAL CREDITS.**

The Commission noted, in January 1931, that the Financial Committee of the League was enquiring into the subject of agricultural credits. It appointed a Committee to keep in touch with the enquiry, so that a detailed programme, both financial and legal, might be submitted to the Council of the League.

This Committee met in April 1931 to examine a draft Convention, a constituent Charter and the Statute of an International Agricultural Mortgage Credit Company prepared by a delegation of the Financial Committee of the League. (For particulars of the scheme, see under "Financial Questions ".)

**PROBLEMS OF PRODUCTION AND TRADE.**

The Commission of Enquiry has closely followed the proceedings of the Conference which met in November 1930 and again in March 1931 with a view to putting into force the Commercial Convention of March 24th, 1930, and it asked the Council, during its session in May, to convene a meeting at an appropriate moment, with a view to the application of the principles formulated in that Convention. Meanwhile, it recommends the European States to conform as far as possible with those principles. (For the proceedings of the Conferences of November 1930 and March 1931 see under "Economic Questions ".)

The Commission further decided, during its session in May, to convene a Committee of Experts to examine all likely means of establishing closer and more effective co-operation between the different countries with a view to improving, in the general interest, the organisation of their production and trade. This Committee will work in contact with the Governments and avail itself of the technical services of the League. It will consist of members appointed by Belgium, Great Britain, Czechoslovakia, France, Germany, Italy, Netherlands, Sweden and the Union of Soviet Socialist Republics.

The Commission considered it desirable that the work of mutual aid among the European countries should include an effective policy of financial co-operation more especially in the matter of long-term credit. It accordingly requested the Council to appoint a small committee of Government representatives to consider, with the help of a delegation of the Financial Committee, what practical steps could be taken to facilitate the issue of State loans of an international character by means of a more active intervention on the part of the League.

**UNEMPLOYMENT.**

The Commission of Enquiry, during its May session, appointed a Sub-Committee of six of its members to study, with six members of the Governing Body of the International Labour
Office, the problem of unemployment and to consider a scheme submitted by the International Institute of Agriculture for the better use of all the factors constituting production.

AUSTRIA.

The Commission during its May session noted a proposal that a committee should be set up to consider measures by which the difficulties peculiar to Austria might be remedied. The representative of Austria stated that this Government proposed, if necessary, itself to submit suggestions concerning the problems peculiar to Austria for consideration by the Special Committees appointed by the Commission. The Commission approved this procedure.

PACT OF ECONOMIC NON-AGGRESSION.

The Commission further considered a draft Protocol submitted by the delegation of the Union of Soviet Socialist Republics and referred it for further consideration to the Economic Co-Ordination Sub-Committee.

MISCELLANEOUS QUESTIONS.

The Commission of Enquiry has expressed its interest in a number of economic and transit problems and has asked the Council to have them considered by the appropriate Technical Organisations of the League. Among these questions are the trade in products of animal origin, international exchanges of electrical power, Customs exemption for liquid fuel, Customs nomenclature and the treatment of foreigners.

THE AUSTRO-GERMAN PROTOCOL FOR THE ESTABLISHMENT OF A CUSTOMS UNION.

The Austro-German Protocol for the establishment of a Customs Union was signed and published on March 19th, 1931, in Vienna. It embodied proposals for an agreement between the two countries under which a single Customs law and a single Customs tariff would be put into force in their territories and in accordance with which no Customs duty on imports or exports would be levied on exchanges of goods between them. The question, at the request of the representative of Great Britain, was placed on the agenda of the Council and considered by the Council on May 18th and 19th, 1931.

The British representative, indicating the motives which had led him to take this step, said that doubts had been expressed whether the terms of the Protocol might not be contrary to the stipulations of certain international instruments. The question appeared to involve the consideration of purely legal problems, for the solution of which a system of procedure had been provided by the League. He accordingly moved that the Permanent Court of International Justice should be asked to give an advisory opinion on the question whether the system which Germany and Austria were proposing to establish under the Protocol would be compatible with Article 88 of the Treaty of St. Germain and with Protocol No. 1, signed at Geneva on October 4th, 1922.

Under Article 88 of the Treaty of St. Germain, the independence of Austria is declared inalienable, otherwise than with the consent of the Council of the League, and Austria undertakes to abstain from any act which might directly or indirectly, compromise her independence. The Protocol of October 4th, 1922, was the instrument under which Austria was accorded a loan under the auspices of the League with a view to her financial reconstruction. It includes an undertaking on the part of Austria to abstain from any negotiations calculated directly or indirectly to compromise her independence and not to grant to any State a special regime or exclusive advantages calculated to threaten that independence.

The British proposal to ask for an advisory opinion from the Court was adopted unanimously by the Council. During the discussion, declarations were made by the representatives of Austria, Belgium, Czechoslovakia, France, Germany, Italy and Yugoslavia.
POLITICAL QUESTIONS.

RELATIONS BETWEEN POLAND AND LITHUANIA.

The Council, during its session in January 1931, and on May 24th 1931, considered reports from the representatives of Poland and Lithuania on the direct negotiations carried out between the two Governments at the request made by the Council in September 1930, and on incidents which had occurred in the region of the administrative line between the two countries.

No agreement by negotiation was reached between the parties. The Polish and Lithuanian Ministers for Foreign Affairs, however, have given explicit assurances that adequate measures have been taken to avoid any incidents in future and the Council noted in May that its intervention had resulted in an immediate restoration of tranquillity along the administrative line.

THE TERRITORY OF MEMEL.

The German Government, on September 20th, 1930, forwarded to the Secretary-General a communication on the position which had arisen in the territory of Memel, proposing that the question as a matter of urgency should be placed on the agenda. The German Government represented that the Convention of Memel of May 8th, 1924, had been infringed in the following respects: (1) failure to observe democratic and parliamentary principles in the constitution of the Directorate, (2) obstruction of the Diet’s legislative work, (3) encroachment upon judicial sovereignty, (4) hindrances to the operation of the financial regulations laid down in Article 35 of the Statute of Memel, (5) maintenance and application of the state of war, (6) interference with the freedom of suffrage.

The Lithuanian Government contended that the request of the German Government could not be a subject of discussion before the Council. The Council however was advised by a committee of jurists that the question might be placed on the agenda.

The most urgent questions were settled immediately by means of direct conversation between the German and Lithuanian representatives. During the Council session in May 1931, agreement was reached regarding the settlement of the financial questions, for which the Lithuanian representative requested the assistance of League experts. There remained only the legal questions concerning the application of the Memel Convention, in regard to which the Council was informed that the Members of the Council, signatories of the Memel Convention, the British Empire, France, Italy and Japan, were negotiating with the Lithuanian Government on the basis of the application of Article 17 (paragraph 2) of that instrument.

THE STRAITS COMMISSION.

The Secretary-General has received the annual report of the Straits Commission forwarded to the League of Nations under Article 15 of the Straits Convention of July 24th, 1923. The report has been communicated to the States Members of the League, to the Powers that signed the Straits Convention and to the technical organisations of the League.

The Commission protests in its report against the levying of taxes on vessels in transit through the Straits.

ADMINISTRATIVE QUESTIONS.

THE TERRITORY OF THE SAAR.

The Council, during its meetings on September 9th and September 12th, 1930, dealt with the question of freedom of transport and transit on the Saar railways.

The representative of Germany, at a meeting of the Council on September 9th, 1930, urged that, owing to the evacuation of the Rhineland, there was no longer any reason for maintaining forces to protect the Saar railways, and he asked the Council to take an immediate decision for their suppression.

The Saar Governing Commission was accordingly asked to consider whether it could guarantee freedom of transport and transit in the Saar, as provided in the Treaty, and upon what conditions. The Governing Commission declared that, in the event of the Council deciding to
withdraw the forces protecting the Saar railways, it was prepared, on certain conditions, to assume responsibility for their security.

The Council, on September 12th, thereupon decided to suppress the protecting forces and this decision was duly carried into effect.

The French and Belgian troops composing the Railway Commission and the protecting forces left the Saar on December 12th, 1930.

THE FREE CITY OF DANZIG.

The High Commissioner of Danzig, in July 1930, communicated to the Council a law for the amending of the Constitution of the Free City, in order that the League of Nations might decide whether it had any objections to the modifications proposed. The principal amendments relate to the number of deputies elected to the Popular Assembly, the conditions under which the Popular Assembly may be dissolved and the number and constitutional position of the senators.

The Council, on September 9th, 1930, authorised the High Commissioner to inform the Senate of Danzig that the League of Nations had no objection to these amendments.

The recent elections in Danzig resulted in a strengthening of the extreme parties of the right and left, and a situation was created which led to a series of demonstrations and incidents between Danzigers and Poles which ultimately caused the diplomatic representative of Poland at Danzig to resign his post. The Council on May 22nd, 1930, examined a special report of the High Commissioner concerning these incidents and approved the attitude which he had adopted. The Council expressed its disapproval of any action directed against the status of the Free City from any quarter whatsoever, and expressed its conviction that all necessary steps would be taken to restore a spirit of confidence as between Poland and Danzig and to calm public opinion in the two countries.

The Council, on September 9th, 1930, noted an advisory opinion of the Permanent Court of International Justice to the effect that the special legal status of the Free City of Danzig was not such as to enable the Free City to become a member of the International Labour Organisation. The text of this opinion was communicated to the Director of the International Labour Office.

A certain number of agreements during the period under review have been concluded between the Government of Danzig and the Polish Government, either directly or through the High Commissioner, and a certain number of questions have been submitted to the High Commissioner for mediation.

THE PROTECTION OF MINORITIES.

The Council has during the period under review, considered a number of cases relating to Upper Silesia under the provisions of the Convention between Germany and Poland of May 15th, 1922, and it has examined in detail the situation of the German minority in the districts of Silesia, Poznan and Pomorze with respect to incidents which took place during the preparation of the last Polish elections.

The Council was asked, in January 1931, to consider representations to the effect that the German minority in Poland and Silesia had been prevented from freely exercising their electoral rights and had been subjected to attacks against their persons and property.

In accordance with a decision adopted by the Council on the proposal of its Rapporteur on January 24th, 1931, the Polish Government forwarded a statement on the measures and decisions taken as a result of the incidents which had occurred and on the general steps which the Polish authorities were taking to encourage the pacific collaboration of all the elements of the Silesian population. The Council, on May 23rd, 1931, had before it a further statement of its Rapporteur but decided, at the request of the German representative, to postpone its examination until September.

A question raised by the descendants of the members of the former Szekler Hungarian Frontier Guard was placed on the Council agenda by the members of the Committee of Three which had examined the petition. The Council was informed that the Roumanian Government was anxious to find a friendly solution of the question by negotiation with the signatories of the petition, and accordingly decided on May 21st, 1931, to postpone the examination of the question to its autumn session.

The procedure followed in dealing with minorities petitions as set forth in the supplementary report of the Secretary-General submitted to the Assembly in 1925, completed by the supplementary report to the Assembly in 1929, has been regularly applied during the current year.
In conformity with this procedure, in addition to the Minorities Committees which met regularly during the Council sessions, a certain number also met between the Council sessions of January and May 1931. Whenever the examination of a petition was completed without its being placed on the agenda of the Council the members of the Committee concerned informed by letter the other members of the Council of the results.

MANDATES.

SESSIONS OF THE MANDATES COMMISSION.

The Mandates Commission, in 1930, held three sessions — a seventeenth session (extraordinary) held from June 3rd to June 30th, which was devoted to the events which had occurred in Palestine in August 1929; an eighteenth session, held from June 18th to July 1st, which examined the annual reports on the administration of Syria and the Lebanon, Tanganyika Territory, Togoland under French Mandate, New Guinea and South West Africa for 1929; and a nineteenth session, held in November 1930, which examined the administration of the mandated territories for 1929 of Iraq, the Cameroons under French mandate, Togoland and the Cameroons under British mandate, Ruanda Urundi, Western Samoa, the islands under Japanese mandate and Nauru.

The reports of the Commission on the work of its seventeenth and eighteenth sessions were duly considered and approved by the Council in September 1930. The report of the Commission on the work of its nineteenth session was considered and approved by the Council in January, 1931.

WESTERN SAMOA.

The Mandates Commission, during its session held in November 1930, again reviewed the position which had arisen in Western Samoa as a result of certain incidents which had been reported to the Council by the mandatory Power on its own initiative in January 1930. There had been open resistance to the administration on the part of a native organisation known as the "Mau". The accredited representative of the mandatory Power assured the Commission that the leaders of the "Mau" had submitted and that the natives accused of offences during the disorders had been handed over to the judicial authorities.

The Mandates Commission learned with satisfaction that the administration of Samoa proposed to co-operate again with the native representatives and to accord them a constantly increasing share in the management of their own affairs.

THE ISLANDS UNDER JAPANESE MANDATE.

The Commission, during its nineteenth session, drew attention to the continuous and rapid fall in the numbers of the native population of the islands under Japanese mandate, especially the island of Yap, and expressed a hope that the efforts made by the Mandatory to discover the causes of this phenomenon would yield positive results.

IRAQ.

The Commission reviewed the administration of Iraq in the light of the recent announcement made by the British Government that it was proposing to terminate the British mandate in Iraq and to recommend that Iraq should be admitted to the League of Nations in 1932. The Commission felt that it had not yet sufficient information at its disposal to justify it in formulating an opinion on the progress achieved by Iraq as a result of eight years under the mandatory system. It accordingly expressed the hope that the mandatory Power would in future reports endeavour to indicate the results so far accomplished which might be attributed to the action of the British officials and those which must be attributed to the efforts of the Iraqi Government itself.

The report of the Commission was examined by the Council on January 22nd, 1931. The British representative on that occasion intimated that steps would be taken to prepare a comprehensive review of the progress made in Iraq under the mandate.

The Mandates Commission, in its observations on the political situation in Iraq, emphasised that respect should be assured for the rights of racial and linguistic minorities and, in this connection, gave special attention to the situation of the Kurdish minority. The Commission
had some misgivings as to the position of the minorities in Iraq in view of the preparations being made for the complete independence of the territory and for the withdrawal of the supervision of the mandatory administration. It noted a statement of the accredited representative of the mandatory Power to the effect that Iraq, on obtaining her freedom, would undoubtedly be prepared to accept international obligations safeguarding the rights of minorities in her territory.

The Kurdish minority had presented to the Commission a petition representing that the provision made for special treatment of the Kurds under the decisions reached by the Council on December 16th, 1925, whereby the area in which it lived had been assigned to Iraq, involved an obligation on the part of the mandatory Power to establish an independent Kurdish Government under the supervision of the League. The Mandates Commission considered this to be an erroneous interpretation of the decision, but recommended that the mandatory Power should be requested to ensure that legislative and administrative measures designed to secure for the Kurds the position to which they were entitled were promptly put into effect.

The Council, on January 22nd, 1931, approved these conclusions and forwarded them to the mandatory Power. The British representative on the Council assured his colleagues that no time would be lost in carrying into full effect the necessary programme of legislative and administrative reforms.

**PALESTINE.**

The Council, on September 8th, 1930, examined the report of the Mandates Commission on the work of its seventeenth session (extraordinary), held in June 1930, together with the observations of the mandatory Government on that report. It will be recalled that this session was devoted to an enquiry into the events which had occurred in Palestine in August 1929.

The Council invited the British Government to adopt such measures as it might think fit to give effect to the recommendations and the conclusions of the Commission. It noted that the report of the Commission contained remarks on the policy to be henceforth followed in Palestine. It did not regard this circumstance as an attempt on the part of the Commission to supplant the mandatory Power in the exercise of its duties, but expressed the view that the Commission had been guided entirely by the letter and spirit of the mandate and by its desire to contribute to the solution of the problem. It added that the difficulties in the way of finding a solution of the Palestine problem were bound to embarrass even a Power with the widest experience in governing peoples of diverse characteristics.

The British representative on the Council said that his Government was in full accord with the observations of the Commission as to the aims and obligations of the mandate for Palestine. He announced that the British Government had sent to Palestine Sir John Hope Simpson, an expert in land settlement and colonisation, to report on the present position in regard to these matters and in particular upon the questions of immigration and development. He assured the Council that the British Government intended to adopt measures with a view to promoting goodwill between the two sections of the population in the conviction that, without such goodwill, the peace and prosperity of Palestine could not be assured by any action of the mandatory Power alone.

**ECONOMIC QUESTIONS.**

**Concerted Economic Action:** The Commercial Convention of March 24th, 1930.

The Economic Committee, in addition to the problems which it has been considering for some time consequent upon the recommendations of the World Economic Conference of 1927, has in the past year been dealing also with problems arising out of the first Conference for Concerted Economic Action of last year, with special reference to problems which have a direct bearing on the present economic depression.

The first Conference for Concerted Economic Action adopted on March 24th, 1930, a Commercial Convention intended to ensure a certain degree of stability in Customs tariffs over a definite period. Attached to the Convention was a Protocol embodying a programme of future negotiations, to be undertaken by the States concerned, with a view to drawing up collective economic agreements. The entry into force of the Commercial Convention was contingent upon the fulfilment of certain conditions as to its ratification and a second Conference...
was called on November 17th, 1930, to consider whether those conditions might be regarded as having been fulfilled. Up to that date only ten ratifications of the Convention had been deposited and the Conference was accordingly obliged to postpone its decision to a second session, which met from March 16th to 18th, 1931.

Twenty-five European countries took part in the Conference and six overseas countries sent observers. At the date of meeting, twelve countries had deposited ratifications and one other country had submitted a request to accede. It was found impossible to put the Convention into force as between these thirteen countries, particularly as the majority made their adherence contingent upon that of other countries which had not yet ratified.

The Conference, after considering a number of proposals put forward with a view to overcoming the difficulties arising from the absence of the necessary ratifications, finally adopted a Protocol to the effect that it was unable to agree upon a date for putting the Convention into force, expressing the opinion, however, that the postponement or lapse of the Convention did not necessarily mean that the negotiations between States with a view to collective economic agreements would not go forward according to the programme laid down in the Protocol of March 24th, 1930.

The second Conference for Concerted Economic Action had also to consider how these negotiations might best be initiated on the basis of a programme drawn up by the Economic Committee. The Economic Committee, after considering various proposals submitted by the Governments, had recommended that special attention should be given to three of them.

The first two proposals, put forward respectively by the British and the Netherlands Governments, related to tariff negotiations in general. The British Government suggested that an endeavour should be made to effect a general reduction of Customs tariffs by means of multilateral agreements between groups of countries to be gradually extended. The Netherlands Government suggested that negotiations should be started between States having an autonomous tariff and States with a conventional tariff, the first group undertaking to maintain their liberal system in return for tariff reductions by the second group. The third proposal was put forward by Hungary, Roumania and Yugoslavia, with whom Poland was also associated. These countries asked that effective steps should be taken to ensure the disposal of their surplus grain produce at prices which would secure to the farmer a better return and they suggested, as a means to this end, that preferential Customs treatment should be accorded to the produce in question by the countries in which it was normally marketed.

It became apparent that, in present circumstances, collective negotiations upon the basis of the British and Netherlands proposals were not likely to lead very far, though several countries expressed willingness to enter into bilateral negotiations with Great Britain and the Netherlands for the improvement of their commercial relations. The proposal of the Danubian States for preferential treatment of their grain produce also met with considerable difficulties, particularly in connection with the most-favoured-nation clause.

The Conference therefore directed its attention to the problem of agricultural credits, of particular importance to the Danubian States, and decided to recommend that the study of this question, already on the programme of the Financial Committee, should be urgently pursued.

**VETERINARY RESTRICTIONS.**

Attention was drawn during the International Conference for the Abolition of Import and Export Prohibitions and Restrictions, held in 1927, to the difficulties which arose for the international trade in live-stock and meat owing to the imposition of veterinary restrictions. A sub-committee of experts on veterinary matters was accordingly appointed to consider what guarantees should be given by countries exporting live-stock and what facilities might be accorded by importing countries on the basis of these guarantees. The sub-committee, between January 1928 and October 1930, held four sessions, secured the assistance of over-seas experts from the large meat-exporting countries and drafted a report which was submitted to the Economic Committee in November 1930.

The experts agreed as to the principles which should govern the organisation of veterinary health services and reached definite conclusions as to the essential guarantees to be offered by exporting to importing States. The Economic Committee, after carefully considering these conclusions, expressed the view that, pending the introduction of adequate guarantees, States should be allowed to regulate in their own interest a considerable part of the international trade in live-stock and meat and that arrangements for mitigating the severity of the veterinary
measures at present in force would, for the moment, be more completely secured by means of bilateral agreements than by general international action. The conclusions of the experts indicated, however, that the countries concerned would probably accept international conventions dealing with certain aspects of the problem.

Draft conventions have accordingly been prepared concerning: (a) the organisation of veterinary health services and the methods to be adopted for exchanging veterinary health information and ensuring closer co-operation between the different veterinary services; (b) the transit of animals and animal products, including meat and (c) the export and import of animal products other than meat.

The Council has authorised the Secretary-General to communicate these drafts to the Governments for their observations and with a view to an international conference as soon as the texts have been finally approved by the Economic Committee.

**The Crisis in Agriculture.**

The Economic Committee, in consultation with representatives of the International Institute of Agriculture in Rome, called together in January 1930 a meeting of agricultural experts to give their views on the agricultural crisis, more particularly on the question of cereals. The experts undertook to forward reports to the Secretariat and, in January 1931, a second meeting was convened to consider them. The discussions turned mainly on the question of cereals. Emphasis was laid on the practical difficulties in the way of reducing production, but the way was left open for further negotiations.

The Economic Committee proposes to publish the reports of the experts and has instructed its agricultural delegation to submit to the Council a general review of the agricultural depression to serve as a general introduction to the reports.

**The Most-Favoured-Nation Clause.**

The Assembly, in 1930, urgently recommended that the Economic Committee should begin a study of certain disputed questions concerning the application of the most-favoured-nation clause. The points to be examined include the question whether Customs quotas and anti-dumping or countervailing duties are compatible with the spirit of the clause. The Economic Committee in October 1930 instructed a Sub-Committee to study these and other points.

**Dumping.**

The Committee is continuing its investigations into dumping in all its forms, with particular reference to practices adopted by certain States likely to hinder the free play of economic laws. It has made arrangements for a report to be prepared on dumping, its causes and effects, machinery and the most flagrant forms which it may assume. Particular attention will be paid to export bounties.

**Customs Nomenclature: The Application of Tariffs.**

The work of the experts on the Unification of Customs nomenclature is now virtually completed, and the full scheme will probably be ready before the Assembly meets in 1931. Among the other questions with which the Economic Committee has dealt during the period under review, are methods of applying specific tariffs, the simplification of Customs formalities, marks and appellations of origin and the establishment of a permanent organ of conciliation and arbitration for the settlement of disputes which may arise between States in commercial matters.

**The Conference for the Unification of Laws on Bills of Exchange, Promissory Notes and Cheques.**

The Conference convened in June 1930 for the Unification of Laws on Bills of Exchange, Promissory Notes and Cheques established three Conventions dealing with bills of exchange and promissory notes, which were signed by the delegates at the close of the proceedings. The Conference, owing to lack of time and the extreme complexity of the subject,
was unable to deal finally with the unification of laws relating to cheques and it recommended that subsequent enquiries should be made. The Governments were accordingly invited to submit their views upon three preliminary draft Conventions dealing with cheques. Replies received from twenty-three Governments and from the International Chamber of Commerce indicated that there was a unanimous desire for the conclusion of conventions on cheques similar to those which had been drafted to cover bills of exchange and promissory notes.

The Council of the League accordingly convened a second session of the Conference, which met on February 23rd, 1931, and was attended by the representatives of thirty-one countries. The Conference adopted a Convention under which the parties undertook to introduce a uniform law for cheques in their respective countries, a Convention embodying the provisions for the solution of certain conflicts of laws in connection with cheques and a Convention on the stamp laws relating to cheques. The results achieved by the Conference represent the culmination of efforts made during the past twenty years to introduce a certain degree of uniformity in the various countries of the world into the laws relating to cheques.

The three Conventions and the Final Act were, at the close of the proceedings, signed by the representatives of twenty countries.

ECONOMIC STATISTICS.

The International Convention relating to Economic Statistics, which was designed to ensure a measure of uniformity and comparability in the compilation of statistics by the various countries of the world, signed at Geneva in December 1928, came into force in December 1930. The Convention provides for the appointment of a committee of technical experts to which is entrusted an extensive programme of work.

The Committee was appointed by the Council in January 1931 and held its first meeting on March 23rd, 1931. It devoted the major part of its time to the organisation of its future work, but agreement was reached on two specific and urgent questions. First it drew up for adoption by all the parties to the Convention a minimum list of the statistical territories, whether isolated or grouped together, to be specified in the statistics of external trade by countries. Secondly, it submitted definite recommendations for the organisation of an experiment to be undertaken by the contracting parties to the Convention for a period of one year in recording external trade statistics of certain commodities, mainly foodstuffs and raw materials of international importance, according to the three main systems of registration at present in use. The object of the experiment is to render it possible to judge the relative merits of the different systems and prepare the way for the possible adoption of a uniform system by all countries.

ENQUIRY INTO THE PRESENT ECONOMIC DEPRESSION.

The Assembly in September 1930 adopted a resolution to the effect that the Economic and Financial Organisation of the League should undertake a study of the course and phases of the present economic depression and of the circumstances which had led up to it. For this purpose, it was instructed to get into touch with the national organisations which were dealing with the subject.

In pursuance of this resolution, a meeting of representatives of national economic councils and national research institutes was held at Geneva from March 2nd to March 4th, 1931. A scheme of enquiry was discussed, and the delegates agreed to furnish memoranda on a common plan dealing with the phenomena of the depression in their respective countries.

THE VISIT TO INDIA OF THE DIRECTOR OF THE ECONOMIC AND FINANCIAL ORGANISATION

The Government of India, in the autumn of 1930, requested that Sir Arthur Salter, Director of the Economic and Financial Organisation of the League, should visit India to advise upon the creation of some organisation for the “study of economic questions, including both the continuous interpretation of current developments and the consideration of plans designed to achieve particular purposes”. The results of the specific enquiry which Sir Arthur Salter was invited to make are embodied in a report dated February 16th, 1931, which has been sent to all the Members of the League and to the Indian Government.
The Secretary-General informed Sir Arthur Salter, previous to his visit, that members of the Indian delegation to the Assembly had on many occasions expressed regret at the insufficiency of the knowledge possessed in India regarding the past work and possibilities of future collaboration of the various organisations of the League, and in particular of the technical organisations. Sir Arthur Salter, during his visit to India, was able to acquaint the Indian Government with many aspects of the work of the League, especially in the technical field, and to discuss generally with the authorities the development of India’s participation in that work.

FINANCIAL QUESTIONS.

Financial Reconstruction.

The Financial Committee, in a report to the Council adopted by that body and by the Assembly in September 1930, pointed out that the scope and character of its work was changing and that the nature of the change had become clearly apparent during the course of the previous twelve months. During the first ten years of its existence the principal work of the Committee had been to assist in financial reconstruction or the establishment of refugees in certain countries, and this work had naturally tended to the postponement of the more normal duties of the Committee as financial adviser to the League within the framework of the Covenant.

The work of the financial reconstruction and refugee settlement is now nearing completion. The Refugee Settlement Commission in Greece has been wound up and the official connection of the Financial Committee with the Greek Government has come to an end, while the work of settling the refugees in Bulgaria will shortly be completed. Owing to the resignation of M. Charron, a new adviser to the Bulgarian National Bank, M. Watteau, has been appointed and the Financial Committee, at the request of the Government of Bulgaria, has undertaken an intensive enquiry into the Bulgarian agricultural co-operative system. The adviser nominated by the Council of the League to the Estonian Central Bank has completed his term of office and his withdrawal closes another chapter in the post-war reconstruction work of the League.

The Enquiry into Gold Supplies.

Apart from the work done in connection with the final stages of these reconstruction schemes, the two principal tasks which have been occupying the attention of the Financial Committees are the enquiry into the monetary gold problem and agricultural credits. These subjects have been referred to two special delegations of the Committee, a Gold Delegation and an Agricultural Credits Delegation. The Gold Delegation has published two interim reports dealing with (a) the current and prospective production of gold in relation to the demand for gold and (b) its distribution.

Agricultural Credits.

The Conference with a view to Concerted Economic Action drew the attention of the Council last year to the fact that the shortage of capital for agriculture constituted a serious hindrance to commercial relations between industrial and agricultural countries and urged a better organisation of agricultural credits. The question was referred by the Council to the technical organisations of the League, including the Financial Committee, with the result that an international convention and the constitutive charter and statutes of a mortgage institute, to be known as the International Agricultural Mortgage Credit Company, were drawn up by a delegation of the Financial Committee, under the chairmanship of M. ter Meulen, of whose work the Commission for European Union and the Council have expressed their warm appreciation.

The Convention has so far been signed by sixteen European Governments. The Council has appointed an Organising Committee to take all steps required for the first issue of the shares of the international company, for its organisation and operations. The Organising Committee held its first meeting in Paris on June 4th, and the Bank should be open early next year.

The purpose of the plan and of the collective effort on the part of European States which it entails is, in the words of the Financial Committee, to “alleviate the burdens which weigh on agricultural production in various countries, to diminish the working expenses which absorb too large a share of the profits and to increase the purchasing capacity of the agriculturists.”
TRANSIT QUESTIONS.

UNIFICATION OF BUOYAGE AND LIGHTING OF COASTS.

Three important conferences dealing with transit questions have been held during the period under review: a Conference for the Unification of Buoyage and Lighting of Coasts met at Lisbon on October 6th, 1930; a Conference for the Unification of River Law met at Geneva on November 17th, 1930; a European Conference on Road Traffic met at Geneva in March 1931. The preparatory work for these conferences has taken several years to complete and represents a considerable effort on the part of the Transit Organisation to secure greater simplicity and uniformity in the international organisation of communications and transit.

The Conference for the Unification of Buoyage and Lighting of Coasts adopted two agreements and a series of recommendations. Under the first agreement, signed by twenty-one States, the contracting parties undertake to unify certain descriptions of maritime signals. Under the second agreement, signed by twenty-three States, the contracting parties undertake to unify certain rules in respect of manned lightships which have broken loose from their moorings. The recommendations, signed by twenty-six States, were framed with a view to providing, in a rational and uniform manner for the organisation of new lighthouse systems or the improvement of those already in existence, by means of an effective distribution of the characteristics available. They also laid down certain principles governing the installation and working of radio beacons.

The problem of the unification of buoyage presented serious difficulties and the Conference was unable to establish an agreed convention. It was found that accord on certain fundamental questions was necessary before a complete system of unification could be approved. Twelve countries were prepared to accept a uniform regional solution, but it was realised that any kind of fragmentary agreement might render more difficult the ultimate process of general unification. The Conference accordingly, after framing a series of uniform rules to be applied in the event of a general agreement on the main questions at issue being reached, decided to postpone further work in order that the Governments concerned might endeavour to agree upon a complete solution within the next twelve months. The Conference expressed the hope that it would then be able to meet again with every prospect of ultimate success.

UNIFICATION OF RIVER LAW.

The Conference for the Unification of River Law met at Geneva from November 17th to December 9th, 1930. It was attended by representatives from twenty-one countries and by delegates from the various international river commissions and other international associations interested in the subject. The Conference adopted three Conventions and a final act, to which were appended a number of recommendations.

The first Convention, signed by fourteen States, embodies the provisions which shall govern as between the contracting parties the compensation due in respect of damage to vessels, persons or objects on board as the result of collision between inland navigation vessels. The second Convention, signed by thirteen States, deals with the registration of inland navigation vessels, ownership, mortgages, liens, seizures and enforcement. The third Convention, signed by eight States, determines the conditions under which inland navigation vessels shall be accorded the right to a national flag.

EUROPEAN CONFERENCE ON ROAD TRAFFIC.

The European Conference on Road Traffic was attended by twenty-four States and delegates from the more important international tourist associations and organisations interested in tourist or commercial transport.

The Conference adopted an international Convention for the unification of road signals signed by twelve States, and a recommendation to the effect that a system of codification should, as soon as possible, be internationally established for signs made by traffic police and by drivers of vehicles.

The Conference adopted a Convention on the taxation of foreign motor vehicles, signed by ten States. The Convention exempts from taxation foreign motor vehicles, but not vehicles
use: commercially for the transport of persons or goods, circulating for a period of ninety days in the country visited. The Conference, in approving the Convention, recommended that the contracting parties should endeavour, either through internal legislation or by agreement among themselves, to extend as widely as possible the system of tax exemption laid down in the Convention and to improve the methods of applying it.

It further approved an agreement between Customs authorities, signed by eleven States, facilitating the procedure relating to triptychs and removing certain practical difficulties arising for tourists under the present system.

The Conference was unable to come to an agreement upon a convention for the international regulation of commercial motor transport. Owing to the continuous and considerable development of motor traffic during the past few years, it was impossible for many of the delegates to appreciate the exact consequences to the signatories of a convention dealing with the matter. The Conference therefore decided to suspend its work on the convention, at the same time emphasising the expediency of referring to a future conference the task of finding an international solution of the problem. It recommended that, pending the conclusion of an international convention, separate agreements should be made between States on as liberal a basis as possible.

THE FOURTH GENERAL CONFERENCE ON COMMUNICATIONS AND TRANSIT.

The Advisory and Technical Committee for Communications and Transit has established the agenda of the Fourth General Conference on Communications and Transit which will meet on October 26th, 1931. Among the specific questions to be discussed are the steps to be taken in the event of grave occurrences of a general character affecting routes of communication and the economic and social aspects of a stabilisation of Easter and of a simplification of the calendar.

HEALTH QUESTIONS.

DEVELOPMENT AND REORGANISATION OF THE WORK OF THE HEALTH COMMITTEE.

The Assembly, in 1930, expressed the hope that the experience gained by the Health Organisation during the previous ten years might be made available in increasing measure to Member States of the League, and noted with satisfaction that its activities were extending to countries in all parts of the world, being specially exercised in those which had invited the technical advice of the League on the development of their public health services.

The Health Committee during its session held in October 1930 reorganised its methods of work in the light of these developments. There are certain permanent duties of the Health Organisation which will be subject to relatively slight modification beyond such technical improvements as may be introduced. The epidemiological and statistical services belong to this class of work, while it will also be a permanent duty of the Organisation to keep continuously in touch with the health administrations of the various countries by means of collective study tours and individual missions. Several commissions of the Health Committee, moreover, such as those dealing with opium questions, malaria, cancer, leprosy, diphtheria, whooping-cough, scarlet fever and the standardisation of sera have, by the nature of their task, more or less permanent duties to perform.

There is, however, another class of questions for which a new method of work has been created. Governments are asking the Health Committee for advice on methods to be applied and technical schemes to be adopted in dealing with the many administrative and medical problems in the field of public health with which they are concerned, and the Committee, in order to meet these requests, has felt it necessary to establish for each question a more limited and adaptable machinery than the old system of commissions. The new method consists in appointing small drafting committees formed of a chairman and three or four experts, who may consult any other technical officers or competent authorities in the course of their enquiries. Such committees have been formed to deal with maternal and infant welfare, the health of the child of school age and adolescence, the campaign against tuberculosis, questions relating to venereal diseases, smallpox, cancer, rheumatism, diseases of the heart, health centres, the
administration of medical assistance by public authorities, the relations between public health and sickness insurance, the teaching of medicine, human sleeping-sickness, the problem of nutrition and physical education.

REORGANISATION OF THE HEALTH SERVICES IN BOLIVIA.

The President of the Republic of Bolivia on June 29th, 1929, requested the assistance of the Health Committee in the reorganisation of the health services of his country. Two experts of the Health Organisation went to Bolivia in April 1930 to make preliminary enquiries and the Bolivian Director-General of Health came to Europe in October of that year to make a study of public health work in several European countries. The Health Committee decided, in May 1931, to assist the Government of Bolivia in training abroad a certain number of public health officers to constitute a nucleus of the new public health services of Bolivia, to study the distribution of diseases in tropical and sub-tropical regions of Bolivia and to advise the Bolivian Government as to the development of the proposed scheme of reorganisation. An expert of the Health Organisation of the League will shortly go to Bolivia as the result of this decision.

THE ENQUIRY INTO INFANT MORTALITY IN LATIN AMERICA.

A Conference of Health Experts on Child Welfare was, at the invitation of the Government of Peru, convened at Lima in July 1930 by the Health Organisation, to discuss the results of the enquiries into infant mortality previously carried out in the Argentine, Brazil, Chile and Uruguay. The Conference was invited to consider the organisation of similar enquiries in other South-American countries and was attended by representatives of Colombia, Ecuador, Peru and Venezuela. The Health Organisation was represented at the Conference by Professor Debree and Dr. Olsen, who subsequently visited Chile, the Argentine, Uruguay and Brazil. A report on the enquiry was approved by the Health Committee in October 1930 in which the economic, legislative, sanitary and educational measures to be adopted with a view to reducing infant mortality were indicated.

SEROLOGICAL CONGRESS AT MONTEVIDEO.

A delegate of the Health Committee was, at the request of the Government of Uruguay, appointed to preside over the South-American Serological Congress held at Montevideo in September 1930 by the Institute for the Prevention of Syphilis in that city and a representative of the Health Organisation attended the Congress. The Conference was attended by experts from the Argentine, Brazil, Chile, Uruguay and Paraguay. It suggested, in view of the importance of the results achieved, that the Health Organisation should invite the Institute at Montevideo to continue its work on the sero-diagnosis of syphilis in collaboration with the Danish State Serum Institute which acts as the central laboratory of the Health Organisation.

REORGANISATION OF THE HEALTH SERVICES IN CHINA.

Proposals of the National Government of the Republic of China for collaboration with the League in public health matters were approved by the Council of the League in May 1930. An important item in this programme was the reorganisation of the quarantine services of Chinese ports, and a scheme of reorganisation, approved by the health and transit experts of the League, was sent to the Chinese Minister of Health in November 1930. A Chinese national quarantine service has now been working for nearly a year in Shanghai and for six months in Amoy.

Another important item in the programme of reorganisation was the establishment of a central field health station at Nanking, to become the nucleus of a national field health service and the headquarters of a technical body of officials who will, in due course, be competent to supervise and initiate the necessary measures of reform. The station is being actively organised and some of its services have begun work.

A first national hospital, established at Nanking, is already rendering excellent services to the local population and will ultimately develop into a large medical and health unit in full activity.

The Chinese Minister of Finance has allocated the sum of $1,000,000 for the establishment of the institutions considered to be essential for the development of the services of the health station, and of this sum $400,000 has already been placed at the disposal of the Chinese Minister of Health.
A striking feature of the Chinese development scheme is its insistence upon the value of publicity and propaganda among the younger generation. A national commission, assisted by an expert of the Health Organisation, is drafting a model programme of medical education adapted to the special needs of the country.

REORGANISATION OF THE HEALTH SERVICES IN GREECE.

The reorganisation by Greece of its public health services with the assistance of the Health Organisation of the League is now well under way. Arrangements have been made to ensure permanent contact between the Greek health administration and the technical services created under the new plan. An important element is the School of Hygiene at Athens, which has been working since March of this year.

EPIDEMIOLOGICAL INTELLIGENCE SERVICE.

The work of the Eastern Bureau at Singapore becomes increasingly effective owing to technical improvements in transmitting the notification of infectious diseases on board ship. Contributions to the expenses of the Bureau have been received from Japan, the Straits Settlements, the Netherlands East Indies, French Indo-China, Federal Malay States and the Philippine Islands.

MALARIA STUDIES.

Considerable progress has been made with the studies and enquiries of the Malaria Commission in India, Greece, Bolivia and the river deltas. Important technical studies in the treatment of Malaria have been organised. As a result of an enquiry in New Guinea and the Pacific Islands made under League auspices in 1928-1929, the Malaria Commission has considered the question of an entomological survey in Melanesia, with special reference to malaria and filariasis.

THE LEPROSY COMMISSION.

The Leprosy Commission, which met at Bangkok during the eighth congress of the Far Eastern Associations in Tropical Medicine in December 1930, has succeeded in establishing, for the first time, certain principles of leprosy prophylaxis in keeping with scientific developments and the practical experience acquired during the last thirty years. Its members took part in a Conference on Leprosy convened by the Leonard Wood Memorial for the Eradication of Leprosy at Manila in January 1931.

A representative of the Health Organisation has made a study of leprosy in several countries of Latin America, and an international centre for the study of leprosy has been established in Brazil under the auspices of the League of Nations.

FORTHCOMING CONFERENCE ON RURAL HYGIENE.

The Council in September 1930 on the proposal of the Spanish Government decided that a Conference of European States should be convened at Geneva for a general technical study of the problem of rural hygiene. A preparatory committee has undertaken the preliminary enquiries and the Conference was convened to meet on June 29th, 1931. Three items have been placed on the agenda of the Conference: medical care in rural districts, the organisation of health services in rural districts and sanitation.

HEALTH SCHOOLS AND THE TRAINING OF EXPERTS.

The Health Organisation is taking an increasing interest in the training of health experts. Reference has been made to the health school established at Athens and the central field health station in China. The Health Organisation has inaugurated in recent years a series of meetings between directors of schools of public hygiene: Warsaw in 1926, Budapest and Zagreb in 1927 and Dresden in 1930. These meetings will continue to be held in various countries in order that there may be a periodical exchange of experiences on the part of persons responsible for the direction of health schools with a view to establishing certain principles for the teaching of hygiene in all countries.

The Council of the League on September 24th, 1930, accepted a proposal of the French Government to create an international school of advanced health studies in Paris, with a view
to supplementing the interchanges and individual studies of the League of Nations by means of a permanent teaching institution. The new school will aim at extending the instruction given in national schools of hygiene by means of international courses, thus preparing the directors of national health services for their duties and providing facilities for the training of health experts and administrators.

THE LEAGUE OF NATIONS AND CHINA.

At the request of the National Government of China, the Director of the Economic and Financial Section and the Director of the Communications and Transit Section of the Secretariat visited that country early in the year, in order to discuss the effect of the present world depression on her activities and the specific problems of her inland waterways and the reclamation of land. The Director of the Health Section, as noted above, was already in conference with the Chinese Government and assisting in the re-organisation of the Chinese health services.

The Chinese Government, following this visit, set up a National Economic Council and asked for further advice in connection with its plan of reconstruction. It submitted a draft scheme of co-operation with the technical organisations of the League, which was approved in its general lines by the League Council on May 19th, 1931.

A proposal of the Chinese Government that the League might also assist it in finding advisers for the development of the Chinese educational system and in bringing China's intellectual centres of activity into touch with those abroad has been referred to the international Committee on intellectual Co-operation.

THE LEAGUE OF NATIONS AND LIBERIA.

The International Commission of Enquiry in Liberia, set up in the autumn of 1929 at the request of the Government of Liberia to examine whether forced labour and slavery existed in that country, submitted its report to the Liberian Government on September 8th, 1930, and at the request of the British Government the report was considered by the Council on January 22nd, 1931. The representative of Liberia stated that his Government was prepared to accept the recommendations of the Commission of Enquiry as a basis for improvements in Liberian social policy to the full extent of its resources and he asked the Council to assist his Government in carrying out these suggestions.

The Council appointed a small committee, selected from among its own members, to examine this request. The committee, meeting in January 1931 at Geneva and in February 1931 in London, decided to send to Liberia a mission composed of three competent experts in general administration, finance and public health, considering that further information would be necessary before a scheme under which Liberia might receive the proposed assistance could be framed.

THE TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS.

THE RATIFICATION OF THE GENEVA CONVENTION OF 1925.

The Geneva Opium Convention of 1925 has now been ratified by a greater number of States than any other agreement concluded under the auspices of the League. The total number of ratifications in January 1931 stood at forty-four. Despite frequent and urgent appeals, however, by the Council and the Assembly, a large number of States have not yet ratified the largest single group being found amongst the countries of Latin America. Only five out of twenty of these States have deposited ratifications.

THE ILLICIT TRAFFIC: EFFECTS OF THE APPLICATION OF THE IMPORT CERTIFICATE SYSTEM.

The Advisory Committee on the Traffic in Opium, which met for its fourteenth session in January-February 1931, was in a better position than in previous years to appreciate the full effect of the coming into force of the Geneva Convention in the principal manufacturing countries. The Secretariat submitted, for the period 1925 to the second half of 1930, an
exhaustive study in all its aspects of the trade in drugs and especially of the relations between the licit and illicit traffic. It was shown that, while the illicit traffic, particularly during the years 1926-1929, had exceeded all previous estimates, a remarkable change had been effected in the situation at the beginning of 1930. The Geneva Convention had come into effect in the principal manufacturing countries of importance to the traffic, and the esters of morphine had been brought under full control. There was consequently, in 1930, a striking decrease in the manufacture and export of drugs in respect of the chief manufacturing countries of Europe and a notable decrease in the seizures of drugs originating from them. The important results achieved by the effective application of the Geneva Convention were most clearly seen in France, where a new system of control, involving a strict application of the import certificate system, had been introduced by the French Government on January 1st, 1929, and where, as a consequence, the imports and exports of narcotic drugs had fallen to very low figures.

The Advisory Committee was deeply impressed by the fact that, at a moment when the grave situation in regard to the illicit traffic from the European countries had been largely, if not completely, remedied, a new danger had suddenly appeared, owing to the manufacture on a very large scale of morphine and heroin in a country which was not a Member of the League or a party to the Opium Conventions. Evidence was produced showing that Turkey had become the principal source of supply for the illicit traffic in Egypt and there were large exports of drugs from Turkey to countries which had not been notified of such consignments and presumably had not received them. The Committee expressed the view that only a strict application in Turkey of the import certificate system would make it possible to remedy a state of affairs which constituted a real menace to the whole world.

Another source of danger, particularly for India, was noted, arising from the illicit traffic in cocaine from the Far East. A considerable quantity of this cocaine bore Japanese marks of origin and it was admitted by the Japanese delegate that, prior to 1930, when new regulations came into force in Japan, the control of narcotic drugs in that country had not been sufficiently strict. The Japanese delegate explained that, under the new system of control, there would henceforth be a strict supervision in Japan of the trade in narcotic drugs at all stages.

The situation in Persia has for many years caused the Advisory Committee much anxiety. Considerable quantities of Persian opium have recently been illicitly exported into the Far East, and the Committee noted with interest a declaration made by the Persian representative on the Council in January 1931, that, under an exclusive concession recently granted by the Persian Monopoly Service for the total export of Persian opium, the holder undertook to submit a certificate from the importing country for each consignment of opium despatched. This arrangement amounts, in fact, to an application of the Geneva Convention.

The Chinese Government enacted new legislation during 1929 amending and supplementing the existing law with a view to introducing a stricter form of control and a national agency for narcotic drugs has been established. The Chinese delegate on the Committee emphasised the necessity of co-operation between China and the other Powers, owing to the enormous quantities of drugs of European and Japanese origin illicitly introduced into China. He submitted principles which in his view should govern co-operation between the Chinese authorities and the Powers which had signed the Hague Opium Convention of 1912 for the suppression of the drug industry in the settlements, concessions and leased territories in China. The Advisory Committee unanimously approved the principle of co-operation between the Chinese Government and the Treaty Powers but was unable to accept the suggestions made by the Chinese Government as presented or to form any definite or final opinion upon them.

The Advisory Committee, after reviewing the illicit seizures and statistics at its disposal, concluded that the suppression of the illicit traffic depended upon three fundamental conditions: adequate legislation, adequate administration to apply that legislation and international co-operation. It requested the Secretariat to study the legislation at present in force in the various countries and ascertain to what extent it was in harmony with the Geneva Convention. It noted that progress had been made on the administrative side, but drew attention to specific defects and indicated how they might in future be remedied. Finally, it urged the necessity of closer co-operation between the authorities of the various countries.
PREPARATION OF THE CONFERENCE ON THE LIMITATION OF THE MANUFACTURE OF NARCOTICS.

The Conference on the Limitation of the Manufacture of Narcotics met in Geneva on May 27th, 1931.

The proposals framed by the Advisory Committee as a basis for the work of the Conference involved extending measures of limitation and control to substances not covered by the Geneva Convention of 1925 and the Secretary-General had accordingly asked the Governments to ensure that their delegates to the Conference should have full powers to discuss the limitation of all derivatives of opium and the coca leaf, as well as the control of the quantities to be limited by the future Convention.

The three fundamental points of the scheme established by the Advisory Committee in 1930 were as follows:

(1) The world manufacture of narcotic drugs should be limited each year to a specific quantity, on the basis of the estimates to be supplied by all countries of the quantities of narcotic drugs required each year for medical and scientific purposes;

(2) The fraction of this total quantity to be manufactured by each of the manufacturing countries should be fixed in advance by means of agreements concluded between them according to a system of quotas;

(3) The necessary arrangement should be made to provide each country with supplies of narcotic drugs up to the amounts indicated in its estimates.

A preliminary conference between representatives of the manufacturing countries and of the principal manufacturing firms met in October-November 1930 in London to confer upon the allocation of the quotas of the drugs to be manufactured and upon the arrangements for their distribution among the consuming countries.

The Advisory Committee, in January 1931, devoted the first half of a long session to a detailed examination of the scheme in the light of these preliminary negotiations. Its discussions were based on a draft Convention submitted by the British delegate, which aimed at an objective presentation of the views and decisions reached in London and of the proposals embodied in the scheme which the Advisory Committee had previously approved. It was understood, however, that the acceptance of this draft as a basis did not preclude the simultaneous examination of other schemes and that it was subject to any substantial amendments which might be moved.

The plan met with detailed criticism by representatives of some of the non-manufacturing countries and of countries which had not accepted the quota system as necessarily the most practical and effective method of limitation. The Advisory Committee, in its report to the Council, was careful to indicate that the submission to the Conference of a draft Convention, approved by the majority as basis of discussion, did not exclude the consideration of other proposals and solutions.

ENQUIRY INTO OPIUM-SMOKING IN THE FAR EAST.

The report of the Commission of Enquiry appointed by the Council in March 1929 to undertake a comprehensive review of the facts relating to the control of opium-smoking in the Far East, and the difficulties created for the Government of the Far East by the continued prevalence of the illicit traffic in opium was submitted to the Council in January 1931.

The Commission left Geneva in 1929 and visited Burma, the Straits Settlements, the Federated Malay States, the Dutch East Indies, Siam, the Union of Indo-China and Kwangchow-wan, Hong-kong, Macao, Formosa, Kwantung leased territory, the South Manchuria Railway zone and the Philippine Islands. It received official information regarding the position in the Unfederated Malay States, Sarawak, Brunei and British North Borneo. The Commission thus covered by its enquiry all the territories of the Far East where opium-smoking occurs to an appreciable extent, except China.

The Commission, in its report, reviews the general situation in the Far East with regard to opium-smoking and deals with the main features of the opium policies pursued by the various Governments. It finally concludes against a policy of total prohibition, expressing the view
that it is better for the opium habit to be gradually suppressed by legalising smoking for confirmed addicts and supplying them with Government opium.

**The Permanent Opium Central Board.**

The Permanent Opium Central Board submitted to the Council in January 1931 a report in which, for the first time, it was able to embody definite conclusions and to make definite recommendations as a result of its examination of the statistics submitted to it for 1929. It submitted recommendations with a view to securing more complete and regular statistics from the Governments parties to the Geneva Convention of 1925 and put forward certain suggestions with a view to their consideration by the Conference on the Limitation of the Manufacture of Narcotic Drugs.

**Protection and Welfare of Children and Young People.**

**The Traffic in Women and Children.**

The Traffic in Women and Children Committee held its tenth session in Geneva, from April 21st to 27th, 1931.

Thirty-six Governments are now parties to the International Convention for the Suppression of the Traffic in Women and Children of 1921. The Committee suggests that all the Governments not Members of the League who have not acceded to the Convention should be asked whether they are prepared to do so.

The successful application of the Convention of 1921 necessarily depends on the efficient organisation and working of the central authorities responsible in the various countries for the co-ordination of all information relating to the traffic and empowered to correspond directly with similar departments established in other countries. The Committee considers that the duties of the central authorities are not sufficiently co-ordinated and not sufficiently uniform. It has therefore suggested that the Governments represented on the Committee should be asked for their observations and suggestions regarding the existing defects of the system and possible remedies.

Twenty-six annual reports were received from the Governments in 1929 on the suppression of traffic in women and children. The Committee has considered these reports, together with those of the voluntary organisations. Among the subjects to which special attention was given by the Committee, was a consideration of the rules to be followed in preparing propaganda films against the traffic, the importance of limiting the validity of passports issued to minors, the employment of women police, the assistance given to deported prostitutes, the protection of music-hall artistes, the abolition of the age-limit, the suppression of obscene publications and the steps taken by the voluntary organisations for protection and relief.

Twenty-six Governments have declared in favour of abolishing the age-limit in the Convention of 1910 as amended by that of 1921. Several Governments, however, have made reservations in regard to this proposal and the Committee will reconsider the question next year.

The Committee has for several years been considering how best to effect the suppression of the souteneur. It appointed a legal sub-committee in 1930 which has suggested that a Protocol should be drafted supplementary to the Convention of 1921. The Committee has adopted a preliminary draft Protocol and requested the Council to submit it to Governments Members of the League and signatories of the Convention of 1921 for their observations.

It is provided in the final act of the International Conference for the Suppression of Obscene Publications that the Secretariat of the League should periodically issue a questionnaire on the trade in obscene publications. The Committee framed a questionnaire in 1930 to be sent to the Governments parties to the Convention. Thirty-three Governments have replied to the questionnaire and a very complete collection of the laws on the subject has been obtained.

The Committee has collected further information on the employment of women police as a preventive measure. It is of opinion that definite conclusions would still be premature and that the different countries must be left full latitude in adapting the work of their women police to their own peculiar circumstances. It strongly recommends, however, in view of the results obtained by the employment of women police, that they should be more widely used, and emphasises the effective part which may be played by them in the campaign against the traffic.
The Travelling Commission on Traffic in Women and Children in the Far East is continuing its studies and will present its report in due course.

The International Bureau for the Suppression of the Traffic in Women and Children has submitted to the Advisory Committee a draft Convention for the repatriation of prostitutes. Resolutions protesting against the scheme have, however, been received from thirty-four organisations on the general grounds that it would tend to reintroduce a regulationist system in the countries which have abolished it and would rather facilitate than impede the activities of traffickers. The question has been adjourned, but arrangements have been made to study the whole question of repatriation in the light of the discussions and suggestions put forward.

**CHILD WELFARE.**

The Child Welfare Committee held its seventh session at Geneva from April 14th to April 18th, 1931. It was concerned mainly with the consideration of draft conventions which it has had under preparation for some considerable time and with the study of the organisation and work of the auxiliary services of juvenile courts.

It further amended its preliminary draft Convention for the return of children and young people to their homes, and asked the Council to forward it to all Governments to serve as a model for multilateral or bilateral agreements.

The question was raised at a meeting of the Council on May 15th, 1930, whether the Committee would be well advised to devote further time to its preliminary draft Convention on assistance to foreign minors. It was urged that the question of assistance to foreigners should be considered as a whole and that it was not always easy to make a clear distinction between questions concerning children and questions concerning adults. The Assembly in 1930, however, expressed the view that, while the problem of assistance to foreigners deserved study as a whole, it did not necessarily follow that the Child Welfare Committee should abandon the enquiry to which it had already devoted considerable attention. Some countries have since declared that the Convention is acceptable in its present form; other countries have urged that the question of assistance to foreign minors cannot be dealt with in a satisfactory manner without reference to the families to which they belong. The Committee, feeling that it cannot undertake the study of so extensive a problem without going beyond its competence, now recommends that the Council should set up a special committee, to which experts would be appointed by certain Governments, with a view to preparing a preliminary draft international Convention dealing with the question as a whole.

The Child Welfare Committee in 1930 proposed that an effort should be made to frame international agreements on the recognition and enforcement of maintenance orders abroad. The Council, however, took the view that the question proposed for study went beyond the competence of the Committee, though it saw no objection to the mandate of the Committee being extended to cover it, provided that no objections were raised by the Governments concerned. Seventeen countries have since communicated their views and the Council, in January 1931, asked the Child Welfare Committee to submit a further report on the subject. The Committee recognises that, while the subject has an important bearing on child welfare, maintenance orders may benefit adults as well as children. The subject may therefore be outside its competence, and it recommends that the question should be referred to the special Committee to which it proposes to refer the question of assistance to foreign minors.

The Council on May 20th, 1931, approved the recommendations of the Child Welfare Committee. The special committee will be appointed by the Council in September.

The Child Welfare Committee has made further progress with its enquiry into juvenile courts and their auxiliary services and with its enquiry concerning children in moral or social danger and illegitimate children. It has still further developed its system of co-operation with other organisations of the League, such as the International Labour Organisation, the Health Committee and the International Educational Cinematographic Institute.

**PENAL ADMINISTRATION.**

The Assembly, in 1930, asked the Council to communicate to the Governments States Members and non-members of the League for their consideration a set of standard minimum rules for the treatment of prisoners recently drawn up by the International Prison Commission. The Secretary-General was requested to submit the standard rules to various bodies of the League for their observations and to confer with the representatives of the International
Prison Commission with a view to considering the best way in which the League might assist that Commission in its efforts to secure an improvement in prison administration.

The International Prison Commission has indicated a programme of possible co-operation with the League of Nations, urging that, though the penal systems in force in the various countries are governed by national legislation, which necessarily varies according to circumstances, there are, nevertheless, certain international aspects in regard to which the co-operation of the League might be of the greatest assistance.

REFUGEES.

The Assembly, in 1930, decided that the work on behalf of refugees should be reorganised. The political and legal protection of the refugees remains entrusted to the regular bodies of the League of Nations. The humanitarian side of the work, on the other hand, for which hitherto the High Commissariat has been responsible, will henceforth be entrusted to an international office placed under the authority of the League in accordance with the principles of Article 24 of the Covenant.

The Council, during its session in January 1931, examined and approved the Statutes of the International Office, and, on April 1st, 1931, the Refugees Section of the Secretariat of the League was dissolved and the International Office entered upon its duties.

The Governing Body of the International Office has held two sessions during the period under review. It is preparing a plan for the liquidation of the refugee work by the end of 1939, and has approved the creation of a Nansen Memorial Fund. An appeal on behalf of this fund was issued on April 13th, the first anniversary of the death of Nansen.

INTELLECTUAL CO-OPERATION.

The proposals made by the Committee of Enquiry appointed to study the programme of work and organisation of the Committee on Intellectual Co-operation and of the organisations under its authority were approved by the Assembly in 1930 and have been carried into effect.

The International Committee, as an advisory body of the Council and Assembly, directs the work and supervises the general activity of the Organisation, meeting once a year as a Committee and once a year as a Governing Body of the Institute.

Between the annual sessions of the International Committee an Executive Committee follows and directs the development of intellectual co-operation and carries into effect any decisions which may be taken, while, between the annual sessions of the Governing Body, a Committee of Directors manages the affairs of the Institute. The Executive Committee and the Committee of Directors, which are composed of the same persons, sit simultaneously four times a year in Paris or Geneva.

The Sub-Committees of the International Committee have been suppressed, one of the Sub-Committees, the Sub-Committee for Arts and Letters, being replaced by a permanent committee. The work formerly done by the Sub-Committees is now entrusted to Committees or groups of experts appointed to deal with special subjects.

The International Committee has been partially renewed and the Permanent Committee for Arts and Letters has been duly constituted.

The International Institute of Intellectual Co-operation has adapted its organisation and programme of work to the new scheme. The number of State delegates accredited to the Institute remains at 44.


The major part of the conclusions of the Committee of Enquiry appointed by the Assembly in 1929 to prepare a Report on the organisation of the Secretariat, the International Labour Office and the Registry of the Permanent Court of International Justice were approved last year by the Assembly as endorsed or amended by its Fourth Committee. The Secretary-General was requested to amend the Staff Regulations in accordance with these proposals and to take all necessary measures to ensure the application of a staff pensions scheme as from January 1st, 1931.
There were certain questions, however, affecting more particularly the position of the principal officers of the Secretariat, in regard to which the Committee of Enquiry had failed to reach unanimous conclusions, and there were also questions on which the Assembly did not desire at that moment to take a final decision. These questions were referred to a new Committee of Enquiry with instructions to submit a report in due time for examination by States Members of the League of Nations and submission to the Assembly in 1931.

The new Committee of Enquiry met at Geneva from February 2nd to February 5th, 1931, and its conclusions will be presented to the Assembly in September.

VISIT OF THE SECRETARY-GENERAL TO CERTAIN LATIN-AMERICAN COUNTRIES.

On September 25th, 1930, the Council received a communication from the Government of Uruguay requesting the Secretary-General to take part, as representative of the League of Nations, in the celebration of the first centenary of the independence of Uruguay, which was to be held in Montevideo the following December. The Council authorised the Secretary-General to accept this invitation and also to visit, if he were invited, other Latin-American countries whose capitals were on or near the coast.

The Secretary-General left Geneva on December 3, 1930, and arrived at Montevideo on December 24th. He returned to Geneva on February 16, 1931, having visited — in addition to Montevideo — Rio de Janeiro, Buenos Aires, Santiago de Chile, Lima, Panama and Havana. In all these capitals, the Secretary-General was received by the President and the Minister for Foreign Affairs and, so far as time permitted, met leaders of official and parliamentary, Press and university circles and members of the corps diplomatique.

On May 18th, 1931, the Council took note of a letter from the Minister for Foreign Affairs of Uruguay expressing the gratification of the Uruguayan Government and people at having had the opportunity of receiving the Secretary-General at Montevideo. On behalf of the Council, the President expressed its appreciation of this friendly message and also of the warm welcome and generous hospitality accorded to the representative of the League, in the person of the Secretary-General, in Montevideo and in the other Latin-American capitals which he had visited.
1. LEGAL QUESTIONS.

I. AMENDMENT OF THE COVENANT OF THE LEAGUE OF NATIONS IN ORDER TO BRING IT INTO HARMONY WITH THE PACT OF PARIS.

The Assembly in 1930 referred to its First Committee certain proposals for the amendment of the Covenant of the League. These proposals had been drawn up by the Committee, known as the Committee of Eleven, appointed by the Council under a resolution adopted by the Assembly on September 24th, 1929. The Committee of Eleven was to report "as to the amendments in the Covenant of the League which are necessary to bring it into harmony with the Pact of Paris ".

The First Committee of the Assembly, after a general discussion of the texts proposed by the Committee of Eleven, referred them to a Sub-Committee, which laid before the Committee a series of amendments differing in some important respects from those submitted to it. The Sub-Committee considered it preferable not to invite the Assembly to take an immediate decision upon the subject, but to allow the Governments further time to examine it. It accordingly submitted the following resolution which was approved by the First Committee and adopted by the Assembly on October 4th, 1930.

"The Assembly,
Believing it to be necessary to incorporate in the Covenant of the League of Nations the general prohibition of resort to war and the principle that the settlement of international disputes should never be sought except by pacific means;
Appreciating the great value of the report made by the Committee of Eleven;
Taking account of the fact that, on some points, the First Committee has been led to consider changes in the proposed texts, and that, in the course of the discussion, certain political aspects of the question have come into view which render it desirable for it to be further studied:
Requests the Secretary-General to submit to the Governments of the Members of the League the report of the Committee of Eleven and that of the First Committee, asking them to formulate their observations before June 1st, 1931, and to state, if they so desire, what amendments to the Covenant would, in their opinion, be best suited to attain the objects in view."

The Secretary-General has consulted the Members of the League as required by the above resolution (Circular Letter 304.1930.V, dated November 20th, 1930). A certain number of replies have already been received and have been communicated to the Members of the League. These replies will be reproduced in a document which will be submitted to the Assembly at its session of the present year. The report of the Committee of Eleven, that of the First Committee of the Assembly and a table showing in parallel columns the existing text of the Covenant, the amendments proposed by the Committee of Eleven and the text drawn up by the Sub-Committee of the First Committee were distributed to the Governments with the Secretary-General’s Circular Letter (document C.623.M.245.1930.V).

II. RATIFICATION OF CONVENTIONS CONCLUDED UNDER THE AUSPICES OF THE LEAGUE OF NATIONS.

The resolution on this subject, adopted by the Assembly on October 3rd, 1930, instructed the Secretary-General to address two enquiries to the Governments with regard to conventions already concluded under the auspices of the League.

(a) Under Section I of the resolution, the Secretary-General must each year request any Member of the League, or non-member State, which has signed any such general convention but failed to ratify it before the expiry of one year from the end of the period for which the convention was open for signature, to inform him what are its intentions with regard to the ratification of the convention. This information must be requested in sufficient time to permit of the replies being communicated to the Assembly at its session of the same year.

(b) Under Section II of the resolution, the Secretary-General, at such times and at such intervals as seem suitable in the circumstances, is to request any Member of the League which has neither signed nor acceded to a general convention concluded under the League’s auspices within five years from the date on which the convention became open for signature, to state its views with regard to the convention — in particular as to whether there is any possibility of
its acceding thereto, or whether it has objections to the substance of the convention which prevent it from accepting it. The replies received are to be communicated to the Assembly.

The Secretary-General considered that it would be in conformity with the intentions of the Assembly that action should be taken in the present year under this section of the resolution as regards all the conventions to which it was applicable. Each Member of the League has accordingly been asked for information as to its attitude with regard to the conventions which have not been signed by it or to which it has not acceded (Circular Letter 55.1931.V, dated April 2nd, 1931). The replies received will be communicated to the Assembly.

Section III of the Assembly's resolution contemplates that eventually the Council, after consultation with any appropriate organ or Committee of the League and in the light of the information available as the result of the enquiries above mentioned and any other enquiries which it may think desirable, may consider for each general convention negotiated under the League's auspices whether it would be desirable and expedient that a conference should be summoned for the purpose of determining whether the convention should be amended or other means be adopted to facilitate its acceptance by a greater number of countries.

III. PREPARATORY PROCEDURE TO BE FOLLOWED IN REGARD TO THE NEGOTIATION OF GENERAL CONVENTIONS UNDER THE AUSPICES OF THE LEAGUE OF NATIONS.

The resolution adopted by the Assembly on October 3rd, 1930 (Section IV), lays down the preparatory procedure to be followed in the case of all general conventions to be negotiated under the auspices of the League of Nations, except where previous conventions or arrangements have established a special procedure, or where owing to the nature of the questions to be treated or to special circumstances, the Assembly or the Council consider other methods to be more appropriate.

The rules so adopted were to be communicated to the technical organisations of the League, and to the Governments, for the purpose of enabling the Assembly at its session of 1931 to consider whether changes should be made in them as the result of any suggestions received. The results of the consultation of the technical organisations and of the Governments (Circular Letter 10.1931.V, dated February 16th, 1931) will be communicated to the Assembly.

IV. TABULAR STATEMENTS SHOWING THE POSITION AS REGARDS SIGNATURE AND RATIFICATION OF OR ACCESSION TO GENERAL CONVENTIONS.

The Assembly, on September 24th, 1929, adopted a resolution requesting the Secretariat to submit to it each year tables indicating the position as regards signatures, ratifications or accessions in respect of the various conventions concluded under the auspices of the League (document A.20.1930.V). The first number of this publication was presented to the Assembly last year.

By a resolution of October 3rd, 1930, the Assembly expressed the wish that this publication might be converted into one appearing three times a year, and that the Secretary-General, after consulting the Governments and the central offices of international unions and commissions, should consider the possibility of drawing up similar tables for all general conventions which are in force. The report on the subject presented to the First Committee by its Rapporteur implied, however, that the first of these proposals would not involve any considerable expenditure, and indicated that the second proposal might be difficult to carry out.

The Secretary-General, the Publications Committee of the Secretariat and the Supervisory Commission have since been obliged to give anxious consideration to the administrative and financial consequences of the continuous growth of the publications of the Secretariat which results almost automatically from the expansion of the League's activities. This growth not merely involves greater expenditure on printing but threatens to necessitate further increases in the staff of the Publications Department, and thus tends to cause increases in the budget which appear undesirable during the present economic crisis. The Secretary-General has accordingly been led to feel that the Assembly would approve the postponement for the time being of action on the Assembly resolution of October 3rd, 1930. The information contained in the existing publication is already made available three times a year to the Members of the League, although not in tabular form; its presentation in tabular form appears to have a special value for the purposes of the Assembly but to be of less interest to the Governments at other times. To convert the publication into one appearing three times a year would in fact greatly add to its cost.

Arrangements have accordingly been made to continue the existing publication as an annual publication in accordance with the Assembly's original resolution of 1929, but no credit has been asked for the other publication in the 1932 budget.

V. PROGRESSIVE CODIFICATION OF INTERNATIONAL LAW.

As the result of the Conference which was held at The Hague in March-April 1930, the Assembly was invited by the Council to consider at its last session the question of the progressive codification of international law and, in particular, the recommendations on this subject
formulated by the Conference (Resolution adopted by the Council on May 15th, 1930). Pending
the result of the Assembly's deliberations, the Council decided not to convene a further session
of the Committee of Experts appointed in pursuance of the Assembly's resolution of
September 22nd, 1924.

The First Committee of the Assembly, to which this question was referred, received a number
of proposals by different delegations, which related to the substance of the problem and showed
the existence of divergent views as to the action to be taken. It had not, however, sufficient
time for the discussion of these proposals. It felt that they might with advantage be further
considered at the next session of the Assembly. It was also of opinion that it would be
advantageous to invite the Governments to examine the subject and present observations for
consideration by the Assembly. Accordingly, it drew up the following resolution which was
adopted by the Assembly on October 3rd, 1930:

"The Assembly has taken note of the work of the Conference which was held at
The Hague in March and April 1930, as a result of the initiative taken by the Assembly
by its resolution of September 22nd, 1924, regarding the progressive codification of
international law:

"It reaffirms the great interest taken by the League of Nations in the development of
international law, inter alia, by codification, and considers it to be one of the most
important tasks of the League to further such development by all the means in its
power.

"The recommendations made by the Conference contain suggestions of the highest
value, and must be taken into account in examining what would be the best methods for
continuing the work which has been begun.

"The Assembly accordingly decides to adjourn the question to its next session, and
requests the Council, in the meanwhile, to invite the Members of the League of Nations
and the non-member States to communicate to it, if they so desire, their observations
on these suggestions, in order that these observations may be taken into consideration by
the Assembly."

On January 19th, 1931, the Council instructed the Secretary-General to consult the Members
of the League, in accordance with the Assembly's resolution, to call their attention to the
recommendations regarding progressive codification formulated by the Hague Conference
and the draft resolutions submitted by the various delegations in the First Committee and
to suggest to them that the task of the Assembly would be greatly facilitated if it had before
it positive suggestions as to the organisation which should be adopted and the procedure which
might be followed. The replies of the Governments to the Secretary-General's communication
(Circular Letter 21.1931.V, dated February 27th, 1931) will be communicated to the Assembly.

VI. NATIONALITY OF WOMEN.

On January 24th, 1931, the representatives of Guatemala, Peru and Venezuela submitted
to the Council the following draft resolution, which was adopted:

"The Council,

"Decides to place on the agenda of the next session of the Assembly the question
of the continued study of the nationality of women, and,

"Requests the Secretary-General to submit to the Assembly a report on the question
after consultation of the following organisations which have been specially concerned
with the nationality of women:

"The International Council of Women,
"The International Women Suffrage Alliance,
"The Women's International League for Peace and Freedom,
"The Inter-American Commission of Women,
"The Equal Rights International,
"The World Women's Union,
"The All-Asian Congress of Women,
"The International Federation of University Women,
"The Young Women's Christian Association.

"The Secretary-General might, if he thinks fit, request the above-named organisations
to entrust to a committee consisting of two representatives of each organisation the
task of formulating joint proposals to be attached to the report to be submitted to the
Assembly."

On February 13th, the Secretary-General wrote to the organisations mentioned in the
resolution informing them that he felt the procedure contemplated in the last paragraph of the
resolution would furnish the most convenient method by which they could be consulted and
their views put before the Assembly. He therefore invited them to get into touch with one
another with a view to the establishment of the contemplated committee.

The Executive Committee of the Young Women's Christian Association has informed
the Secretary-General that the Association did not desire to be represented on the Committee.

1 The results of the Conference and the action taken by the Council were summarised in the report on the work of
the League presented to the Assembly in 1930 (Official Journal, 1930, Special Supplement No. 84, page 251.).
The remaining eight organisations desired to be represented on the Committee. Arrangements have been made for that body to meet at the Secretariat on July 2nd. Its proposals will be annexed to the report which the Secretary-General has been instructed to present to the Assembly.

VII. WORK OF THE INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW, ROME.⁰

The Governing Body of the Institute for the Unification of Private Law, under the presidency of His Excellency M. Scialoja, met for its ordinary annual session on April 7th and 8th at Villa Aldobrandini, the headquarters of the Institute.

Organisation.

The year 1930 marked the conclusion of the initial stage in the life of the Institute during which it was necessary, above all, to consider methods, the recruiting of staff and the organisation of work.

The higher officials having been appointed and the library being in working order, it was possible to undertake more effectively the investigations and enquiries in view.

While admitting the possibility, if need be, of adopting other methods, the Institute came to the conclusion, based on experience, that the best system was to divide any investigation with a view to unification into two stages: A preparatory stage (general outlines of questions, collection of material, documents, etc.) to be dealt with by the Secretariat, with the possible assistance of other organisations; and a stage of discussion and drafting of proposed uniform regulations, for which it was thought desirable that recourse should be had to committees of international experts appointed by the Governing Body, after a discussion of the general outlines and preparatory documents.

A. Sale of Goods.

As stated in the Institute's report for 1929, the preliminary investigation on the subject of the sale of goods led to the Governing Body's requesting M. Rabel, the author of a preliminary report, to prepare a questionnaire for the purpose of obtaining information on several problems by means of an enquiry amongst legal and technical experts.

These preliminary investigations made it possible to hold in Paris, from October 7th to 11th, 1930, a first meeting of the Committee of Experts appointed by the Governing Body. The subjects dealt with were the formation and form of the contract, and obligations of the seller. Agreement was reached on several points.

As regards several questions, it was, however, decided to consult the economic organisations concerned; as regards others, further investigations were found necessary. These were entrusted to Mr. Gutteridge, M. Percerou and M. Hamel, as experts. Lastly, it was decided to postpone to a further session of the Committee of Experts, which took place in Berlin last February, two questions: I. Transfer of Property; II. Displacement of Risks.

The Governing Body has arranged for two further meetings of the Committee of Experts, one in Stockholm and the other in Cambridge.

B. Private Arbitration.

The Governing Body, at its session in April 1930, considered, among other questions, the desirability of awaiting ratifications of the Protocol of Geneva of 1923 and the Convention on the Execution of Arbitral Awards of 1927. It instructed the Secretariat to continue its enquiries, confining itself for the moment to the purely scientific aspect. M. David, the Deputy Secretary-General, was instructed to prepare a report on the subject.

In accordance with the programme indicated, M. David has considered arbitration conventions, special agreements for arbitration and arbitration clauses, from the point of view both of their validity, their interpretation, their effects and the methods of discharging them. He has further considered the various organs and constitution of arbitral jurisdiction and the legal status of arbitrators. He will complete his work by an enquiry into arbitration procedure, appeals from arbitrators' decisions, and the execution of arbitral awards. It is thought that M. David's report may form a basis of discussion for a committee of experts which will be appointed at a suitable moment.

C. Copyright.

In accordance with the decisions of the Governing Body, the Secretariat, with the help of the Institute of Intellectual Co-operation, has prepared a survey of the differences as regards literary and artistic copyright between the Convention of Berne (revised at Rome) and the Convention of Havana.

¹ This section of the report to the Assembly is based on a statement prepared for the purpose by the Institute.
² See document C.421.M.188.1930.V.
This survey, which has been communicated to the Governing Body, was also forwarded, through the Institute of Intellectual Co-operation, to the National Committees on Intellectual Co-operation and to Mr. Brown Scott, who was dealing with the same problem with a view to the summoning of the Pan-American Conference in the near future. The report was accompanied by a questionnaire designed to clear up certain points and indicate the possibilities of harmonising the two Conventions.

Although the Institute has not yet received replies to its questionnaire, it desires to point out that, during 1930, the circles concerned in the United States of America have resumed the movement for the reform of the federal legislation on copyright and for accession to the Berne Convention. Mr. Vestal, Member of Congress, has re-introduced his Bill for the accession of the United States to the Berne Convention and a proposal for the amendment of the American copyright law.

In this last draft, there is a point which the Institute thinks should be emphasised - namely, the proposal to do away with registration as a condition of protection. If the United States adopted this course, they would, in the Institute’s opinion, certainly be followed by the other countries of America; and, in this way, one of the obstacles which has hitherto made it difficult to harmonise the two Conventions would be eliminated. The Institute therefore proposes to follow this movement closely and give it support.

D. Publishers' Contracts.

The investigation on this subject, which, like the preceding investigation, was undertaken in collaboration with the Institute of Intellectual Co-operation, was based on documents collected by the Paris Institute as the result of its enquiry amongst National Committees on Intellectual Co-operation. After considering the various laws and customs on the matter, the Secretariat of the Institute drafted a first report which was considered and approved by the Governing Body. In this report, an endeavour was made to determine, on the basis of comparative law, the legal nature of the publisher’s contract, the object, the form and the principal obligations of the author and publisher, and to establish the nature of the penalties in case of failure to carry out the contract; the principal clauses of typical contracts were then considered, and finally certain general rules - taken mainly from laws in force on the subject - were proposed. This is a first series of proposals, which will be completed by a study of the case law in different countries, and will then be examined by experts and submitted to the consideration of the various authorities concerned.

E. Legal Personality of International Non-trading Corporations.

On this subject, the Governing Body, at its session in April 1930, pointed out that it was difficult to propose a general solution, and that it was preferable to begin by considering a single corporation - for instance, the International Chamber of Commerce, which appeared particularly concerned in the solution of the problem. The Governing Body further agreed with the view of its President that practical results might have been obtained by means of international conventions.

In accordance with these decisions, the Secretariat felt obliged, in the first place, to establish the precedents - i.e., to ascertain how the problem had arisen and how it had been solved. The attention of the Secretariat was directed to the organisation of the International Relief Union, established by the Convention signed at Geneva on July 12th, 1927. In this system adopted for the International Relief Union, the latter automatically acquires legal personality and capacity in each State, as soon as such State has ratified the Convention in accordance with the forms of its constitution. But this capacity is determined by the laws of the different countries (Articles 8 and 12 of the Convention), so that the Union acquires not an international personality but a plurinational personality. The Secretariat considered that this precedent might be copied by other associations. The Governing Body, however, having been informed that the International Institute of Intellectual co-operation, which had asked the Institute at Rome to take up the question, had suspended its study of the subject, decided not to deal further with it for the moment.

F. International Conferences:

Unification of Laws on Bills of Exchange. — Unification of River Law. —
International Committee on Agricultural Co-ordination.

I. On the invitation of the League of Nations, the Institute was represented in an advisory capacity at the International Conference for the Unification of Laws on Bills of Exchange, Promissory Notes and Cheques. M. David, who represented the Institute, took an active part in the work of the Conference. It may here be observed that the Conference excluded from the uniform settlement the aval by separate instrument, and expressed the hope that the Rome Institute would place this problem on its agenda, in connection with that of the securing of credits. The Secretariat immediately undertook these investigations.

After considering the various aspects of the problem and the situation in comparative law, it reached the conclusion that the best system was that adopted by the Uniform Rules for Bills of Exchange, which considered only the aval given on the bill of exchange, leaving it open to contracting States to recognise the validity of the aval by separate instrument made within their territory.
Under the system adopted by the Geneva Conference, it will no doubt be always necessary to find out whether the *awal* by separate instrument is recognised by the exchange law of each particular country. But this difficulty does not affect holders of a bill of exchange, because the *awal* is an accessory guarantee which can only improve their situation and not expose them to unpleasant surprises.

The Institute considers that the system followed in the Uniform Rules approved at Geneva is the most satisfactory.

II. The Institute was further invited to take part in the Conference on the Unification of River Law, several problems of which directly concerned private law.

III. As the result of a request from the International Institute of Agriculture, the Institute agreed to give its assistance to the International Committee for Agricultural Co-ordination which met for the first time at Rome during October 1930. At this first meeting the Institute was invited to assist in the enquiry on the subject of international agricultural credits. The Institute has already undertaken a series of investigations into comparative law on agricultural credits, subject to submission to the Governing Body of the question of the method to be followed in such collaboration.

**A list of further enquiries to be undertaken has been prepared.**

The Institute has observed with satisfaction that, not only scientific circles, but also economic circles and other international organisations are showing an ever-growing interest in its activity. The Institute therefore concludes that the idea of harmonising different legal systems, at any rate in certain matters, is making rapid progress, and that even as regards problems for which a uniform solution seemed impossible — for instance certain questions as to sale — there is reason to hope that practical results may be obtained.

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### FINANCES OF THE LEAGUE.

#### I. GENERAL FINANCIAL POSITION.

During the year 1930, 86.62 per cent of the amount of the contributions due for that year was received from the States Members as against 89 per cent in 1929. The total amount received on account of arrears during 1930 was 1,038,218.21 francs as compared with 634,981.53 francs during 1929.

The cash position of the three autonomous organisations of the League on December 31st, 1930, was as follows:

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Surplus</th>
<th>Deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secretariat</td>
<td>273,101.07</td>
<td>535,179.07</td>
</tr>
<tr>
<td>International Labour Organisation</td>
<td>385,976.75</td>
<td></td>
</tr>
<tr>
<td>Permanent Court of International Justice</td>
<td>659,077.82</td>
<td></td>
</tr>
</tbody>
</table>

A general view of the questions relating to League finances dealt with since the last session of the Assembly will be obtained by referring to the report of the Supervisory Commission, which has met on two occasions since last September.

#### II. ACCOUNTS FOR 1930.

After examining the auditor’s report, the Supervisory Commission recommends the Assembly to approve the accounts for 1930 in the form in which they are shown in the document forwarded to the Members of the League (document A.3.1931.X).

The Supervisory Commission feels some misgiving as to the payment of contributions in arrears. It has noted detailed explanations given by the Secretary-General with regard to the negotiations entered into with the Governments concerned and urged him to continue these negotiations steadily. The Commission hopes that positive results may be obtained by the time the next Assembly meets.
III. DISPOSAL OF THE SURPLUS FOR 1930, REIMBURSEMENT TO STATES OUT OF THE BUILDING FUND AND REIMBURSEMENT TO THE WORKING CAPITAL FUND.

The Commission recommends that the reimbursement of the advances, amounting to 535,179 francs, made out of the Working Capital Fund to the International Labour Office during 1930, should be considered as a first charge on the surplus of 659,077.82 francs in respect of the twelfth financial period. The net sum to be returned to the Members of the League during 1932, in accordance with Article 38 of the Financial Regulations, would thus amount to 123,899 francs.

With regard to the reimbursement to be made during 1932 to the States out of the Building Fund, the Commission advises the maintenance of the arrangement made during the last three years whereby the amount actually repaid to the States is fixed at 700,000 francs. Since the sum included every year in the budget as a terminable annuity payable on account of the building operations of the League amounts to 1,375,000 francs, the Building Fund will thus be increased in 1932 by an additional sum of 675,000 francs.

Under a decision of the eleventh Assembly, the difference between the total cost of setting up the new wireless station (2,330,464 francs) and the credit of 795,822 francs inserted in the 1931 budget as a first contribution towards the cost of the station will be drawn from the working capital fund. The Commission, being anxious that this difference should be refunded without undue delay, recommends that a total sum of 373,899 francs (representing the amount equivalent to the surplus plus a round sum of 250,000 francs) should be entered in Part IV of the 1932 budget : " Buildings at Geneva ". Item II, " Construction of a Wireless Station ". The amount would be entered under a new sub-head : (b) " Partial Reimbursement of the Cost of construction to the Working Capital Fund ".

IV. BUDGET FOR 1932.

The budget for 1932, as forwarded to the Members of the League for consideration by the Assembly, amounts to 35,407,109 francs as compared with 31,637,501 francs for 1931. In addition to the net increase in the budget of the International Labour Organisation (389,158 francs), the main sources of expenditure which account for this unusual increase are the Disarmament Conference, involving an increased credit of 3,700,000 francs, and the development of liaison with China by means of a new appropriation of 480,000 francs. Apart from these two items the budget of the Secretariat and the special Organisations of the League, as submitted to the Assembly, is 429,943 francs less than that of the present financial year, notwithstanding the constant increase in the work of the various services of the League and fixed obligations such as annual increments of salaries.

The budget for 1932 includes a credit of 330,847 francs for the lump sum contribution payable in 1932 to the Nansen International Refugees Office. In view of the fact that the Governing Body of the Office has not as yet been in a position to prepare its report on the methods of giving effect to the decision of the last Assembly concerning the liquidation of the work, the Commission decided not to examine at its April session the budget of the Office for 1932 but to draw the " special attention " of the Assembly to this case in accordance with Article 16, paragraph 5, of the Financial Regulations in order that it may " specially examine " the plan of the Governing Body of the Office on which the eventual budgetary solution will entirely depend. Only after the Assembly has taken a decision as to the scale of gradual diminution proposed will the Supervisory Commission be able to intervene.

V. NEW BUILDINGS.

The Supervisory Commission was instructed by the 1930 Assembly " to deal with all future financial questions which may arise in connection with the new buildings ". It ascertained that the Building Committee, particularly since it had obtained the assistance of an " Inspector-Reviser " was in a position to keep in touch with the daily progress of the work and thus to keep a close watch over the financial interests of the League.

Being prepared to use all its influence within the limits of its powers to assist the Building Committee, the Supervisory Commission requested the Assembly to ask the Building Committee to notify the Commission of any difficult situation which might possibly result in the estimates being exceeded and further to communicate quarterly to the Supervisory Commission a statement, with explanatory notes, so that the latter may see how the work is proceeding and what expenditure is incurred and anticipated under each item of the estimates.

VI. SALARIES OF LOCALLY RECRUITED STAFF.

According to the decisions of the eleventh Assembly on the report of the Committee of Thirteen, the Supervisory Commission has examined reports submitted to it by the Secretary-General and by the Director of the International Labour Office regarding the salaries of the locally recruited staff of the second division.
It eventually adopted for submission to the Assembly a new scale of salaries based on the following principles:

1. The indemnity for expatriation is fixed at a definite figure for each category;
2. Annual increments are fixed at the same figure both for the local and international officials of the same category;
3. It is provided that the maximum of each category should be attained in an equal number of years by local and by international officials.

The Commission refers to the Assembly a further proposal by the Director of the International Labour Office with regard to promotion by seniority within the Second Division, holding that this proposal lies outside the scope of its terms of reference as defined by the last Assembly.

3.

REDUCTION OF ARMAMENTS.

I. PREPARATORY COMMISSION FOR THE DISARMAMENT CONFERENCE.

On September 30th, 1930, the eleventh Assembly adopted the following resolution:

"The Assembly has noted with satisfaction the results obtained at the London Conference and communicated to it by a letter from the President of that Conference dated April 21st, 1930. It considers that these results are of a nature to facilitate a general agreement on the occasion of the next meeting of the Preparatory Commission regarding the methods to be applied in the matter of the reduction and limitation of naval armaments. It trusts that negotiations, pursued in a spirit of conciliation and mutual confidence and with the determination to arrive at practical solutions, will make it possible to complete and extend the work of the Naval Conference."

"The Assembly accordingly expresses the conviction that during its session next November, the Preparatory Commission will be able to finish the drawing-up of a preliminary draft Convention and will thus enable the Council to convene, as soon as possible, a Conference on the Reduction and Limitation of Armaments."

"The Assembly decides that the proceedings and the report of the Assembly regarding disarmament shall be forwarded to the Preparatory Commission."

The Commission, having this recommendation in mind, met on November 6th, 1930 and finally broke up on December 9th after having drawn up a draft Convention and a final report (see documents C.687.M.288.1930.IX and C.690.M.289.1930.IX respectively).

ANALYSIS OF THE DRAFT CONVENTION.

The Convention consists of sixty articles, the first of which is of a general character, governing the whole Convention and defining its scope. It reads as follows:

"The High Contracting Parties agree to limit and, so far as possible, to reduce their respective armaments as provided in the present Convention."

The rest of the Convention is divided into six parts, most of which include several chapters and annexes.

Part I deals with personnel. It is subdivided into two chapters, which are accompanied by tables. Chapter A relates to effectives; Chapter B to the period of service.

Part II is concerned with material for different categories of armaments; land armaments, Chapter A; naval armaments, Chapter B, with tables and annexes; air armaments, Chapter C, with tables.

Part III is devoted to budgetary expenditure.

Part IV concerns the exchange of information. Several tables are annexed to it.

Part V deals with chemical arms.

Part VI contains miscellaneous provisions which are grouped together under four heads: Permanent Disarmament Commission (Chapter A); derogations (Chapter B); procedure regarding complaints (Chapter C); final provisions (Chapter D).
To summarise, it can be said that the draft Convention provides for:

(1) The limitation of effectives in time of peace. It limits “the average daily effectives in the land, sea and air armed forces organised on a military basis” where the number of days’ duty is performed by men doing their first period of service or by reservist doing periods of training.

(2) The limitation of the period of service in conscript armies.

(3) The indirect limitation of land material by means of the budget:

“The annual expenditure of each High Contracting Party on the upkeep, purchase and manufacture of war material for land armaments shall be limited to the figures laid down for such party, and in accordance with the conditions prescribed, in the annex . . . to this article.

“In pronouncing on this article, the Governments will take into account at the Conference the report requested from the Committee of Budgetary Experts.”

The Preparatory Commission accepted the principle of limitation for expenditure by sixteen votes to three, with six abstentions. It furthermore discussed the following resolution:

“The Preparatory Commission for the Disarmament Conference is of opinion that the principle of direct limitation should be applied to land war material.”

Nine votes were cast for this resolution and nine against, with seven abstentions. Lastly, the Commission considered the principle of a combination of the two methods. Nine members of the Commission voted in favour of this principle, eleven voted against, and five abstained.

(4) The direct limitation of naval material. Each fleet is limited to a total (global) tonnage figure. The Convention further shows the way in which each navy intends to distribute its total (global) tonnage among the five different categories of warships. This distribution by categories can be modified during the period over which the Convention remains in force. The tonnage transferred is, however, subject to regulations to be laid down by the general Conference in respect of each of the signatory countries, such regulations to be less strict for small navies than for large ones.

(5) The limitation of expenditure on material for naval armaments.

(6) The limitation of total horse-power, total volume (for dirigibles), and the number of aircraft in service, including aeroplanes in immediate reserve. The Commission has not proposed special rules for determining horse-power. Nevertheless, the Commission was of opinion that it was desirable for the Council to entrust to experts the preparatory studies required for the laying-down of such rules, and that such rules should then be communicated to the Governments as a preliminary basis for calculating the figures to be inserted in the tables.

(7) The limitation of total annual expenditure on land, sea and air armed forces and formations organised on a military basis.

(8) An equivalent measure of publicity in respect of each of these limitations. It should further be noted that the publicity does not apply only to cases in which a limitation is imposed. Thus, publicity is provided for in the case of non-military aviation (number and total horse-power of aeroplanes and dirigibles; amount of annual expenditure on non-military aviation).

(9) The prohibition, subject to reciprocity, of the use of chemical arms, and the absolute prohibition of bacteriological methods of warfare.

(10) The creation of a Permanent Disarmament Commission.

(11) The right of any contracting Power to suspend the provisions of the Convention under certain conditions, if a change of circumstance constitutes a menace to its national security. The exercise of this right is hedged about by a system of precautions, to obviate all risk of abuse.

(12) A procedure regarding complaints, should one of the contracting States violate or endeavour to violate the Convention.

(13) Final provisions, among which mention should be made of:

(a) The article which lays down the principle that the Convention shall not affect the provisions of previous treaties under which certain of the contracting parties have agreed to limit their land, sea or air armaments. The same article further contains a provision which allows the contracting parties which so desire to declare, at the moment of signing the Convention, that the limits fixed for their armaments under the Convention are accepted by them in relation to the obligations referred to in the preceding paragraph, the maintenance of such provisions being for them an essential condition for the observance of the Convention.

The German delegation stated, in connection with the article in question that, in so far as it does not refer to the Washington and London Treaties, the German delegation would...
vote against the draft Convention as a whole. In its view the draft, as drawn up by the majority of the Preparatory Commission, excludes essential elements from the limitation and reduction of land armaments. Instead of leading to real disarmament, this draft would serve only to conceal the real state of world armaments or would even allow armaments to be increased. To accept it would at the same time be tantamount to a renewal of the German signature to the disarmament clauses of the Treaty of Versailles.

(b) The provision relating to the intervention of the Permanent Court of International Justice or of an arbitral tribunal in the case of any dispute which might arise in regard to the interpretation or application of the Convention.

(c) Provisions relating to the period of validity of the Convention, its modification and denunciation. One of these covers the case in which the conditions under which the engagements stipulated in the Convention were contracted have undergone, as the result of technical transformations or special circumstances, changes justifying a fresh examination and possibly the revision of such engagements. As stated in the report, “these circumstances might include, for example, an unforeseen development of civil aviation. Indeed, the British, French, Japanese and Polish delegations definitely stated that they had this case in particular in mind.”

On the other hand, the German delegation made the following reservation:

“The German delegation is of opinion that the development of a peaceful means of communication must in no case be made a basis for armaments, especially as no account has been taken of the essential and purely military factors of material in reserve or in stock, trained reserves, etc., and other important means of communication, such as the mercantile marine, on which, indeed, preliminary warlike fittings have been authorised.”

Note. — The old article EC of the text drawn up at first reading (1927), in which the countries bordering on the Union of Soviet Socialist Republics laid down certain conditions for their accession to the Convention, has been omitted from the final provisions of the draft Convention, the Commission having decided to leave the examination of this proposal to the Conference.

ANALYSIS OF THE REPORT.

The final report of the Commission constitutes a commentary on the text of the draft Convention, the broad outlines of which have been analysed above. It gives details of all the reservations, whether general or particular, submitted by the delegations during the framing of the various texts.

The general reservations are described in the following terms:

“The representatives of a number of Governments, while accepting the principle of limitation and reduction in the spirit of Article 8 of the Covenant, desired to state that the reduction of all or some of the categories of armaments was not possible for them, their present armaments being far from sufficient to guarantee national safety. This reservation was made in precise form, particularly in relation to naval and air armaments, the latter being scarcely developed in the majority of States.

“The Turkish delegation reserved its Government’s right to submit to the future Disarmament Conference the proposal it made with regard to standards for the reduction and limitation of armaments and to require any modification of the texts which might be rendered necessary in the event of the adoption of this proposal.

“The German delegation reserved its Government’s right to submit to the future Disarmament Conference any proposals regarding the standards of reduction and limitation of armaments which it might consider likely to promote these aims.

“Norway not having taken part in the earlier work of the Commission, in particular the first part of the second reading of the draft Convention, the Norwegian delegate made a general reservation concerning the attitude his Government might adopt at the Conference.

“The delegate of the Irish Free State made a similar statement.”

The most important particular reservations, made principally by the German delegation, refer chiefly to the method and extent of the limitation of land effectives and material. The United States delegation made a reservation in regard to the budgetary limitation of land material and the limitation of budgetary expenditure. Particulars of the reservations made by the Soviet delegation will be given later.

The report concludes with the following considerations:

“The Preparatory Commission could only establish a draft Convention, or it would perhaps be more accurate to say the framework of the future Convention.

“In the reservations which have been reproduced in this report, certain delegates expressed the view that, even within those limits, the results were disappointing. The great majority of the Commission, however, so far from sharing this attitude, regards what has been done as marking an important advance on the path of disarmament.

“Be that as it may, it will be for the Conference not only to decide as to the final adoption of the draft that will be laid before it, but also to define its practical scope by fixing in figures the extent of the undertakings it involves.