Supplementary Report on the Work of the League since the Eleventh Session of the Assembly.

LEAGUE OF NATIONS

Geneva, August 30th 1931.

Series of League of Nations Publications

GENERAL

1931. 5
INTRODUCTION ........................................................................................................... 5

1. REDUCTION OF ARMAMENTS: .............................................................................. 13
   I. Preparatory Work for the Disarmament Conference ............................................. 13
   II. Supervision of the International Trade in Arms and Ammunition and in Implements
       of War ................................................................................................................. 14

2. POLITICAL QUESTIONS: ....................................................................................... 14
   Claim brought by the Finnish Government against the Government of the United
   Kingdom in connection with Finnish Ships used during the War by the Govern-
   ment of the United Kingdom ............................................................................... 14

3. THE COMMISSION OF ENQUIRY FOR EUROPEAN UNION .................................. 14

4. ADMINISTRATIVE QUESTIONS: ........................................................................... 15
   I. Saar Territory ..................................................................................................... 15
   II. Free City of Danzig .......................................................................................... 15

5. MANDATES: .......................................................................................................... 16
   I. General Questions ............................................................................................. 16
   II. Administration of the Territories under Mandate .............................................. 17

6. SLAVERY ................................................................................................................. 20

7. WORK OF THE TECHNICAL ORGANISATIONS: .................................................. 21
   A. Work of the Economic Committee: ..................................................................... 21
      1. The Most-Favoured-Nation clause .................................................................. 21
      2. The Commercial Convention of March 24th, 1930 ....................................... 23
      3. Customs Nomenclature ................................................................................... 23
      4. The Application of Tariffs and Customs Formalities ...................................... 23
      5. Marks of Origin ............................................................................................... 24
      6. Dumping : Bounties and Subsidies .................................................................. 24
      7. Establishment of a Permanent Organ of Conciliation and Arbitration
         for the Settlement of Disputes which may arise between States on
         Commercial Matters ...................................................................................... 24
      8. Coal .................................................................................................................. 25
      9. Veterinary Questions ....................................................................................... 25
     10. Draft Convention for the Regulation of Whale Fishing (Exploitation
         of the Riches of the Sea) .............................................................................. 25
     11. Enquiry into the Present Economic Depression .............................................. 25
     12. Agriculture ..................................................................................................... 26
   B. Economic Intelligence Service: ........................................................................... 26
      1. Enquiry into the Present Economic Depression .............................................. 26
      2. Study of the Recurrence of Economic Cycles ................................................. 27
      3. Publications .................................................................................................... 28
      4. Revision of the Existing Scale of League Contributions ................................ 28
      5. The Committee of Statistical Experts ............................................................. 29
   C. Work of the Financial Committee: ..................................................................... 29
      1. Programme of Meetings ................................................................................. 29
      2. Fiscal Committee ............................................................................................. 29
   II. Organisation for Communications and Transit ................................................... 30
   III. Health Organisation .......................................................................................... 32

8. THE LEAGUE OF NATIONS AND CHINA ................................................................. 33

9. REQUEST FOR ASSISTANCE FROM THE GOVERNMENT OF LIBERIA .............. 34

10. HUMANITARIAN QUESTIONS: TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS: ............................................................................................................................. 34
    1. The Conference on the Limitation of the Manufacture of Narcotic Drugs ........ 34
    2. The Work of the Permanent Central Opium Board .......................................... 37

11. REFUGEE QUESTIONS .......................................................................................... 38

12. INTELLECTUAL CO-OPERATION ....................................................................... 39

13. CONSTRUCTION OF AN ASSEMBLY HALL, NEW BUILDING FOR THE SECRETARIAT, AND OF A LIBRARY ................................................................. 47

INTRODUCTION.

The present Supplementary Report includes an account of the work of the following Committees of the League at meetings held during the period June to August 1931: the Advisory Committee on Communications and Transit, the Fiscal Committee, the Economic Committee, the Permanent Mandates Commission and the Committee on Intellectual Co-operation.

It further covers the proceedings of the Conference for the Limitation of the Manufacture of Narcotic Drugs, which met from May 27th to July 13th, 1931.

REDUCTION OF ARMAMENTS.

PREPARATIONS FOR THE DISARMAMENT CONFERENCE.

The Secretary-General of the League, acting upon a resolution adopted by the Council in May 1931, sent a circular letter on June 17th, 1931, to all the States invited to the Disarmament Conference, communicating to them the discussions and decisions of the Council in regard to the information to be furnished by the various Governments on the position of their armaments. Memoranda, received from the United States of America, Belgium, France, Great Britain and the Netherlands, have, in accordance with the express desire of these Governments, been communicated to the other States invited to the Conference and published.

In consequence of a resolution adopted by the Council on May 22nd, the Organisation for Communications and Transit is studying the present situation with regard to publicity in respect of civil aviation, and has for this purpose addressed an enquiry to all the Governments invited to the Conference.

SUPERVISION OF THE INTERNATIONAL TRADE IN ARMS AND AMMUNITION AND IMPLEMENTS OF WAR.

The Persian Government has forwarded to the Secretary-General a memorandum explaining why Persia is unable to adhere to the Convention signed at Geneva on June 17th, 1925, and expressing the hope that an international conference may be entrusted, as soon as possible, with the framing of a Convention which may simultaneously settle the two questions of the manufacture of arms and the traffic in arms and ammunition and implements of war, having due regard to the principle of equality of States before international law.

COMMISSION OF ENQUIRY FOR EUROPEAN UNION.

The special Committees appointed by the Commission for European Union to consider the better organisation of production and trade, the disposal of future harvest surpluses, credit problems and the question of unemployment have met during June, July and August 1931. These Committees are submitting reports to the Sub-Committee, appointed in May 1931, to co-ordinate the work of the Special Committees. The Co-ordination Sub-Committee will meet on August 31st and will report to the Commission of Enquiry in September.

ADMINISTRATIVE QUESTIONS.

SAAR TERRITORY.

The Governing Commission of the Saar Basin, in view of the fact that the increase of unemployment in 1930 as compared with 1929 may involve a budget deficit, has provisionally reduced the salaries of all officials by 6 per cent as from July 1st, 1931, until April 1st, 1932.

FREE CITY OF DANZIG.

The High Commissioner communicated to the Council his annual report, dated May 31st. The report deals generally with the situation of Danzig, with the relations between Poland and Danzig and with political, economic and financial questions affecting the Free City.
MANDATES.

The Permanent Mandates Commission held its twentieth session at Geneva from June 9th to June 27th, 1931.

The Commission continued its study of the general conditions which must be fulfilled for the termination of a mandate in respect of a mandated territory. It defined and enumerated the conditions which might justify the presumption that a country had reached the stage of development at which it had become able, in the words of Article 22 of the Covenant, to "stand by itself under the strenuous conditions of the modern world ", and set forth the guarantees which should be furnished by a territory desirous of emancipation.

The question of the general conditions under which a mandate may be brought to an end was raised following a proposal of the British Government to terminate the British mandate in Iraq. The Commission, during its June session, examined, in this connection, a special report of the British Government to the Council of the League on the progress of Iraq under the mandatory administration. The Commission is now ready to express its views on the proposal of the mandatory Power to terminate the mandate in Iraq as soon as the Council has reached a decision as to the general conditions to be fulfilled.

The Commission examined several petitions relating to the position of the minorities in Iraq. It drew attention in its conclusions to the uneasiness prevalent among the Kurdish minorities owing to uncertainty as to the fate which awaits them if the moral protection of the mandatory Power is to be withdrawn. It recommends the Council to request the mandatory Power not to relax its supervision in regard to the position of the Iraqi minorities, and emphasises the necessity for impressing upon the Government of Iraq the need for a spirit of broad toleration towards them.

The Commission examined the annual report for 1930 on the administration of Palestine, together with a special report of Sir John Hope Simpson upon immigration, colonisation and agricultural development. It noted that order had been maintained in Palestine during 1930 and that an endeavour was being made to facilitate Jewish immigration by increasing the economic capacity of the country to absorb immigrants. It further noted that a systematic plan of agricultural development was to be entrusted to a special Commissioner, and that the mandatory Power intended to set up a Legislative Council.

The Commission examined the annual report for 1930 on Syria and the Lebanon. The accredited representative informed the Commission that the present process of evolution pointed to a termination of the mandate for Syria and the Lebanon at a not very distant date, and that it was the intention of the mandatory Power to conclude, in the near future, treaties with the Governments of Syria and the Lebanon which would relate, not only to the carrying out of the mandate, but to its replacement.

The Commission, examining the annual report for 1930 on the administration of New Guinea, welcomed the efforts being made by the mandatory Power to improve the conditions of indentured labour. It expressed a desire to be informed whether the system of labour contracts had a prejudicial effect on the social life of the natives.

The Commission also reviewed the administration of the mandated territory of Nauru and of South West Africa for 1930.

ECONOMIC QUESTIONS.

The Economic Committee met at Geneva for its thirty-fifth session from June 18th to June 22nd, 1931.

CONCERTED ECONOMIC ACTION : THE COMMERCIAL CONVENTION OF MARCH 24TH, 1930.

The Commission of Enquiry for European Union and the Council of the League, during its session held in May 1931, authorised the Secretary-General to convene, at an appropriate moment — after consulting the Economic Committee and the President of the Conference with a View to Concerted Economic Action — a meeting to ensure the application of the principles embodied in the Commercial Convention of March 24th, 1930.

The Economic Committee decided, during its session held in June 1931, that it would be premature to summon a further meeting either to put the Convention of March 24th, 1930, into force or to conclude a new convention on a similar basis.

THE MOST-FAVOURED-NATION CLAUSE.

The Assembly of 1930 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 included the question whether Customs quotas and anti-dumping or countervailing duties were compatible with the spirit of the clause.

The Economic Committee, having consulted experts appointed by the countries which had raised the question in the Assembly (Denmark, Estonia, Finland, Latvia, the Netherlands,
Norway, Sweden and Switzerland), established its conclusions during its session held in June 1931. It has requested the Council to forward its report embodying these conclusions to the Governments, recommending them to bring their commercial policies, as far as possible, into line with the principles laid down therein and to communicate to the Secretary-General of the League any observations which they might wish to make with regard to them.

The Committee concludes that, as a general rule, Customs quotas are to be condemned and avoided. If, however, their tendency is to regulate imports by helping to tide over periods of temporary difficulty, they should be fixed so as to cause a minimum of injury to the interests of third parties. It is suggested that the best guarantee to third parties in the fixing of such quotas is that they should be established by agreement with the country occupying the first rank among those importing the goods in question.

**CUSTOMS NOMENCLATURE: APPLICATION OF TARIFFS.**

The Economic Committee, during its session held in June 1931, noted that the work of the Sub-Committee of Experts for the Unification of Customs Nomenclature would be completed for the next session of the Assembly. It has requested the Council to authorise the Secretary-General to send the draft scheme prepared by the experts as soon as possible to all the States Members of the League, asking the Governments to inform him within six months of receiving the draft whether they are, in principle, prepared to adopt it and requesting them to communicate to him any observations and suggestions they may wish to make. The Committee proposes, if necessary, to revise the draft on the basis of the observations of the Governments and to draw up a draft international convention for its adoption.

The Committee is continuing its studies with a view to introducing greater uniformity or simplicity in Customs formalities and the application of tariffs. A group of experts has, in particular, been consulted as to the various laws in force in regard to marks of origin on foreign goods and the complaints to which these laws give rise on the part of the exporters of such goods. It is laid down as a general principle that, while it is impossible to deny the right of a State to adopt measures which may enable consumers to distinguish home from foreign products, it is desirable that, in exercising this right, States should reduce to a minimum the difficulties and inconveniences which such measures may cause to the commerce and industry of exporting countries.

**DUMPING.**

The Committee is continuing its investigations into dumping in all its forms, undertaken at the request of the Assembly in 1930, and will submit its conclusions at a later date.

**VETERINARY RESTRICTIONS.**

The Committee, during its June session, considered three preliminary draft conventions relating to (a) the campaign against contagious diseases of animals, (b) the transit of animals, meat and other products of animal origin and (c) the export and import of products of animal origin other than meat, meat preparations, fresh animal products, milk and milk products. It has asked the Secretary-General to communicate these drafts to the Governments and to request them for their observations. More particularly, the Governments will be asked to state whether they regard the draft conventions as likely to serve as a basis for discussion at an international diplomatic conference.

**DRAFT CONVENTION FOR THE REGULATION OF WHALE-FISHING (EXPLOITATION OF THE RICHES OF THE SEA).**

The Secretary-General, in accordance with a recommendation of the Economic Committee, has forwarded to all Governments a preliminary draft convention for the regulation of whale-fishing, asking them to forward their observations.

The Committee, during its June session, considered certain observations and suggestions made by the Governments. It proposes that the Secretary-General should make arrangements for the draft convention to be revised in the light of these suggestions by a committee composed of experts from the countries concerned. The convention thus revised will be open for signature during the forthcoming session of the Assembly.

**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 led up to it. The enquiry was entrusted to the Economic Intelligence Service of the League, and Governments were invited to submit any memoranda or information which they thought might be useful in this connection.
Meetings of representatives of national economic councils and national research institutes were held at Geneva in March and in June 1931, and, as a result of these consultations, a report has been prepared under the supervision of Professor Ohlin, of Stockholm University. Memoranda have been received from the Governments of Bulgaria, the Dutch East Indies, Estonia, Latvia, Portugal, Roumania, Sweden and Yugoslavia, and a report on the economic depression in Japan has been prepared by the Tokio Office of the League. The International Labour Office and the International Institute of Agriculture have furnished material for the report relating to the subjects with which they are concerned.

**STUDY OF THE RECURRENCE OF ECONOMIC CYCLES.**

The Assembly, in 1930, in requesting that an enquiry should be undertaken into the present economic depression, also asked that a study should be made of the general problem of the recurrence of periods of economic depression, with a view to co-ordinating the work being done in this field by national organisations. The question was considered at a meeting of representatives of economic councils and research institutes in June 1931.

It is the opinion of the experts that it has become urgently necessary for the competent organisations and specialists in each country to make a common study of methods whereby, in the future, the intensity of such depressions may be diminished and their effects limited, and it is suggested that the League might help to achieve useful results in this field by co-ordinating the work at present being done by national or international organisations and by individual economists. The institutes at present devoting attention to the problem are confined to North America and Europe, and the experts consider it essential that the question should now be studied on a world basis.

**FINANCIAL QUESTIONS.**

**WORK OF THE FISCAL COMMITTEE. — DOUBLE TAXATION.**

The Fiscal Committee held its third session at Geneva from May 29th to June 6th, 1931, and devoted most of its time to studying a draft plurilateral convention for the avoidance of double taxation, prepared in accordance with its previous instructions.

The discussions showed that it would be impossible for certain members of the Committee to accept a scheme as liberal as that embodied in the draft convention. The Committee considered it would be preferable provisionally to limit the effects of a plurilateral convention to non-residents, each country reserving the full right to tax persons residing within its territory. A new text was drafted by the members of the Committee who held this view. Neither of the drafts secured the unanimous approval of the Committee, which felt that the question of the conclusion of a plurilateral convention, to which the League of Nations had devoted its attention for several years, was not yet ripe for a final solution.

**TRANSIT QUESTIONS.**

The Advisory and Technical Committee for Communications and Transit held its sixteenth session from May 28th to June 2nd, 1931. It reviewed the work done by the various Communications and Transit Committees during the year and gave the necessary instructions for its continuation.

**THE TRANSPORT OF AGRICULTURAL PRODUCE. — ADJUSTMENT OF RAILWAY TARIFFS AND INDIRECT PROTECTIONISM.**

The questions of the transport of agricultural produce and of the adjustment of railway tariffs and indirect protectionism were referred to the Advisory and Technical Committee as the result of a recommendation of the Conference for Concerted Economic Action.

The Committee considers that it is impossible to study accurately the problems concerning the transport of agricultural produce as long as the policy of economic co-operation between States in agricultural matters has not been sufficiently fixed.

The Committee also thinks that, until principles of closer co-operation in economic matters have been accepted on a more general basis, it would be difficult to propose to States, with any real likelihood of their being adopted, measures which would result in limiting their freedom of action in the matter of railway tariffs and go beyond the provisions of the existing Conventions on Freedom of Transit and the International Regime of Railways.

The Committee has made arrangements to keep in touch with any developments that may arise in the economic field relating to the question of indirect protectionism.
The Committee has invited the interested Governments to contemplate the adoption as rapidly as possible of any steps calculated to facilitate the application to their territory of regulations, recently adopted by the International Railway Union, which may enable newspapers internationally distributed to be despatched by express trains, with the suppression of Customs formalities at the frontiers.

TRANSPORT AND TRANSIT OF ELECTRIC POWER AND CUSTOMS EXEMPTION FOR LIQUID FUEL.

At the request of the Commission of Enquiry for European Union, approved by the Council during its session in May 1931, the Committee has entered upon a study of the transport and transit of electric power and Customs exemption for liquid fuel.

FOURTH GENERAL CONFERENCE ON COMMUNICATIONS AND TRANSIT. — REFORM OF THE CALENDAR.

The Preparatory Committee for the Fourth General Conference on Communications and Transit appointed by the Advisory and Technical Committee has approved a report embodying the results of enquiries undertaken in the various countries on the problems to be submitted to the Transit Conference, which will meet on October 12th, 1931, relating to the reform of the calendar. The Conference will examine the expediency from an economic and social standpoint (a) of stabilising movable feasts, and (b) of simplifying the Gregorian calendar.

UNIFICATION OF TONNAGE MEASUREMENT IN MARITIME NAVIGATION.

The preparatory work undertaken with a view to the unification of maritime tonnage measurement was concluded at a session of the Technical Committee on Maritime Tonnage Measurement, which met from July 29th to August 7th, 1931, when the text of draft international regulations on the tonnage measurement of vessels was finally approved. The regulations will be submitted to the Governments of maritime countries with a view to ensuring, as soon as possible, the introduction of a uniform practice in the tonnage measurement of vessels.

AIR AND MOTOR TRANSPORT NECESSARY TO THE WORKING OF THE LEAGUE AT A TIME OF EMERGENCY.

Replies from most of the Governments consulted indicate that no difficulty is likely to arise in the application of the resolution adopted by the Assembly on September 30th, 1930, on the facilities to be accorded by Members of the League in the matter of air and motor transport necessary to its working at a time of emergency. The Committee expresses the view that the system contemplated by the Assembly can here and now be regarded as applicable. The Committee has further forwarded to the Council for submission to the Assembly a final report on the question of an aerodrome to be established near the seat of the League.

HEALTH QUESTIONS.

EUROPEAN CONFERENCE ON RURAL HYGIENE.

The European Conference on Rural Hygiene met at Geneva from May 29th to June 7th, 1931, under the chairmanship of Professor G. Pittaluga, Director of the National School of Hygiene at Madrid and member of the Health Committee of the League. Eighty-six delegates from twenty-five countries attended, with eight observers from extra-European States. The Conference adopted a series of recommendations for the organisation of medical assistance, health services and sanitation in rural districts, and requested that they should be communicated to the Governments for their adoption.

CONFERENCE OF EXPERTS ON IMMUNISATION AGAINST DIPHTHERIA AND SCARLET FEVER AND MEETING OF THE PERMANENT STANDARDISATION COMMISSION.

Fifty experts belonging to fifteen countries participated in these meetings, which were held in London from June 17th to 25th, 1931. The experts on immunisation adopted a number of recommendations upon vaccination against diphtheria, which will again be discussed by the Health Committee at its next session. They decided to continue their enquiries into vaccination against scarlet fever.

The Permanent Standardisation Committee adopted a series of international standards for certain sera and vitamins.
THE LEAGUE OF NATIONS AND CHINA.

At the request of the Chinese Government and as a further step in carrying out the plan of co-operation between China and the League, the Council, on May 15th, 1931, decided to place at the disposal of the Chinese Government for a limited period an officer competent to give information on the work of the technical organisations of the League and the manner in which they might assist the National Economic Council of China in its general plan of reconstruction. It authorised the Secretary-General to send one of the Directors of the technical organisations to pay a further visit to China for this purpose. In accordance with this decision, Dr. Rajchman, the Director of the Health Section of the League Secretariat, left for China in the middle of August.

He will be relieved later this year by M. Haas, the Director of the Transit Section. The Chinese Government has invited the co-operation of League experts in establishing plans for flood control on the river Hwai and on the river system of Northern China and for the development of the Port of Shanghai. It has also requested the assistance and advice of a League technical officer in the organisation and development of a technical training centre for civil engineers. The Advisory and Technical Committee of Communications and Transit, during its session held in June 1931, appointed two small committees to follow the development of the scheme of co-operation and took steps to select the necessary experts required to work on the spot.

The Economic Committee, during its session held in June, requested its bureau (Chairman, Vice-Chairman and Secretary) to nominate experts to co-operate with the National Economic Council of China as and when it might be necessary.

The International Committee on Intellectual Co-operation, during its session held in July, noted with satisfaction the requests received from the Chinese Government for assistance and advice on the work of reorganising public education in China and developing intellectual relations between China and the other Members of the League. It reviewed and approved the measures, taken in response to this request, for the despatch of an educational mission to China, affirmed its intention of according to the Chinese Government its full collaboration based on any recommendations which the Chinese Government might itself submit, and authorised its Executive Committee to take any steps which might be necessary to achieve the desired results.

TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS.

I. THE CONFERENCE ON THE LIMITATION OF THE MANUFACTURE OF NARCOTIC DRUGS.

The Conference on the Limitation of the Manufacture of Narcotic Drugs met at Geneva from May 27th to July 13th, 1931, under the chairmanship of M. Louis de Brouckère (Belgium). Fifty-seven States were represented.

The Conference adopted a Convention for the Limitation of the Manufacture of Narcotic Drugs, embodying a scheme under which countries will be authorised to manufacture only such narcotic drugs as are necessary for their medical and scientific needs and for the execution of legitimate orders received from abroad.

The list of drugs brought under limitation and control was established by scientific experts, who endeavoured to make the Convention as complete as possible and to render the evasion of its provisions by the invention of new drugs extremely difficult and even impossible. The Convention covers all known or possible derivatives of opium and the coca leaf.

Estimates furnished by the various countries of their legitimate requirements will be received by the Permanent Central Opium Board and reviewed by an international body called the Supervisory Body. It is provided that there shall not be manufactured in any country in any one year a quantity of any drug in excess (a) of the estimates supplied by the Governments for the purpose of conversion or internal consumption or the constitution of Government and reserve stocks and (b) of the amounts required to fill legitimate orders for export. The export of diacetylmorphine (heroin) and its salts is prohibited, except to Governments and subject to certain specified conditions. Governments undertake to apply to all drugs a strict system of control, and special measures are provided to ensure that exports to countries not parties to the Convention or to the Geneva Convention of 1925 shall not exceed their legitimate needs. Governments are required to establish an ad hoc administration for applying the provisions of the Convention and to exercise effective supervision over raw materials, manufactured drugs and preparations.

The President, reviewing the Convention, expressed the opinion that it embodied an effective and coherent form of limitation and control. It is based on a system which allows the free purchase and sale of narcotic drugs, subject to a strict supervision designed to ensure that the total production of all the competitors in the world market shall remain within limits carefully defined and authorised. This supervision extends to imports, exports, manufacture, conversion and the formation of stocks. Every stage in the manufacture and distribution of the drugs is subject to regulation and record under the general direction of the central bodies at Geneva.
The Convention, moreover, extends the scope of the previous opium conventions and applies their provisions to additional drugs.

The maximum total medical and scientific requirements of the world during the last three years has been approximately established at the following figures: morphine for use as such, 9 tons; diacetylmorphine, 2 tons; cocaine, 5\frac{1}{2} tons. The Conference, in its Final Act, recommends that, pending the entry into force of the Limitation Convention, countries manufacturing the drugs shall not manufacture more than their legitimate needs as determined by domestic consumption and legitimate export.

The following States had signed the Convention on July 20th: Abyssinia, Argentina, Austria, Belgium, Bolivia, Canada, Chile, Costa Rica, Cuba, Czechoslovakia, Denmark, the Dominican Republic, Egypt, France, Germany, Great Britain, Guatemala, Hejaz, India, Italy, Japan, Liberia, Luxemburg, Mexico, Monaco, Netherlands, Panama, Paraguay, Portugal, San Marino, Siam, Spain, Switzerland, United States of America, Uruguay and Venezuela.

II. THE WORK OF THE PERMANENT CENTRAL OPIUM BOARD.

The Permanent Central Opium Board held its tenth session from August 10th to 20th, 1931, when it examined the statistical material collected in 1930 from forty-three parties and six non-parties to the Geneva Opium Convention of 1925. It noted a great improvement in the statistics supplied by the Governments for 1930 as compared with those received for 1929, in respect both of their number and of their accuracy.

The Board decided to consider at its next session the possibility of establishing, by exact calculation, a comparative table of the consumption of the different opiates in the various countries.

REFUGEES.

The Governing Body of the Nansen International Office for Refugees, meeting at Geneva from July 1st to 3rd, 1931, approved its annual report to the Assembly. The report describes the various administrative measures taken by the Governing Body to carry out the decisions adopted by the Assembly last year, together with a detailed scheme for a systematic liquidation of the work on behalf of the refugees. The Governing Body indicates, not only the steps necessary to wind up its administrative services, but a programme covering the work to be done in providing relief for refugees unable to work and for the settlement and placing of refugees for whom work can be found.

The Governing Body is of opinion that the activities of the International Office should be continued for a certain time without any appreciable reductions. The contributions requested from the League would diminish only by small degrees for the years 1933-1936. The period of liquidation, on the other hand, would be decreased by one year.

The Inter-Governmental Advisory Commission for Refugees, meeting at Geneva from August 20th to 21st, recommended the adoption of the conclusions of the report of the Governing Body. The Commission proposes to consider at later meetings whether it is not desirable to prepare an international convention ensuring the refugees full legal security and stability in respect of settlement and occupation.

INTELLECTUAL CO-OPERATION.

The International Committee on Intellectual Co-operation met at Geneva for its thirteenth session from July 20th to 25th, 1931.

The Plenary Committee, in its report to the Council and the Assembly, reviews the results of the work of the Organisation for Intellectual Co-operation undertaken in 1930. From 1922 to 1924 its methods were largely directed to the rescue of intellectual life, which was then severely threatened in the countries of Eastern and Central Europe. From 1924, it has been working directly on behalf of science, letters and the arts, and for those engaged in the professions, endeavouring to place at their disposal the instruments and facilities necessary for their work and the defence of their rights. The Committee now feels it to be its principal duty to place the resources of intellectual co-operation more immediately at the service of the League, and it urges that it should be enabled to keep more directly in touch with the Council and with the Assembly.

The resolutions adopted by the Committee cover the whole field of work of the organisation of intellectual co-operation, including resolutions upon the relation between intellectual co-operation and disarmament, the scientific study of international relations, the educational information centre, the Exhibition of Popular Arts to be held at Berne in 1934, the protection of intellectual and scientific rights, the use of the spare time of workers, the continuation of the publication of the Ibero-American collection, the International Museums Office, the programme of a conference to be held at Athens in October 1931 for the protection and preservation of
artistic and historical monuments, and the establishment of permanent university offices of information and exchange.

The Committee endorsed the recommendations of the Permanent Committee for Arts and Letters for the purpose of encouraging co-operation in the fields of music, poetry, the theatre, art and archaeology, and of its Committee of Scientific Advisers for the co-ordination of scientific bibliographies.

The Committee approved proposals of its Sub-Committee of Experts on the Instruction of Youth in the Aims of the League relating to the scientific study of international relations, the revision of school text-books and the part to be played in the instruction of youth by libraries, publications, the cinematograph and broadcasting.

It emphasised the importance of the National Committees on Intellectual Co-operation and suggested that a conference of representatives of these Committees should be convened in 1934.

The Committee reviewed and approved the steps taken under the resolution adopted by the Council during its session in May 1931 to organise a mission to China with a view to rendering more numerous and frequent the intellectual relations of China with the League (see above: "The League of Nations and China").
1.

REDUCTION OF ARMAMENTS.

I. PREPARATORY WORK FOR THE DISARMAMENT CONFERENCE.

The decision taken by the Council in May 1931 that Geneva should be the seat of the Conference was immediately communicated by the Secretary-General to the Swiss Federal Government and the Government of the Republic and Canton of Geneva. The Geneva Government expressed its satisfaction at this decision and again assured the Council of its desire to do its utmost to ensure that the arrangements for the Disarmament Conference should be satisfactory. It drew attention to the fact that a special Committee, which it had appointed for the organisation of the Conference, was already established as an official bureau and that the Governments invited to the Conference might address to that office any complaint or request for information as to accommodation, not only during the Conference itself, but during the period of preparation.

The construction of a special building for the use of the Conference, to the north of the present offices of the Secretariat, was begun on June 23rd, 1931.

* * *

In accordance with the resolution of the Council, all the States Members of the League of Nations have been invited to the Conference, together with the following non-Member States: Afghanistan, Brazil, Costa Rica, Ecuador, Egypt, United States of America, Mexico, Turkey and the Union of Socialist Soviet Republics.

* * *

The Secretary-General, acting upon a resolution of the Council, sent a circular letter on June 13th, 1931, to all the States invited to the Disarmament Conference, communicating to them the Minutes of the meetings of May 20th and May 23rd, at which the Council examined the question of the information to be furnished by Governments on the position of armaments in the various countries. Up to the present, the following communications have been received by the Secretary-General:

1. Communications which, in conformity with the request of the Government concerned, have been immediately communicated to the other States invited to the Conference and published. They are as follows:
   - Memorandum from the United States of America (document C.413.M.169.1931.IX);
   - Memorandum from Belgium (document C.436.M.183.1931.IX);
   - Memorandum from France (document C.440.M.187.1931.IX);
   - Memorandum from Great Britain (document C.476.M.203.1931.IX);

2. Communications which, for the moment, have been filed with the Secretariat and which will later be brought to the notice of the other Governments, in conformity with the procedure laid down by the Council.

The Secretary-General was requested by a resolution of the Council, with a view to preparing for the Disarmament Conference, to arrange for the Communications and Transit Organisation to proceed to an enquiry among all the Governments invited to the Conference and to a methodical study of the present situation concerning the publication of information on civil aviation. The Communications and Transit Section accordingly sent a circular letter on August 10th (C.197.1931.IX) to the various Governments, requesting them to be good enough, before December 1st, 1931:

(a) To communicate to him the text of any national provisions or regulations, multilateral conventions or private undertakings relating to the publication of information regarding civil aviation which are in force as far as they are concerned; and
(b) To inform him whether, in view of the provisions in force, they would be able to furnish regularly certain specified data described in an annex to the circular letter. The information specified was such as would enable statistics of effectives of non-military aviation to be prepared and also statistics of the public funds allotted to such aviation.

---

1 See report on the work of the League since the last session of the Assembly (document A.6.1931, page 48).
2 See report on the work of the League since the last session of the Assembly (document A.6.1931, pages 49 to 52).
II. SUPERVISION OF THE INTERNATIONAL TRADE IN ARMS AND AMMUNITION AND IN IMPLEMENTS OF WAR.

No further ratification of the Convention signed at Geneva on June 17th, 1925, on the supervision of the international trade in arms and ammunition and in implements of war has been received by the Secretary since June 1931.

The Persian Government has forwarded to the Secretary-General a memorandum (document C.414.M.170.1931.IX) containing certain observations by the Persian Government and, in particular, explaining why Persia finds itself unable to adhere to the Convention. The Persian Government expresses the hope that an international conference may be entrusted as soon as possible with the framing of a convention which may simultaneously settle the two questions of the manufacture and of the traffic in arms and munitions of war, having due regard to the principle of the equality of States at international law.

2. POLITICAL QUESTIONS.

CLAIM BROUGHT BY THE FINNISH GOVERNMENT AGAINST THE GOVERNMENT OF THE UNITED KINGDOM IN CONNECTION WITH FINNISH SHIPS USED DURING THE WAR BY THE GOVERNMENT OF THE UNITED KINGDOM.

The Government of Finland in a letter dated July 30th, 1931, has asked that the following question shall be placed on the agenda of the Council for the forthcoming session in September:

"Claim brought by the Finnish Government against the Government of the United Kingdom in connection with Finnish Ships used during the War by the Government of the United Kingdom."

The request of Finland is accompanied by a memorandum explaining the subject of the claim, which has for some time been under negotiation between the two Governments concerned.

3. THE COMMISSION OF ENQUIRY FOR EUROPEAN UNION.

The Committee of Economic Experts appointed by the Commission of Enquiry for European Union to consider the better organisation of production and trade met from June 24th to June 30th, 1931 (see general report on the work of the League, document A.6.1931, page 60). The Committee to study the problem of the disposal of future harvest surpluses of cereals met on June 25th and 26th, 1931 (document A.6.1931, page 60). The Sub-Committee to consider the problem of unemployment met on July 1st and 2nd, 1931 (document A.6.1931, page 60). A further meeting of the Committee of Economic Experts was held from August 21st to August 29th, 1931, and the Committee to consider credit problems met from August 24th to August 28th (A.6.1931, page 60).

These Committees will present reports to the Sub-Committee appointed by the Commission of Enquiry to co-ordinate the work of its special committees (document A.6.1931, page 59). The Co-ordination Sub-Committee will meet on August 31st, 1931, and will submit its report to the Commission of Enquiry in September.
4. ADMINISTRATIVE QUESTIONS.

I. SAAR TERRITORY.

PERIODICAL REPORT OF THE GOVERNING COMMISSION.

The Governing Commission has forwarded to the League of Nations its forty-sixth periodical report covering the second quarter of 1931.

1. Political Situation. — During the period April 1st to June 30th, 1931, the Advisory Council and Technical Committee gave its opinion upon a number of draft decrees submitted to it by the Governing Commission.

2. Economic and Financial Situation. — The number of unemployed decreased from 20,139 in February to 15,085 in April and 14,886 in May. These figures are twice as high as those of the corresponding months in 1930. The sum set aside for unemployment relief was calculated on the basis of the figures for 1930. The Governing Commission, in view of the budget deficit arising from this fact, which would be still further increased by a falling off in the receipts from the railways, has decided to effect economies by reducing the salaries of officials. The basic salaries and duty allowances have been provisionally reduced by 6 per cent as from July 1st, 1931, until April 1st, 1932. The members of the Governing Commission, although their own salaries were fixed by the Council of the League, have decided voluntarily to pay into the Treasury of the Territory 6 per cent of their salaries.

II. FREE CITY OF DANZIG.

1. POLITICAL, ECONOMIC AND FINANCIAL SITUATION.

The annual report of the High Commissioner, dated May 31st, has been communicated to the Council of the League and to the Government of Danzig. The report is of a general character and deals with the situation in Danzig as a whole, with the relations between Poland and Danzig and with political, economic and financial questions affecting the Free City.

The High Commissioner, referring to the domestic political situation of the Free City, points out that, as a result of amendments to the Constitution approved by the Council of the League of Nations in September 1930, new elections were held on November 16th, 1930. The most striking feature of these elections was the success of the National Socialist Party, which, with 12 seats, became the second largest party in the new Volkstag after the Social Democrats. The Communist vote also appreciably increased during the period 1927 to 1930. The moderate and middle-class parties have almost disappeared. If the votes are taken as a whole, the Polish Party has not lost ground.

Elections for the Senate were held on January 9th, 1931. The new Senate, the President of which is Dr. Ziehm of the German National Party, is composed of the German National Party, the Centre Party and the small middle-class parties. The Senate commands a majority in the Volkstag only owing to the support of the National Socialist Party.

The High Commissioner, referring to the economic and financial situation, dwells especially on the unemployment question. A statement by the Senate of the Free City on the economic and financial situation is attached to the High Commissioner's report. A report by the President of the Harbour Board on the activity and development of the harbour is also annexed to the High Commissioner's report.

2. DANZIG-POLISH AGREEMENT.

An agreement was concluded between Poland and Danzig on June 18th, 1931, on the question submitted to the High Commissioner for his decision regarding the application to employees and officials in Polish offices at Danzig of a Danzig decree concerning the tax known as the Festbesoldetensteuer.

3. PARTICIPATION OF DANZIG IN INTERNATIONAL TREATIES AND AGREEMENTS.

The Senate has decided to participate in the following international agreements:

Declaration dated April 20th, 1921, recognising the right to a flag of States having no sea-coast;
Agreements signed at Lisbon on October 23rd, 1930, concerning maritime signals and manned lightships not on their stations.

The High Commissioner, applying the procedure adopted by the Council on September 6th, 1929, has notified the Senate that there is no reason why he should exercise his right of veto in respect of these agreements.

5.

MANDATES.

The Permanent Mandates Commission met at Geneva from June 9th to 27th, 1931, for its twentieth session.

I. GENERAL QUESTIONS.

1. General Conditions which must be fulfilled before the Mandate Regime can be brought to an End in respect of a Country placed under that Regime.

The task assigned to the Permanent Mandates Commission was defined by the Council resolution of January 13th, 1930, in the following terms:

"Being anxious to determine what general conditions must be fulfilled before the mandate regime can be brought to an end in respect of a country placed under that regime, and with a view to such decisions as it may be called upon to take on this matter, the Council, subject to any other enquiries it may think necessary, requests the Mandate Commission to submit any suggestions that may assist the Council in coming to a conclusion".

The Council, on January 22nd, 1931, replying to a request for an interpretation of this resolution from the Permanent Mandates Commission, confirmed its resolution of January 1930, emphasising that it referred "to the examination of the general problem and not the particular case in regard to which the question was raised". It invited the Commission to continue its study of the general aspect of the question. The rapporteur to the Council, moreover, replying to a question put by the Vice-Chairman of the Mandates Commission, further explained that the question of the conditions governing the termination of a mandate was quite a different matter from the question of the conditions which should govern the admission of a mandated territory to the League of Nations.

The Mandates Commission, during its June session, examined the question within these limits.

It is of opinion that the emancipation of a territory under the mandate regime should depend on two classes of preliminary factors: (a) The existence in the territory concerned of de facto conditions justifying the presumption that the country has reached the stage of development at which a people has become able, in the words of Article 22 of the Covenant, "to stand by itself under the strenuous conditions of the modern world"; and (b) certain guarantees to be furnished by the territory desirous of emancipation to the satisfaction of the League of Nations, in whose name the mandate was conferred and has been exercised by the mandatory.

Subject to certain general considerations, the Commission considers that the following conditions must be fulfilled before a mandated territory can be released from the mandatory regime:

(a) It must have a settled Government and an administration capable of maintaining the regular operations of essential Government services;
(b) It must be capable of maintaining its territorial integrity and political independence;
(c) It must be able to maintain the public peace throughout the whole territory;
(d) It must have at its disposal adequate financial resources to provide regularly for normal Government requirements;
(e) It must possess laws and a judicial organisation which will afford equal and regular justice to all.

The Commission considers that the guarantees to be furnished by the new State before the mandate can be brought to an end should take the form of a declaration binding the new State to the League of Nations, or of a treaty or a convention or of some instrument formally accepted by the Council of the League as equivalent to such an undertaking.

1The question had been raised following a proposal of the British Government to terminate the British mandate for Iraq (see general report on the work of the League, document A.6.1931, page 80).
The Commission suggests that, without prejudice to any supplementary guarantees which might be justified by the special circumstances of certain territories or their recent history, the undertakings of the new State should ensure and guarantee:

(a) The effective protection of racial, linguistic and religious minorities;
(b) The privileges and immunities of foreigners (in the Near Eastern territories), including consular jurisdiction and protection as formerly practised in the Ottoman Empire in virtue of the capitulations and usages, unless any other arrangement on this subject has been previously approved by the Council of the League of Nations in concert with the Powers concerned;
(c) The interests of foreigners in judicial, civil and criminal cases, in so far as these interests are not guaranteed by the capitulations;
(d) The financial obligations regularly assumed by the former mandatory Power;
(e) Rights of every kind legally acquired under the mandate regime;
(f) The maintenance in force for their respective duration and subject to the right of the denunciation by the parties concerned of the international conventions, both general and special, to which, during the mandate, the mandatory Power acceded on behalf of the mandated territory.

In addition to the foregoing essential clauses, the Permanent Mandates Commission considers that it would be desirable that the new State, if hitherto subject to the Economic Equality Clause, should consent to secure to all States Members of the League of Nations the most-favoured-nation treatment as a transitory measure on condition of reciprocity.

II. ADMINISTRATION OF THE TERRITORIES UNDER MANDATE.

TERRITORIES UNDER A MANDATE.

1. Special Questions relating to the Pipe-line of the Iraq Petroleum Company through the Territories of Palestine, Syria and the Lebanon.

The Permanent Mandates Commission examined during its twentieth session the question whether two agreements worded in almost identical terms, concluded by the Iraq Petroleum Company with the British High Commissioner in Palestine on January 5th, 1931, and the Lebanese and Syrian Governments on March 25th, 1931, for the construction of a pipe-line, were compatible with Article 18 of the Palestine mandate and Article 11 of the mandate with Syria and the Lebanon respectively. It noted that the provisions of the mandate did not constitute an obstacle to the granting of the advantages conferred by these agreements on the Iraq Petroleum Company in Palestine and in Syria and the Lebanon. Certain members of the Commission, however, expressed doubts as to whether some of the clauses of the agreements in question kept the necessary balance between the advantages and privileges granted to the company and the advantages which would accrue to the mandated territories concerned.

Footnote:
1 As, for example, those which enforce recognition of the rights referred to in Articles 13 and 14 of the Palestine mandate.
2. Iraq.

(c) New Judicial Agreement between the British Government and the Government of Iraq. — The British Government on March 21st, 1931, announced that the fourteen Powers whose nations enjoyed privileges under the previous judicial agreement between the British Government and the Government of Iraq of March 25th, 1924, had all notified their approval of the new agreement signed at Bagdad on March 4th, 1931 (see general report on the work of the League, document A.6.1931, pages 81 and 82). Thus, the condition laid down by the Council before the entry into force of the Agreement had been fulfilled. The British Government on July 7th, 1931, informed the Secretary-General that the instruments of ratification of the Judicial Agreement concluded on March 4th, 1931, had been exchanged at Bagdad on May 29th, 1931, and that the Agreement had accordingly entered into force in conformity with the provisions of Article 5 as from that date.

(b) Special Report of the British Government to the Council of the League of Nations on the Progress of Iraq during the Period 1920-1931. — The British representative, at a meeting of the Council on January 22nd, 1931, stated that a very full report would be submitted by the mandatory Power on the progress of Iraq under the mandate. He pointed out that any deficiencies to which the Commission might draw attention during its June session might be remedied during the session to be held in November 1931 or by means of a supplementary report or information given verbally by the accredited representative when the annual report for 1930 came to be examined.

The Commission, during its June session, did not note any essential deficiencies in the special report, covering a period of ten years, which the mandatory Power had submitted.

The Commission states that, so far as its normal sources of information permit, it is now in a position to an extent compatible with the nature of its functions and its procedure and subject to the information promised, to express its views on the proposal of the mandatory Power to terminate the mandate in Iraq. As soon as the Council has declared its opinion as to the general conditions which must be fulfilled before a mandate can be brought to an end, the Commission will be ready to submit to the Council its opinion on the British proposal regarding Iraq, after examining that proposal in the light of any decisions which the Council may take.

(c) Petitions relating to Iraq. — The Commission, during its June session, noted the reply of the mandatory Power to the question raised by the Council whether there existed a competent jurisdiction to deal with the question raised by a petition of the British Oil Development Company, Limited, concerning the exploitation of the oil-fields in Iraq and examined by the Commission during its previous sessions (see general report on the work of the League, document A.6.1931, page 83). It appeared from a communication of the British Government, dated June 4th, 1931, that the case which formed the subject of the petition of the British Oil Development Company was such that it might be brought before the Iraq courts. The Commission accordingly does not consider it is competent to examine the petition on behalf of the Council.

The Commission during its previous session had also dealt with petitions relating to the positions of the minorities in Iraq (see general report on the work of the League, document A.6.1931, page 83). Several petitions dealing with the same question were examined during its session in June. The petitions were presented by representatives of the Kurdish and non-Moslem minorities in Iraq. The Commission in its conclusions draws attention to the uneasiness undoubtedly prevalent among the Kurdish minorities owing to the uncertainty as to the fate which awaits them if the moral protection of the mandatory Power from which they have benefited for more than ten years is to be withdrawn. The Commission recommends the Council to request the mandatory Power not to relax the supervision which it is exercising in regard to the position of the Iraqi minorities. It emphasises the necessity of impressing upon the Government of Iraq that it should be guided by a spirit of broad toleration towards minorities, whose loyalty will grow in proportion as they are freed from all fear of danger to their natural rights as explicitly recognised by the mandatory Power and the League of Nations.

3. Palestine.

(a) Examination of the Annual Report for 1930. — The Mandates Commission, shortly before the opening of its nineteenth session in November 1930, received the report of Sir John Hope Simpson from the British Government, together with a declaration made by the British Government in October 1930 on its policy in Palestine. Sir John Hope Simpson had been sent to Palestine by the British Government to report upon the present position in Palestine in regard to immigration, land settlement and development. The Commission had thought it well to postpone the examination of these documents to its June session, when it would be able to study them together with the annual report on Palestine and have the benefit of the collaboration of the accredited representative of the mandatory Power. Meanwhile, the Commission had received a letter addressed by the British Prime Minister to Dr. Weizmann on February 13th, 1931, embodying an authoritative interpretation of the British Government’s declaration of October 1930.

The Commission during its June session was glad to note that order had been maintained in Palestine during 1930, thanks to a series of measures taken by the mandatory Power and to the re-organisation of the police force. It noted that the mandatory Power, without prejudicing the situation of the Arab majority, was endeavouring to facilitate Jewish immigration by increasing the economic capacity of the country to absorb immigrants. It also noted that the
preparation of a systematic plan of agricultural development was to be entrusted to a special commissioner. Lastly, the commission welcomed the recognition by the accredited representative of the fact that the improvement of relations between the Arabs and Jews depended on a just settlement founded on a detailed study of questions of an economic nature, in which the mandatory Power was asking the assistance of the population. It welcomed the statement by the accredited representative that the mandatory Power, in accordance with its declaration of October 1930, intended to set up a Legislative Council.

The Commission made a certain number of observations concerning local autonomy, public finance, immigration and emigration. It expressed the hope that the report of the International Commission, which, in accordance with the Council resolution of January 14th, 1930, had finally determined the rights and claims of the Jews and Moslems with regard to the Wailing Wall at Jerusalem, would put an end to past controversies.

(b) Petitions relating to Palestine. — The Commission examined two petitions relating to the administration of Palestine, one from the Arab Executive Committee regarding the declaration of the British Government of October 1930 and the other from the Jewish Agency relating to the development of the Jewish National Home in Palestine in 1930. The Commission did not think that these two petitions called for any recommendation on the part of the Council.


(a) Examination of the Annual Report for 1930. — The Commission, during its twentieth session, noted a declaration by the accredited representative of the mandatory Power to the effect that the organic statute promulgated in May 1930 had begun to be applied (see general report on the work of the League, document A.6.1931, page 83). It recorded the intention of the mandatory Power to conclude in the near future treaties with the Governments of Syria and the Lebanon, taking into account the evolution which had taken place and the progress which had been achieved. The accredited representative informed the Commission that the present process of evolution pointed to a termination of the mandate for Syria and the Lebanon at a not very distant date, and that, consequently, the treaties to be concluded with the Governments of these countries would relate, not only to the carrying out of the mandate, but to its replacement by a new regime.

The Commission declared that it would follow with interest this evolution and the stages leading up to the point at which Syria and the Lebanon would no longer need the advice and assistance of the mandatory, from which they had so far benefited for only a short time. It expressed the hope that in the agreements preparing the way for the new regime in Syria and the Lebanon the mandatory Power would endeavour to ensure the maintenance of the rights and interests whose protection had been specially entrusted to the mandatory until the termination of the mandate. Finally it expressed the desire to be kept regularly informed of the progress achieved towards this end.

The Commission noted that the Conference of Common Interests provided for in the Organic Law had already held a meeting, and it expressed a desire to find in the next annual report as complete information as possible on the work of the Conference. The Commission also expressed the hope that more precise details would be included in the next report on the system according to which expenditure and receipts in the joint budget were allocated as between the various political units of the territory and on the land credit system. The Commission noted with satisfaction that the first measures of labour legislation had been adopted in the State of Syria in the shape of an order regulating the age of admission of children to industrial employment and the night work of young persons.

(b) Petitions relating to Syria and the Lebanon. — The Commission examined a petition from Mr. Ahmed Muktar el Kabbani concerning the settlement of certain pensions. The Commission did not think that these petitions called for any action on the part of the Council.

(c) Petition relating to Palestine, Syria and the Lebanon. — The Commission during its session in June examined a petition from Mrs. Evelyn Evans relating to a concession which had been granted by the Imperial Ottoman Government for the construction of a railway in a region now forming part of the mandated territories of Palestine and Syria. The Commission, having examined this petition and the observations of the mandatory Powers concerned, expressed the view that the case could be dealt with by the ordinary courts of law, and was not therefore within its competence.

TERRITORIES UNDER B MANDATE.

Examination of the annual reports on Tanganyika and on Togoland and the Cameroons under French mandate, which the Commission would normally have taken during its twentieth session, was adjourned to the session to be held in November 1931, by agreement between the Chairman and the Commission and the mandatory Powers concerned.

TERRITORIES UNDER C MANDATE.

1. New Guinea.

The Permanent Mandates Commission, during its twentieth session, examined the annual report on the administration of New Guinea for the year 1929-30. The Commission was glad...
to note that the mandatory Power had continued its efforts to improve the conditions of indentured labour; in particular, by providing for a further consideration of reforms of the recruiting system, for increased inspection and for the better safeguarding of the interests of time-expired labourers travelling home. It further welcomed the fact that proposals were under consideration for facilitating the extension of the use of non-indentured labour. It again expressed a desire to be informed whether the system of labour contracts had a prejudicial effect on the social life of the natives and hoped that it would receive complementary information concerning the authority exercised by native chiefs over their people. Finally, the Commission noted with interest the report of the official anthropologist, Mr. Chinnery, which contained a good deal of information of a demographic character and information as to the manners and customs of the natives.

2. Nauru.

The Permanent Mandates Commission examined during its twentieth session the report on the administration of Nauru for 1930. It was glad to note the progress which had been achieved in the campaign against leprosy in the mandated territory.


The Commission examined during its June session the annual report on the administration of South West Africa for 1930. It was glad to learn from the accredited representative that the period of drought from which the mandated territory had so greatly suffered during the year 1930 had come to an end, and noted with satisfaction the efforts made by the mandatory Power to relieve the victims of the drought. It noted that the budget deficit and the debt of the territory were assuming considerable proportions, and expressed the hope that detailed information would be given in the next report with regard to the measures which it was proposed to take to meet the situation.

The Commission dealt during its examination of the report with a constitutional question which appeared to arise concerning the advances made by the mandatory Power to the mandated territory. It desired to know, in particular, whether the mandatory Power regarded itself as responsible for the budget of the mandated territory as voted by the local legislative power, and if so, how it was meeting this responsibility. Finally, the Commission welcomed the increasing interest which the administration was taking in the education of the natives and the cooperation which it had established with the missions for this purpose.

6.

SLAVERY.

Geneva, August 30th, 1931.

The Assembly, in a resolution dated September 30th, 1930, noted that the number of ratifications of the Convention of September 25th, 1926, relating to slavery had increased in one year from 29 to 34, including the ratification of Poland, which was deposited during the Assembly session (September 17th, 1930). Since that date, five further ratifications have been deposited: by Czechoslovakia, Switzerland, France, Roumania and Cuba. Moreover, the French Government, as mandatory power for Syria and the Lebanon, in conformity with Article 12 of its mandate, adhered to the Convention on June 23rd, 1930. The Persian Government, by a letter dated September 23rd, 1930, the Government of Panama by a letter dated December 1st, 1930, the Government of Uruguay by a letter dated December 6th, 1930, and the Government of Colombia, by a letter dated April 8th, 1931, informed the Secretary-General that they hoped shortly to ratify or adhere to the Convention. The present position in regard to signatures, accessions and ratifications in respect of the Convention is set forth in document A.6(a).1931, Annex.

* * *

The Assembly, in a resolution dated September 25th, 1926, asked the Council to communicate to it each year a list of the laws and regulations forwarded to it under Article 7 of the Convention relating to slavery, with any supplementary information furnished by the States Members of the League on the steps taken by them to ensure the progressive abolition of slavery and analogous conditions. In addition to the communications referred to in the
A letter dated May 15th, 1931, from the India Office forwarding, by order of the Secretary of State, a memorandum on the steps taken to ensure the abolition of slavery in Burma (1930-31);

A letter dated June 19th, 1931, from the British Government concerning the legislation relating to slavery in Sierra Leone;

Letters dated July 3rd and July 29th, 1931, from the Portuguese delegation accredited to the League of Nations concerning the legislation relating to native labour promulgated in the Portuguese colonies from December 1929 to April 1931;

A letter dated July 24th, 1931, from the Government of Liberia, communicating the text of a proclamation dated September 29th, 1930, and a law dated December 19th, 1930, abolishing the limited form of slavery still existing in the republic of Liberia.

These various communications have been published in the Official Journal and in document A.13 (a).1931.VI.

The Assembly, in a resolution dated September 30th, 1930, invited the States Members and non-Members of the League to complete the information on slavery which they had already forwarded to the League by furnishing any information which might enlighten the Assembly, not only as to conditions prevailing in their own territories, as the Assembly had requested in its resolution of September 21st, 1929, but also on the present general situation in regard to slavery. Up to the present, the following States, replying to the letter of the Secretary-General of November 7th, 1930, have stated that they have nothing to add to the information already given: The Union of South Africa and the mandated territory of South West Africa, Germany, Australia (and the mandated territories of New Guinea and Nauru), Canada, Costa Rica, Denmark, Spain (the Spanish colonies of the Gulf of Guinea), Irish Free State, United States of America, Finland, Greece, Iceland, Lithuania, Mexico, Monaco, New Zealand, Poland, Sweden, Czechoslovakia.

The following States have sent communications containing information relating to slavery:

The Government of Panama, in a letter dated December 1st, 1930;

The Government of Uruguay, in a letter dated December 6th, 1930;

The Government of Bulgaria, in a letter dated March 2nd, 1931;

The Government of the Argentine Republic, in a letter dated April 7th, 1931;

The Portuguese Government, in a letter dated April 25th, 1931;

The Government of Great Britain, in a letter dated August 5th, 1931, forwarding a memorandum from the Anti-Slavery and Aborigines Protection Society dated June 11th, 1931;

The Government of the Netherlands, in a letter dated August 8th, 1931.

These communications have been embodied in document A.29.1931.6.

7.

WORK OF THE TECHNICAL ORGANISATIONS.

I. ECONOMIC AND FINANCIAL ORGANISATION.

A. WORK OF THE ECONOMIC COMMITTEE.

1. 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 included the question whether Customs quotas and antidumping or countervailing duties were compatible with the spirit of the clause, the question of the interpretation to be given to the expression “like products” used in commercial treaties and the criterion to be applied in determining the nationality of goods. The steps taken to carry out this recommendation are summarised in the general report on the work of the League (document A.6.1931, page 92).
The Economic Committee, having consulted experts appointed by the countries which raised the question in the Assembly (Austria, Denmark, Finland, Latvia, the Netherlands, Norway, Sweden and Switzerland) established its conclusions during its session held from June 18th to June 22nd, 1931.

The Committee has requested the Council to forward its report embodying these conclusions to the Governments, recommending them to bring their commercial policies as far as possible into line with the principles laid down therein, and to communicate to the Secretary-General of the League any observations which they may wish to make with regard to them.

The Committee, in a special report on Customs quotas, after referring to certain quotas of little importance in international trade and not likely to give rise to any dispute, passes to the consideration of quotas established rather to regulate than to limit the importation of a given commodity.

In cases where such quotas are established in agreement with the various countries concerned proportionate to their trade in these commodities, there is unlikely to be incompatibility with the spirit of the most-favoured-nation clause. It frequently happens, however, that such a quota may be established with the country least interested in the export of the commodity in question and, if aggregate imports are restricted at the expense of all the exporting countries except the country with which the quota is arranged, such a restriction may be prejudicial to the countries concerned in direct proportion to their exporting capacity. The question of compatibility with the most-favoured-nation clause is, in such cases, likely to arise.

Quotas of this description should be arranged with due regard to the special commercial position of the State concerned in its relation to other States, and it would be contrary to the spirit of the most-favoured-nation clause if the respective positions of the countries affected by the questions were not preserved.

The Economic Committee expresses the view that, in practice, it is virtually impossible for a country to fix proportional quotas so as not to interfere with the free play of international commerce. It further points out that equal quotas may seriously prejudice the interests of third States. They are not, therefore, to be recommended and should, in the higher interests of commerce, be carefully avoided. It is recognised that Customs quotas have helped to settle notable difficulties without prejudice to third States when their purpose is not to upset the positions exporting States have obtained in a certain market, but to systematise and regulate them. But the greatest care should be exercised in such cases to conciliate the divergent interests of the parties concerned. The Committee considers that the best guarantee to third parties in the fixing of such quotas is that they should be established by agreement with the country which occupies the first rank among those importing the goods in question.

The Committee concludes as follows:

"As a general rule Customs quotas are to be condemned and avoided.

"If, however, their tendency is to regulate the import trade by helping to tide over periods of temporary difficulty, in such cases they must be so fixed as to cause a minimum of injury to the interests of third countries.

"Any country desiring to adopt Customs quotas must bear in mind that the most-favoured-nation treatment which it has conceded to other countries imposes on it the obligation not to impair the equality of conditions in international commercial competition; therefore, quotas must be fixed so as to safeguard, as far as possible, the position of the countries interested. Whether this is done by fixing the first Customs quota with the principal exporting country, or by negotiations conducted with each of the various interested countries in turn, is not a matter of essential importance.

"What is of importance is that the interests of the various countries enjoying most-favoured-nation treatment should be considered and respected.

"It is only in this way that Customs quotas, the expedient of a period of excessive protectionism, can be regarded as admissible and, at the same time, attain the desired end without aggravating a situation already far from satisfactory."

The Committee, in dealing with the problem of determining the nationality of goods, lays down certain general principles supplementing the recommendations which it put forward in 1929. It establishes a basis for determining the nationality both of natural and of manufactured products, and defines the conditions under which goods should be consigned and transported in order to retain their original nationality.

The Committee, in dealing with the question of "like products", refers to certain principles which it laid down in 1929. It lays down that a contractual tariff discrimination introduced into a Customs tariff by means of a treaty can be justified only if and to the extent that the product entitled to the Customs facility possesses intrinsic qualities clearly distinguishing it from any other similar product. Its consultations with Governments raising the question have added no new elements to those previously considered. The Committee considers that any dispute which may arise in regard to the matter may be settled by applying the above rule and that any difference of opinion as to the existence or absence of intrinsic characteristics can only be settled in specific individual cases, since such characteristics must naturally vary from one product to another and only expert examination can, in each particular instance, be decisive.
The Committee is not yet able to pronounce upon the compatibility of anti-dumping and countervailing duties with the most-favoured-nation clause, since its studies with regard to dumping have not yet been completed.


The Commission of Enquiry for European Union and the Council of the League during their sessions held in May 1931, authorised the Secretary-General to convene at an appropriate moment — after consulting the Economic Committee and the President of the Conference with a View to Concerted Economic Action — a meeting to ensure the application of the principles formulated in the Economic Convention of March 24th, 1930.

The Economic Committee, considering this question during its June session, noted that the situation had not changed since the Conference with a View to Concerted Economic Action, held in March 1931, and that the reasons which at the time had prevented the coming into force of the Convention still held good. More particularly the negotiations proceeding between Great Britain and certain industrial countries on the continent had not yet taken a sufficiently definite trend to enable Great Britain to reach a decision with regard to the putting into force of the Convention and, without the participation of Great Britain, it was difficult for a sufficiently important group of countries to be formed in favour of the Convention to ensure that it would have a real practical value.

The Economic Committee accordingly decided that it would be premature to summon a fresh meeting either to put the Convention of March 24th, 1930, into force or to conclude a new Convention on a similar basis. It expressed the hope that the negotiations in progress would very shortly be brought to a successful conclusion.

3. Customs Nomenclature.

The Economic Committee, at the session of June 1931, noted that the work of the Sub-Committee of Experts for the Unification of Customs Nomenclature would be completed for the next Session of the Assembly (see the general report on the work of the League, document A.6.1931, page 92).

The Committee has requested the Council to authorise the Secretary-General to send the draft scheme prepared by the experts as soon as possible to all the States Members and non-members of the League.

It is suggested that the Secretary-General should, at the same time, ask the Governments to inform him within six months of the receipt of the draft whether they are in principle prepared to adopt it, and to communicate to him any observations or suggestions they may wish to make, after consulting the agricultural, industrial and commercial circles in their countries.

The Economic Committee proposes, if necessary, to revise the draft unified Customs Nomenclature on the basis of the observations of the Governments and to draw up a draft international convention for its adoption.

4. The Application of Tariffs and Customs Formalities.

(a) Customs Treatment of Samples of no Value and of Printed Advertising Matter.

The Economic Committee, having referred to a Committee of Experts the question whether it may be possible to establish uniform rules to be applied to the Customs treatment of samples of no value and printed advertising matter, considered the report of this Sub-Committee during its June session. It decided to obtain the views of the administrations concerned on the proposals of the experts before submitting any final recommendations.

(b) Methods of the Application of Specific Tariffs: Net Weight, Gross Weight, Tare and Packing.

The Economic Committee, in February 1931, examined the proposals of a group of experts who had been asked to indicate how it might be possible to render uniform as between various countries the definitions relating to weight and packing, to provide guarantees against certain practices of indirect protection arising from an arbitrary application of the rules governing these matters, and to establish more equitable methods of passing goods through the Customs (see general report on the work of the League, document A.6.1931, page 93).

The Committee, during its session in June, decided to refer the technical proposals of the experts to the national departments concerned and to continue its investigation of the broader problem of the direct and indirect economic effects of the various systems of applying specific duties.

(c) Stamping of Samples of Articles made of Precious Metals Imported Temporarily.

The Committee decided in October 1930 to make enquiries of the administrations concerned in order to determine to what extent the formalities connected with the stamping of temporarily imported samples of articles made of precious metals might be simplified. Preliminary enquiries
made by the Secretariat indicated various difficulties in the way of exemption from stamping in certain countries. The Committee has accordingly decided to appoint a Sub-committee consisting of representatives of the competent administrations and of the circles concerned in the principal countries in which the question arises. The Sub-committee will consider how the desired simplification may be achieved consistently with ensuring to the national administrations all necessary guarantees.


The Economic Committee, in October 1930, decided that information collected by the Secretariat concerning the various laws in force as regards marks of origin should be submitted to a small group of experts including officials of countries with laws relating to marks of origin for foreign goods and exporters who were nationals of countries where serious complaints as to the obstacles encountered as a result of the application of these laws were frequently made (see general report on the work of the League, document A.6.1931, page 94).

Two members of the Economic Committee consulted a group of experts in April 1931 and submitted a report to the Economic Committee during its June session.

The experts were unanimous in recognising that both the terms and the application of the laws and regulations relating to marks of origin must be such as to preclude all possibility of discrimination — that is to say, they must apply to all foreign merchandise whatsoever, irrespective of its country or source.

It was further agreed that it was necessary to avoid hampering the application of any measures adopted by States to prevent or stamp out unfair competition arising from the use of false marks or appellations of origin or the employment of descriptions likely to give an inaccurate impression of the origin of the goods.

It was noted that the legislation on marks of origin was tending to become more severe and that complaints arising from the application of such legislation were becoming more frequent.

Several experts were in favour of dispensing with the requirement that goods should bear marks of origin on importation, provided that the origin of foreign goods was indicated when they were placed on the home market. This principle, however, was not generally approved. It was suggested that many of the difficulties arising from the fact that goods must in certain cases be marked at the time of importation would be met by introducing greater simplicity and uniformity in the forms required for marks of origin and in the methods of affixing the marks. Certain exceptions, moreover, were proposed to cover goods in respect of which a mark of origin was not necessary to enable the consumer to distinguish between foreign and similar home products or where there might be special reasons for exemption. The experts were unanimously of the opinion that a procedure of redress should be provided for persons claiming to be unfairly prejudiced by the regulations in force, due regard being had to the constitutional customs and requirements of the various countries.

It is laid down as a general principle that, while it is impossible to deny the right of a State to adopt measures which may enable consumers to distinguish home from foreign products, it is desirable that, in exercising this right, States should reduce to a minimum the difficulties and inconvenience which such measures may cause to the commerce and industry of the exporting countries. Governments, moreover, should so frame their laws and regulations as to make it possible for interested parties to comply with them without changing or reducing the value of their goods. Marks of origin should not be required unless they are necessary to enable the consumer to distinguish home from foreign products of a similar kind, and Governments, before introducing any new regulations, should allow the interested parties an opportunity of expressing their views as to their desirable and probable effects.


The Committee, during its June session, resumed its consideration of the question of dumping, directing its attention more particularly to the various forms of dumping encouraged by a policy of State intervention and to the economic consequences of such a policy. The Committee will submit its conclusions later.


The Committee, reviewing the material collected by the Secretariat in accordance with its previous instructions (see general report on the work of the League, document A.6.1931, page 94), has asked the Council that the results of the enquiry, which present for the first time a complete picture of the complicated network of international provisions for the settlement of commercial disputes, should be brought by the Council to the notice of the Governments. Meanwhile the Secretariat has been asked to continue its studies.
8. COAL.

The Committee in April 1929 submitted a preliminary report on the coal industry, following a consultation of experts representing the mineowners and the workmen. The position of the coal industry has changed considerably since that date. Regional agreements have been concluded by the owners, and others are being negotiated. The International Labour Organisation, moreover, on June 18th, 1931, adopted an international Convention regulating the hours of work in the mines.

The Committee considers that the time has come to contemplate a further meeting of experts and, as in 1929, feels that it would be well to secure representatives of all the factors of production and of the Governments most intimately concerned. It notes, however, that the Commission of Enquiry for European Union decided in May 1931 that a committee of economic experts should be appointed to secure closer collaboration between the countries of Europe for the better organisation of production and trade, and that it also set up an Economic Co-ordination Sub-Committee to review the results of studies undertaken in various fields of enquiry. The Committee has accordingly decided to postpone any definite proposal as to the date or character of a meeting to consider the position of the coal industry until the committees appointed by the Commission of Enquiry for European Union have expressed their views.

9. VETERINARY QUESTIONS.

The Committee during its June session had before it three preliminary draft conventions relating to: (a) The campaign against contagious diseases of animals, (b) the transit of animals, meat and other products of animal origin and (c) the export and import of products of animal origin, other than meat, meat preparations, fresh animal products, milk and milk products. The circumstances in which these conventions were prepared are described in the general report on the work of the League (document A.6.1931, pages 90 and 91).

The Economic Committee endorses the view of the veterinary experts that draft conventions present very valuable elements of progress in the organisation of the veterinary services and the campaign against the spread of epizootic diseases, and that they are also calculated to facilitate transit and regulate scientifically the trade in products of animal origin. It has asked the Secretary-General to communicate the drafts to the Governments and to request them for their observations. The Governments will be asked to state whether they regard the draft conventions as likely to serve as a basis of discussion at an international diplomatic conference.


The Secretary-General, in accordance with a previous recommendation of the Economic Committee, has forwarded to all Governments a preliminary draft convention for the regulation of whale-fishing, asking them to forward their observations (see general report on the work of the League, document A.6.1931, page 6).

The Committee during its June session, reviewing certain observations and suggestions made by the various Governments, considered that they should be carefully examined, but felt that the work involved was primarily a matter for experts and jurists and that it would not be necessary for it to reconsider any amendments which might be made in the convention.

The Committee accordingly proposed that the Secretary-General should make arrangements for the draft convention to be revised by a committee composed of experts from the following countries from which suggestions have been received: Australia, Canada, France, Mexico, the Netherlands, Norway, Portugal, Spain, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America. The convention thus revised would be opened for signature during the forthcoming session of the Assembly.

The Committee urges that unanimous consent must be obtained to any action undertaken under the convention in order to prevent its provisions from being violated under the flags of States which are not parties to it. It accordingly hopes that countries which have not at present any direct interest in the matter will accept the draft convention, pointing out, however, that only those countries which have a whaling industry will assume any obligation to take any definite action in the matter.

11. ENQUIRY INTO THE PRESENT ECONOMIC DEPRESSION.

The Committee during its June session examined the report on the enquiry into the course and phases of the present economic depression drafted in pursuance of the resolution adopted by the Assembly in 1930, and noted that a more complete report would be submitted to the Assembly in 1931 (see under Section on Economic Intelligence Service).
12. AGRICULTURE.

The Committee draws particular attention to the reports of the agricultural experts (see general report on the work of the League document, A.6.1931, page 92).

The Committee draws the following conclusions:

"1. The agricultural crisis is aggravated by the general disorganisation which it has caused. This disorganisation is evinced in certain excesses of Customs protection, in the bounties and subsidies intended to promote the export of agricultural products and in the numerous forms of indirect protectionism. It is also evinced in the creation of artificial organisations which disturb the normal course of business, accumulate stocks in some countries and make it possible to sell at prices even lower than the already low prices brought about by the depression.

"2. The present chaotic state of the grain market is fraught with danger for the future. Negotiations are necessary for organising the wheat trade. This organisation should aim, not only at improving home-market conditions in each country, but also at promoting agreements with foreign countries.

"Opinions may differ as to the possibility of taking international action. It is, however, an imperative duty to make a close study of this problem. The present position is such that most importing countries are willing, in the interests of their own agriculture, to pay higher prices for their imports of cereals. In these circumstances, the exporting countries concerned should be induced to consider an agreement.

"The Economic Committee proposes to follow closely the efforts to be made by the various countries in regard to the trade in cereals.

"3. In general, the Economic Committee recommends that the formation of groups of agricultural producers, numerous and disciplined enough to organise the sale of their crops, be encouraged. Such a course would be useful to farmers by enabling them to improve their economic position.

"4. It would obviously be desirable, too, that Customs protection applied to agricultural products, should be reduced as soon as an improvement in the position of the world market takes place. At times of crisis, there is always a tendency to forget the fundamental importance of international exchanges. In order to realise the normal sale of products, a position of relative stability should be reached by which trade would become regular and would be no longer threatened by constant changes in international relations.

"5. The Economic Committee's attention has been directed to the proportions assumed in certain countries by the system of export bounties and subsidies for agricultural products. They entirely deprive Customs duties of their value and cause serious harm both to importing and to exporting countries. The importance which the Economic Committee attaches to questions of commercial policy lends special interest, in its view, to the suggestions which it has received in the matter. It considers it essential that such measures and their repercussions should form the subject of a detailed and earnest investigation in all countries.

"By means of bilateral treaties, they may be abolished. Moreover, international discussions and negotiations might take place to consider the possibility of taking action to avoid protective measures, which, though natural enough from a national, are dangerous from an international point of view, and finally become ineffective, while causing serious disturbance to international trade.

"6. The question of the discrepancy between the prices paid to the producer and the prices paid by the consumer have been examined by the Economic Committee. It would be desirable to have internationally comparable data and to be able to follow the results already obtained in the different countries. The question should be cleared up in all its various aspects.

"7. The difficult situation of agriculture is aggravated by the difficulties encountered by a number of agricultural countries in Europe in respect of credit. In this connection, the Economic Committee is glad to note the creation, under the auspices of the League of Nations, of the International Agricultural Mortgage Credit Company. International action seems to be not far from realisation in respect of long- and medium-term credits. International agricultural credit would play an important part in the improvement of the conditions of agricultural production and trade and in the increase of markets. It would have the most beneficial effects from a moral and psychological point of view, by restoring confidence and introducing effective international co-operation in financial matters between the countries possessing capital in abundance and those deprived of it."

The Economic Committee considers that a further meeting of agricultural experts should be held at the beginning of 1932.

B. ECONOMIC INTELLIGENCE SERVICE.

1. ENQUIRY INTO THE PRESENT ECONOMIC DEPRESSION.

The Assembly, in October 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 led up to it.
The Second Committee of the Assembly, in a report dated September 29th, 1930, emphasised the importance of the question in the following terms:

“When we consider the magnitude of the losses from which the world suffers during a period of economic stagnation similar to that through which the world is now passing, it is impossible not to be impressed by the almost absolute failure of society up to the present to devise any means by which such disasters may be averted. The Committee feels that this problem was one which imperatively demands co-ordinated and concerted study, and recommends, therefore, in a separate resolution, that the facts and special characteristics of the present depression should be ascertained and carefully sifted with the aid of work already done by national research institutions.”

The resolution adopted by the Assembly on October 2nd, 1930, was as follows:

“The Assembly,

“Impressed by the seriousness of the present situation, by the general recession of unemployment and trade, by the constant recurrence of such periods of economic depression and the failure up to the present to discover any concerted means for averting the losses incurred:

“Resolves that the Economic and Financial Organisation of the League, which has already been studying the causes of fluctuations in the purchasing power of gold and their effect upon the economic life of the nations, should undertake the study of the course and phases of the present depression and the circumstances which led up to it, and that for this purpose it should collect the information compiled by institutions already in existence in different countries, centralise such information and, where necessary, fill up any gaps that exist.

“For this purpose, the Economic Organisation, advised by, in particular, the Economic Consultative Committee, should put itself in touch with national organisations, whether consultative or planning councils or research institutions, concerned with this matter.”

The Economic Committee and the Financial Committee of the League were consulted as to the method which should be adopted in giving effect to the resolution. It was decided to entrust the work to the Economic Intelligence Service of the League, supplementing the existing staff and placing the enquiry under the immediate supervision of Professor Ohlin, of Stockholm University.

The Director of the Financial Section, previous to the appointment of Professor Ohlin, visited certain European countries in the autumn of 1930 in order to get into personal touch with some of the economic councils and research institutions referred to in the Assembly resolution. As a result of these preliminary enquiries, meetings of experts representing these councils and institutions, including a representative of the United States Committee on recent economic changes,1 were held at Geneva in March and in June 1931. A draft scheme for a report on the course and phases of the world economic depression was submitted for consideration and criticism. The experts, moreover, prepared memoranda on a common plan dealing with the phenomena of the depression in their respective countries which proved of the greatest value for the preparation of the final report.

Meanwhile, the Governments had been invited to submit any memoranda or information which they thought might be useful for the purposes of the enquiry. Observations in response to these communications have been received from the Governments of Bulgaria, the Netherlands, East Indies, Estonia, Latvia, Portugal, Roumania, Sweden and Yugoslavia. A report on the economic depression in Japan has been prepared by the Tokio Office of the League.

Professor Ohlin, who is generally responsible for the preparation of the material on which the final report is based, has worked in collaboration with the International Labour Office and the International Institute of Agriculture, which have furnished him with data relating to the subjects with which they are concerned.

The report briefly reviews some aspects of post-war economic developments and of structural changes in the years immediately preceding the depression, and discusses shortly the tendencies observed in business cycles during the last ten years. It then passes to a full description of the present economic depression. In the concluding chapters, the various forces at play are analysed, and a brief comparison is made between the present depression and earlier depressions.

2. STUDY OF THE RECURRENCE OF ECONOMIC CYCLES.

The Assembly in 1930, when deciding that an enquiry should be undertaken into the present economic depression, also resolved that the means by which the work now being conducted on the problem of the causes of the recurrence of periods of economic depression might be co-ordinated should be considered and that, in considering this question, the aid of consultative organisations or planning councils and research institutes should be obtained.

The question was considered at a meeting of representatives of economic councils and research institutes in accordance with a procedure recommended by the Financial and Economic

1 Reference is made to these meetings in the general report on the work of the League, document A.6.1931, page 98.
Committees. There will be a reference to the results of this meeting in the report which the Financial Committee will submit to the Council in September, and that report will be distributed to the Assembly.

The meeting of experts points out that, during the whole of last century, very serious economic depressions, involving losses, unrest and suffering, recurred at frequent intervals. The depressions, however, were confined to a relatively limited area, whereas the present depression is worldwide. It has therefore become urgently necessary that the competent organisations and experts in each country should make a common study of methods whereby the intensity of such depressions may be diminished and their effects limited in the future. The view is expressed that the League might help to achieve useful results in this field by co-ordinating the work at present being conducted by national or international organisations and by individual economists. The institutes at present devoting attention to this problem are confined to North America and Europe, and the experts consider it essential that it should now be studied on a world basis. An endeavour should be made to co-ordinate research and possibly to inspire fresh lines of enquiry.

The experts emphasise that, for the full success of these concerted studies, it is essential that a qualified economist with an adequate staff of assistants should be permanently attached to the Secretariat. This expert would undertake the scientific preparatory work for meetings at which the researches of the various institutions and persons might be co-ordinated and would ensure continuity of effort in the enquiries undertaken.

3. Publications.

The Statistical Year-Book of the League of Nations has this year been considerably expanded and now contains 121 tables. It includes statistics of area, population, production, trade, transport, public finances, exchange, prices, wages, unemployment and labour disputes. Among the new tables added, the following are of special interest at the present moment: Unemployment by groups of industries, strikes and lock-outs, the yield of bonds, the index-numbers of shares, the discount rates of central banks and the market rates of discount. The majority of the tables cover the year 1930, and most of the agricultural tables show the harvest of 1930-31.

The Economic Intelligence Service has also assisted in compiling the Armaments Year-Book for 1930.

A new volume of the Memorandum on Public Finance is in preparation and will shortly be issued.

A Memorandum on Production and Trade for the years 1925 to 1929-30 has been prepared. This memorandum contains a world-production index for a large selection of foodstuffs and raw materials, a comparative survey of the development of world production, world population and international trade, a general review of industrial activity and an analysis of recent changes in the relative prices of raw and finished products. In the analysis of prices are incorporated the preliminary results of a special enquiry which has been under taken by the Secretariat with the assistance of the official statistical services of France, Germany, Italy and the United Kingdom.

A Memorandum on Commercial Banks for the period 1913 to 1929 is now in the press. It contains chapters dealing with the position of the commercial banks of some twenty-five countries and a general introduction in which the main features of commercial banking in different parts of the world and the developments noticeable in post-war years are analysed. For each country, the balance-sheet position and, in most cases, the earnings, expenditure and profits of the banks in 1913 and in post-war years are summarised in statistical tables drawn up on a common standard form. In a series of notes, the character and composition of the assets and liabilities are analysed in detail and the history and recent developments of the commercial banking system, the main provisions of the banking legislation in force and the nature of the sources on which the statistics are based are summarised.

The three volumes of the Memorandum on International Trade and Balances of Payments, 1927 to 1929, have been issued since the last meeting of the Assembly. Volume I contains a review of world trade during the year 1929 and summary tables of the trade of all the more important countries of the world in recent years. Volume II contains estimates of the balances of international payments of 29 countries. In an introductory chapter, the international movements of capital, interest and dividends, freights, emigrants' remittances and transit expenditure are summarised. Volume III contains detailed trade statistics of 64 countries for the years 1927 to 1929 and preliminary summary figures for 1930.

The Monthly Bulletin of Statistics has been published regularly. This bulletin has in recent years been considerably enlarged.

4. Revision of the Existing Scale of League Contributions.

The Allocation Committee entrusted with the revision of the existing scale of League contributions met in December 1930 and requested its Chairman to make a verbal report to the Fourth Committee of the Assembly.
5. The Committee of Statistical Experts.

The work of the Committee of Technical Experts set up under the Convention relating to Economic Statistics is summarised in the general report on the work of the League, document A.6.1931, page 97. The report of the Committee on the work of its first session was adopted by the Council in May 1931, and the necessary steps have been taken for the constitution of the Sub-Committees to whom various technical problems will be entrusted.

Since June 1931, the Convention relating to economic statistics has been ratified by Italy, Roumania and Poland. Sixteen States have now ratified the Convention and one State has acceded.

C. WORK OF THE FINANCIAL COMMITTEE.

1. Programme of Meetings.

Various meetings connected with the work of the Financial Committee will be held towards the end of August. It will not be possible to include an account of their proceedings in the present report.

The Council was asked by the Commission for European Union in May 1931 to appoint a small Committee of five members, consisting of Government representatives, to consider, in co-operation with a delegation of the Financial Committee, what practical steps might 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. This Committee will meet on August 24th.

The Organisation Committee for the International Agricultural Mortgage Credits Company (see general report on the work of the League, page 59 and pages 101 to 103) held a preliminary meeting on June 4th and started a number of enquiries of a technical and legal character. It will meet again on September 9th.

The Gold Delegation of the Financial Committee will meet on August 27th and the Financial Committee itself has been convened for September 3rd.

2. Fiscal Committee.

The Fiscal Committee held its third session from May 29th to June 6th, 1931. It devoted most of the session to the study of a draft Plurilateral Convention for the Avoidance of Double Taxation, which had been prepared by a special Sub-Committee on the lines laid down by the Fiscal Committee during its second session.

The discussions showed that it would be impossible for certain members of the Committee to accept a scheme as liberal as that framed by the Sub-Committee. They considered that it would be preferable provisionally to limit the effects of a plurilateral convention for the avoidance of double taxation to non-residents, each country reserving full right to tax persons residing within its territory. An alternative text has been drafted by the members of the Committee who hold this view.

Neither of the drafts secured the unanimous approval of the Committee. The Committee felt that the question of the conclusion of a plurilateral convention, to which the League of Nations has devoted its attention for several years, was not ripe for a final solution. It nevertheless considered that the work undertaken was calculated to advance the solution of the problem and decided to request the observations of all its members on the two schemes discussed during the session.

The Committee noted the progress which had been achieved during the last year in the campaign against double taxation, notably by the conclusion of general agreements, such as those which had been made between France and Italy (June 16th, 1930), Finland and Sweden (March 16th, 1931) and Belgium and France (May 16th, 1931). New agreements on maritime navigation had been concluded between numerous countries. It was observed that, in this field, double taxation was clearly in retreat and that the principles laid down by Article 5, paragraph 4, of the Draft Convention of 1928 were more and more generally employed by the maritime countries.

The Committee noted that the International Convention upon the Taxation of Foreign Motor Vehicles, concluded at Geneva on March 30th, 1931, reproduces almost integrally the text prepared with the assistance of several of its members. Various bilateral agreements have also been made dealing with the matter, which provide either for a complete or temporary exemption of foreign motor vehicles.

The Committee considered the first results of the enquiry undertaken by means of the funds placed at the disposal of the League of Nations by the Rockefeller Foundation on the taxation of the profits of enterprises working in several countries. The enquiry was made in the following five countries: Germany, Spain, the United States of America, France and Great Britain. In each of these countries a special report was drafted on the characteristics of the fiscal legislation dealing with the taxation of the profits of industrial and commercial undertakings. The number of countries in which the enquiry was made was too limited for it to be possible to draw immediate and final conclusions, but it is hoped that such conclusions may be reached when the enquiry has been extended to other countries in Europe and overseas, particularly to those with extensively developed economic activities and those whose legislation on the subject presents special characteristics.
At the request of the International Conference for the Unification of the Laws relating to Bills of Exchange, Promissory Notes and Cheques, the Committee decided to consider whether the levying of fiscal duties upon international commercial documents in addition to national duties might not be prejudicial to the freedom of commerce. It also decided to enquire whether measures for the avoidance of double taxation should not be extended to turnover taxes. These two questions will be dealt with in the report of a special Sub-Committee at the next session of the Fiscal Committee.

The Committee noted the results of the first meeting of the mixed committee, which had been asked to study the question of the fiscal and Customs duties upon newspapers and periodicals. The Mixed Committee, which had included several members of the Fiscal Committee, met on June 3rd, 1931, under the Chairmanship of M. Blau. It had reached the conclusion that the information available was inadequate and had decided to send to Governments, to members of the Fiscal Committee and to the Press Associations, a detailed questionnaire upon the fees, taxes and duties of all kinds at present levied upon newspapers and periodicals.

II. ORGANISATION FOR COMMUNICATIONS AND TRANSIT.

The Advisory and Technical Committee for Communications and Transit held its sixteenth session from May 28th to June 2nd, 1931. It reviewed the work done by the various organisation and transit committees during the year and gave the necessary instructions for its continuation.

1. PREPARATION OF INTERNATIONAL CONVENTIONS.

The Advisory and Technical Committee, dealing with the request contained in the Assembly resolution of October 3rd, 1930, concerning the ratification of international conventions concluded under the auspices of the League, took the view that the procedure followed by the Transit Organisation in preparing general conventions was among cases where previous conventions or arrangements had established a special procedure, and that the new procedure proposed by the Assembly did not therefore involve a modification of the rules at present followed by the Organisation for Communications and Transit. 1

The Committee noted that these rules, inspired by the conviction of the Assembly that prudence should be exercised in the drafting of general conventions, were calculated to prevent the premature convening of international conferences for the conclusion of such conventions.

2. THE TRANSPORT OF AGRICULTURAL PRODUCTS.

The Committee dealt with the question of the transport of agricultural products as the result of a recommendation of the Conference for Concerted Economic Action. It considered that it was impossible to study accurately, problems concerning the transport of agricultural products until the policy of economic co-operation between States in agricultural matters had been more clearly determined. It decided to keep the question upon its agenda.

3. ADJUSTMENT OF RAILWAY TARIFFS AND INDIRECT PROTECTIONISM.

The question of the adjustment of railway tariffs and indirect protectionism was referred to the Committee as the result of a recommendation of the Conference for Concerted Economic Action. The Advisory and Technical Committee thought that it would be difficult to propose to States, with any serious likelihood of adoption, measures aimed at limiting their freedom of action in regard to railway tariffs, and going beyond the provisions of the existing conventions on freedom of transit and the international regime of railways until principles of closer co-operation in economic matters had been fixed and accepted by States on more general lines. The Secretariat of the Transit Organisation has been asked to keep in touch with the Secretariat of the Economic Organisation and to communicate to the Committee any information as to the development of work in the economic field on the question of indirect protectionism. The Committee has further drawn the attention of the body which is studying the question of the codification of international law on questions of communication to the desirability of making a study of the bilateral commercial and other treaties containing provisions in respect of railway tariffs with a bearing on the problem of indirect protectionism.

4. TRANSPORT OF NEWSPAPERS AND PERIODICALS.

The Committee noted the text of the regulations adopted by the International Railway Union on the transport of newspapers and periodicals in conformity with a recommendation made by the Conference of Press Experts in August 1927 and with the provisions of the final

1 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 1931 be invited to consider whether they should be modified as a result of any suggestions which may be made.
31

Protocol of the Conference of November 1929 convened by the Council of the League. The Committee has asked the Governments which were invited to the Conference of November 1929 to contemplate the adoption as rapidly as possible of any steps calculated to facilitate the application to their territory of the regulations adopted by the International Railway Union. It is recalled that the object of these regulations is to enable newspapers, internationally distributed, to be despatched by express trains, with a suppression of Customs formalities at the frontiers. The Committee has constituted, in co-operation with the Fiscal Committee, a mixed Committee to examine the question of Customs and fiscal duties applied to newspapers and periodicals. The Mixed Committee held its first meeting immediately after the session of the Advisory and Technical Committee. (See under the section of this report dealing with Financial Questions.)

5. **Transport and Transit of Electric Power.**

The Committee considered the request of the Commission of Enquiry for European Union, approved by the Council on May 22nd, 1931, that a study should be made of the transport and transit of electric power. The Committee decided to collect the necessary information upon national laws dealing with the subject and the international agreements in force in the various European countries upon the international exchange of electric power. A special committee will be instructed to study the question as soon as sufficient material has been collected.

6. **Customs Exemption for Liquid Fuel.**

The Committee adopted a similar procedure as regards Customs exemption for liquid fuel, which was also submitted at the request of the Commission of Enquiry for European Union.

7. **Collaboration between the National Government of China and the Organisation for Communications and Transit.**

The National Government of China, following the visit to China of the Director of the Communications and Transit Section of the Secretariat, requested the help of the Transit Organisation in obtaining the services of experts finally to establish a programme for the public works contemplated by the Chinese Government. The programme includes work in the river basin of the Hwai and the river system of Northern China and a scheme for the development of the port of Shanghai. The assistance of the Transit Organisation has also been requested in the organisation and development of a centre for the technical study of public works. The centre is intended to facilitate the technical training of civil engineers, and to assist in the organisation and direction of studies, more especially for the construction of roads and water-works. It will form the nucleus of an international service of civil engineers. Further, in response to the request addressed by the Government of China to the Council of the League of Nations that the technical organisations of the League may be continuously available for advice to the National Economic Council which the Chinese Government has set up with a view to a general scheme of reconstruction, the Communications and Transit Organisation may be called upon to assist in establishing a scheme of public works and national technical equipment in China.

The Advisory and Technical Committee, on behalf of the Organisation for Communications and Transit, has agreed to undertake these various duties and has assured the National Government of China that it will spare no effort to justify the confidence placed in it by the Chinese Government and to assist the National Government of China to carry out its work of economic reconstruction in the sphere of communications and public works. A committee has been appointed to study methods of training civil engineers and has been asked to examine questions relating to the organisation of the technical centre to be created for this purpose. Further, a committee of enquiry, appointed to deal with general questions relating to public works, has been invited to examine any questions raised in the course of the collaboration between the Communications and Transit Organisation and the National Economic Council of China concerning the establishment of a scheme of public works and national technical equipment.

All the necessary steps have, moreover, been taken by the Advisory and Technical Committee to facilitate the appointment and despatch of experts required to work on the spot and to ensure by means of technically qualified officers, seconded for short service in China, the necessary contact between the Transit Organisation and the technical bodies of the Chinese Government, particularly the technical centre entrusted with the study of public works.

8. **Fourth General Conference on Communications and Transit: Reform of the Calendar.**

The Preparatory Committee of the Fourth General Conference on Communications and Transit, following the session of the Advisory and Technical Committee, met from June 8th to 13th, 1931. The Preparatory Committee was appointed by the Advisory and Technical Committee to draft a general report on the results of the enquiries undertaken in the various
countries on the problems to be submitted to the Transit Conference which will meet on October
12th, 1931, relating to the reform of the calendar. The Conference will examine the expediency
from an economic and social standpoint (a) of fixing movable feasts, and (b) of simplifying
the Gregorian calendar.

The Preparatory Committee noted reports by the committees of enquiry constituted in
the various countries. After a general discussion on the results of these enquiries, and after
hearing the representatives of various religious communities and international associations, the
Committee drafted a report with a view to facilitating the work of the Conference (document

9. UNIFICATION OF TONNAGE MEASUREMENT IN MARITIME NAVIGATION.

The preparatory work undertaken by the Advisory and Technical Committee on the question
of the unification of tonnage measurement in maritime navigation was concluded at a session
of the Technical Committee on Tonnage Measurement in Maritime Navigation which met from
July 29th to August 7th, 1931. The Technical Committee on Tonnage Measurement finally
approved the text of the draft international regulations on the tonnage measurement of vessels.
These regulations, based on the present British system, are intended to preclude differences of
treatment as between vessels flying different flags and avoiding discrepancies in the application
of the rules of tonnage measurement at present in force in the different countries. The rules
will be submitted to the Governments of the maritime countries with a view to ensuring as
soon as possible the introduction of a uniform practice in the matter.

The Technical Committee on Tonnage Measurement also established a uniform type of
 tonnage measurement certificates.

10. COMMUNICATIONS OF IMPORTANCE TO THE WORKING OF THE LEAGUE
AT TIMES OF EMERGENCY. REGIME APPLICABLE TO AIRCRAFT AND MOTOR TRANSPORT.

The Assembly, in a resolution adopted in September 30th, 1930, proposed that certain
facilities should be accorded by Members of the League to ensure the means of transport by
air and by automobile necessary to its working at times of emergency. The conditions under
which these facilities should be granted were to be fixed in advance by each of the Governments
concerned as the result of an understanding with the Secretary-General of the League. The
Secretary-General of the League was asked to undertake the necessary negotiations with the
Governments and report to the next Assembly on the steps taken to carry out the resolution
of the Assembly.

A circular letter on the subject has been addressed to the Governments and the commentaries
received from them have been published in the Official Journal. Most of the Governments have sent replies, from which it is clear that no difficulty is likely to arise in the
application of the resolution of the Assembly of September 30th, 1930. It has been necessary to
request supplementary information in certain cases, but it is now certain, so far as the numerous
European States are concerned which have communicated their views, that the system contemplated by the Assembly can here and now be regarded as applicable at times of emergency.

It was provided in the Assembly resolution of September 30th, 1930, that a certain number
of detailed provisions relating more particularly to the identification marks attached to aircraft
should be fixed by the Council of the League after consultation with the competent bodies. The
Advisory and Technical Committee for Communications and Transit forwarded to the Council
on July 23rd, 1931, a proposal of the International Commission for Air Navigation concerning
such marks of identification and the Council will thus be in a position to settle this question,
which is the only point of detail presenting any real urgency, during its forthcoming session
in September.

Finally, it should be mentioned that the Advisory and Technical Committee has forwarded
to the Council for submission to the Assembly a final report drawn up by the Committee of
Experts which was asked to study the question of an aerodrome to be established near the

III. HEALTH ORGANISATION.

1. EUROPEAN CONFERENCE ON RURAL HYGIENE.

The studies and enquiries undertaken in preparation for the European Conference on
Rural Hygiene were described in the general Report on the Work of the League (document
Government, met at Geneva from May 29th to June 7th, under the presidency of Professor
G. Pittaluga, Director of the National School of Hygiene at Madrid and a member of the Health
Committee of the League. Eighty-six delegates and experts from twenty-five European
countries attended, with eight observers from extra-European States. Representatives of
the International Labour Office, the International Institute of Agriculture at Rome and the
League of Red Cross Societies also participated.

The Conference examined the report of its Preparatory Committee (document C.H.1045)
and unanimously adopted a series of recommendations for the organisation of medical assistance,
health services and sanitation in rural districts. The recommendations, within the limits of strict economy aimed at effectively protecting rural health and staying the exodus of the rural population to the towns. The Conference requested that they should be communicated to the Governments for their adoption.

A programme of future international studies in this field was also drawn up with the help of the Directors of European Schools of Hygiene, who held a meeting during the Conference. The programme included the instruction of health visitors, the training of sanitary officers, the supply of milk in rural districts, typhoid infection, the use of manure, the anti-fly campaign, the cost of sanitary equipment and methods of testing drinking-water. It was recommended that the several schools or institutes should carry on one or more of the investigations indicated and the Health Organisation was requested to act as the co-ordinating agent.

Finally, the hope was expressed that this first meeting of hygienists, engineers, agriculturists and administrators, convened to consider the welfare and the organisation of rural populations should be followed by others of an even wider scope.

2. CONFERENCE OF EXPERTS ON IMMUNISATION AGAINST DIPHTHERIA AND SCARLET FEVER, AND MEETING OF THE PERMANENT STANDARDISATION COMMISSION AND ITS SUB-COMMISSIONS.

Meetings were held in London from June 17th to June 25th, 1931. Fifty experts belonging to fifteen countries participated.

The experts on immunisation against diphtheria and scarlet fever, on the basis of comparative studies made in the different countries, accepted a number of recommendations upon vaccination against diphtheria. They noted that vaccination was followed by an appreciable decrease in the mortality and incidence of the disease among those vaccinated and they gave indications as to the detailed method of application of the vaccine. These recommendations, which are of special interest to Health Administrations, will again be discussed by the Health Committee at its next session.

The experts also decided to continue their enquiries into vaccination against scarlet fever.

The result of the work of the Permanent Standardisation Committee marks a new stage in the activities of that body. The Commission, on the basis of recommendations made by its various Sub-Committees, adopted a new series of international standards, particularly for gas-gangrene serum, tuberculin, and vitamins (at-soluble vitamin A, anti-ricketts vitamin D, anti-neuritic vitamin B and anti-scorbutic vitamin C).

The international standardisation of vitamins is of special importance from both the scientific and the practical standpoint, particularly with a view to a necessary control of numerous preparations containing vitamins now on the market.

The Commission also laid down a programme for the continuation of its studies on the standardisation of toxins used for the Schick test, on formol toxoid (anatoxin), anti-diphtheria serum, immunisation against scarlet fever and sex hormones. It further decided to extend its enquiries into the standardisation of veterinary products, which are of special importance both to human and veterinary medicine.

8.

THE LEAGUE OF NATIONS AND CHINA.

The Council on May 15th, 1931 decided to place at the disposal of the Chinese Government for a limited period an officer competent to give information on the working of the technical organisations of the League and the manner in which they might be used by the Chinese Government (see general report on the work of the League, document A.6.1931, page 121). It authorised the Secretary-General to send one of the directors of the technical organisations to pay a further visit to China for the purpose and, in accordance with this decision, Dr. Rajchman, Director of the Health Organisation of the League, left for China in the middle of August.

The Secretary-General was also authorised to refer to the International Committee on Intellectual Co-operation the request of the Chinese Government that the League might assist it to find advisers with a view to developing the Chinese educational system and facilitating interchanges between centres of intellectual activity in China and elsewhere. The organisation
of the mission which has proceeded to China in accordance with this decision is summarised in the section of the present report dealing with intellectual co-operation.

The Economic Committee of the League has authorised its Bureau (the Chairman, Vice-Chairman and Secretary) to nominate experts to assist the National Economic Council of China as and when the occasion may arise.

Further references to the co-operation of the technical organisations of the League with the Chinese Government will be found in the chapter of the present report dealing with Communications and Transit.

9.
REQUEST FOR ASSISTANCE FROM THE GOVERNMENT OF LIBERIA.

The mission which left for Liberia in May 1931 to study on the spot the measures of assistance to be accorded to Liberia (see general report on the work of the League, document A.6.1931, page 121) has returned to Europe. The experts composing the mission met at Geneva on August 17th and their report will be submitted to the Council and Assembly in September.

10.
HUMANITARIAN QUESTIONS:
TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS.

1. THE CONFERENCE ON THE LIMITATION OF THE MANUFACTURE OF NARCOTIC DRUGS.

The Conference on the limitation of the manufacture of narcotic drugs met at Geneva from May 27th to July 13th, 1931, under the chairmanship of M. Louis de Brouckère (Belgium). Fifty-seven States were represented.

The draft Convention for the Limitation of the Manufacture of Narcotic Drugs, as approved by the Opium Advisory Committee in January 1931, was submitted to the Conference, and accepted as the basis of a preliminary general discussion. The preparation of the draft Convention, and the views expressed by representatives of the manufacturing and consuming countries in regard to its provisions, were summarised in the general report on the work of the League (document A.6.1931, pages 137 to 139). It embodied a scheme of limitation which had come to be known as the system of quotas. Under this system, the world manufacture of narcotic drugs would be limited each year to a specific quantity on the basis of estimates to be supplied by all countries of their requirements for medical and scientific purposes and the total quantity manufactured would be allocated in advance among the manufacturing countries, in definite proportions, according to agreements concluded between them. The system of quotas, in course of its elaboration in the Advisory Committee, had given rise to various objections on the part of certain delegations, and it was understood that the Conference was free to consider any effective alternative scheme of limitation which might be put forward.

It became clear in the course of the general discussions of the Conference that it would not be possible to secure agreement on the quota scheme embodied in the draft Convention. Objections previously urged to the system of quotas were further pressed and it was finally abandoned in favour of a scheme submitted by the Japanese and supported by the French delegation — a scheme on somewhat the same lines also being put forward by the delegation of the United States of America. Under the Japanese plan, any country was authorised to manufacture the narcotic drugs necessary for its medical and scientific needs within the limits of its estimates and of the amounts required for the execution of legitimate orders received from abroad. The Conference on June 20th accepted this proposal as a basis of discussion by twenty-seven votes to three, with six abstentions.

The following is a brief summary of the principal provisions of the Convention:

Chapter I (Definitions).

The list of drugs to be covered by the Convention was established by scientific experts with the object of making it as complete as possible and of rendering the evasion of the provisions of the Convention by the invention of new drugs extremely difficult or even impossible. The Convention thus covers all known and possible derivatives of opium and the coca leaf. Moreover, any new products which may be derived from these substances can only be put on the market subject to certain conditions. Codeine is subjected to the general system of limitation provided for in the Convention, but a more liberal margin is sanctioned in the estimates for this drug and the estimates need only be accompanied by a summary explanation. Codeine preparations, moreover, are not subjected to the import certificate system.

Chapter II (Estimates).

The contracting parties undertake to furnish annual estimates, for each of the drugs specified in the Convention, of the medical and scientific requirements of each of their territories. They may, if necessary, furnish supplementary estimates in the course of the year with an explanation of the circumstances which render them necessary, and may also constitute reserve and Government stocks. The estimates, received and tabulated by the Permanent Central Board, will be reviewed by a Supervisory Body composed of four persons to which the following organs have the right to nominate a member: the Opium Advisory Committee, the Permanent Central Opium Board, the Health Committee and the Office International d'Hygiène publique. The Supervisory Body may demand any information or details which may appear to be desirable, except as regards requirements for Government purposes. It must also deal without delay with supplementary estimates. The total amount of drugs to be manufactured for the whole world will be established on the basis of these estimates. In the case of countries which do not furnish estimates, such estimates will as far as possible be made by the Supervisory Body.

Chapter III (Limitation of Manufacture).

It is provided that there shall not be manufactured in any country in any one year a quantity of any drug in excess (a) of the estimates supplied by the Governments for purposes of conversion, internal consumption, or the constitution of Government and reserve stocks and (b) of the amounts required to fill legitimate orders for export.

Chapter IV (Prohibitions and Restrictions).

The contracting parties undertake to prohibit the export of diacetylmorphine (heroin) and its salts except to Governments and subject to specified conditions. The manufacture for trade or the trade in any product obtained from any of the phenantrene alkaloids of opium or from the ecgonine alkaloids of the coca leaf, not at present in use for medical or scientific purposes, will not be allowed unless a Government is satisfied that the product is of medical and scientific value. The Secretary-General of the League will be notified immediately in such cases, and the Health Committee will decide whether the products in question are capable of producing addiction or convertible into drugs producing addiction. Should the reply be in the affirmative, the drug will be brought under the system of limitation and control embodied in the Convention.

Chapter V (Control).

The contracting parties undertake to apply to all drugs the provisions of the Geneva Convention of 1925, or provisions in conformity therewith. The drugs subject to control, as defined in Chapter I, are divided into two groups, and the system of control applied to these groups is not quite identical. The full system of control provided for in the Geneva Convention applies only to the drugs in group 1. The drugs in group 2, which includes codeine and ethylmorphine (dionine) are subject to the system of limitation as indicated above (under Chapter I); they are subjected to the system of control embodied in the Geneva Convention (Articles 6 and 7) only in so far as their manufacture, import, export and wholesale distribution are concerned. The provisions of Chapter V of the Geneva Convention are applied to these drugs except as regards compounds containing drugs adapted to normal therapeutic uses. The statistical provisions of the Geneva Convention (Article 22) also apply with certain exceptions to the drugs in group 2.

Governments authorising exports to countries which are not parties either to the Limitation Convention or to the Geneva Convention of 1925 must notify the Permanent Central Board of all such authorisations, and they may not authorise during the year any further exports to the countries in question if the Permanent Central Board ascertains from its records at any
point during the course of the year that the quantity for which authorisations have been given for any drug exceeds the total estimates of the importing country for that drug. If an order for more than 5 kilogrammes of any drug be received from a country which is not a party to either of the Conventions, authorisations to fill the order must not be given by the exporting country until the Central Board has indicated that the filling of the order would not cause an excess over the estimate of the importing country for the drug in question. The Permanent Central Board will prepare each year in respect of each territory a statement showing estimates for each drug and the amounts consumed, manufactured, converted, imported or exported, etc., and it will have the right to ask for explanations through the Secretary-General, in accordance with the procedure provided for under Article 24 of the Geneva Convention if it appears from the statement that one of the contracting parties has failed to carry out its obligations under the Convention. The Board will publish a summary of the explanations given or required, together with any observations they may desire to make.

Chapter VI (Administrative Provisions).

Governments will establish a special administration for applying the provisions of the Convention, for regulating and controlling the drug trade and organising the campaign against addiction. Manufacturers must submit to the national authorities quarterly reports on the amount of drugs manufactured or in stock, indicating the amounts of raw materials received during the year and the drug yield of such raw materials as ascertained by analysis.

Governments will exercise a strict supervision over: (a) the amounts of raw material and manufactured drugs in the possession of each manufacturer for the purpose of the manufacture or conversion of any of the drugs or otherwise; (b) the quantities of the drugs or preparations containing the drugs produced; and (c) the disposal of the drugs and preparations so produced with special reference to deliveries from the factories.

No Governments will allow the accumulation in the possession of any manufacturer of quantities of raw materials in excess of those required for the economic conduct of business, having regard to the prevailing market conditions. The amounts of raw material in the possession of any manufacturer at any one time shall not exceed the amounts required by that manufacturer for manufacture during the ensuing six months unless the Government, after due investigation, considers that exceptional conditions warrant the accumulation of additional amounts, but in no case shall the total quantities which may be accumulated exceed one year's supply.

Any drugs seized in the illicit traffic will be destroyed, converted into non-narcotic substances or appropriated for medical and scientific use. In all cases heroin must be destroyed or converted. An article provides that all drugs must be correctly labelled.

Chapter VII (General Provisions).

The contracting parties undertake to communicate to one another, through the Secretary-General, their laws and regulations and to forward to the Secretary-General an annual report on the working of the Convention and a separate report on each important case of illicit traffic discovered, these provisions being in practically the same terms as the resolution adopted by the eleventh Assembly on this matter. The Convention is understood to complete the Hague Convention of 1912, and the Geneva Convention of 1925, in the relations between the parties bound by at least one of these Conventions. Disputes concerning the interpretation of the Convention will be settled by arbitral or judicial procedure. The Convention will be open for the signature of all States until December 31st, 1931, and from January 1st, 1932, any State may accede. The Convention will come into force ninety days after the Secretary-General has received the ratifications or accessions of twenty-five States, Members or non-members of the League, including four of the following countries: France, Great Britain, Germany, Japan, the Netherlands, Switzerland, Turkey and the United States of America.

The Convention may be denounced by a State five years from the date of its coming into force and if, as the result of such denunciations, the number of States bound by the Convention is reduced to less than twenty-five it shall cease to be effective. The Convention may be revised on a request supported by not less than one-third of the signatories.

Final Act and Recommendations.

The Final Act of the Conference contains recommendations embodying certain proposals submitted during the Conference, involving, in most cases, action through the permanent machinery of the League for their carrying into effect. It is recommended that a single national authority should be set up in each country for the control of the drug traffic, and that a model administrative code for the application of the Convention should be framed by the Opium Advisory Committee. Other recommendations are put forward as to the extension of the Geneva and Hague Conventions to certain new drugs, the desirability of establishing State monopolies, the introduction of severer penalties and more effective police measures in dealing with the illicit traffic, the replacement of diacetylmorphine by other drugs of a less dangerous
character, and the abolition or restriction of its use; the institution of rewards by the League for the discovery of harmless substitutes for dangerous drugs.

Finally, the Conference recommended that, pending the entry into force of the Limitation Convention, the countries manufacturing morphine, diacetylmorphine and cocaine should limit their manufacture as nearly as possible to the amounts of morphine for use as such, and of diacetylmorphine and cocaine, indicated in the statistical studies of the League as required for domestic consumption and export for medical and scientific purposes. The maximum total medical and scientific requirements of the world during the last three years have been approximately established at the following figures: morphine, for use as such, 9 tons; diacetylmorphine, 2 tons; cocaine, 5½ tons.

Results of the Conference.

The President, reviewing the work of the Conference and the provisions of the Convention, expressed the view that it embodied an effective and coherent form of limitation and control. The Convention is based upon a system which allows the free purchase and sale of narcotic drugs subject to strict guarantees designed to ensure that the total production of all the competitors in the world market shall remain within limits carefully defined and authorised. The system involves a delicate and complicated scheme of supervision, covering imports, exports, manufacture, conversion and the formation of stocks. Every stage in the manufacture and distribution of the drugs is subject to regulation and record under the general direction of the central bodies at Geneva. The Convention, moreover, extends the scope of the previous Opium Conventions and applies their provisions to additional drugs. The effective application of the Convention must necessarily depend upon the adequacy and competence of the various national administrations, but the scheme, if strictly applied, should result in preventing the despatch of any drugs from any factory except within the limits in which they might be reasonably regarded as legitimate.

The following States had signed the Convention on July 20th: Abyssinia, Argentine, Austria, Belgium, Bolivia, Canada, Chile, Costa Rica, Cuba, Czechoslovakia, Denmark, the Dominican Republic, Egypt, France, Germany, Great Britain, Guatemala, Hejaz, India, Italy, Japan, Liberia, Luxemburg, Mexico, Monaco, Netherlands, Panama, Paraguay, Portugal, San Marino, Siam, Spain, Switzerland, United States of America, Uruguay and Venezuela.

The Convention has thus been signed by all the countries, except Turkey, four of whose ratifications are regarded as essential to the coming into force of the Convention. The Turkish delegation stated at the last meeting of the Conference that it was unable to sign the Convention at that moment for three reasons:

(1) That it limited the manufacture of codeine, a substance harmless in itself and of great value to medicine, for reasons which were not in its view sufficiently justified;

(2) That it did not provide for the destruction of drugs seized in course of suppression of the illicit traffic; and

(3) That it took no account of the effect of limitation upon the marketing of raw materials.

The Yugoslav delegation criticised the Convention on similar grounds: it provided no system of control for the traffic in raw opium and the coca leaf; it contained no guarantees for the marketing of raw materials at a fair price; it did not render compulsory the destruction of seizures.

2. The Work of the Permanent Central Opium Board.

The Central Board held its tenth session from August 10th to August 20th, 1931, when it examined the statistical material collected for the year 1930 from forty-three parties and six non-parties to the Geneva Opium Convention of February 19th, 1925. The Board noted a great improvement in the statistics supplied by Governments for the year 1930 as compared with those received for the year 1929, both in respect of number and accuracy. The examination of all the statistical material at its disposal led the Board to draw the attention of certain Governments to an apparent discrepancy between the stocks reported as existing at the end of 1930 and the estimated stocks of the same drugs as calculated by the Board from the figures representing stocks at the end of the previous year, imports, manufacture, exports, consumption, etc., supplied by the Governments concerned.

The Board further studied the question whether it would be possible at the present stage of its work to establish, by exact calculation, a comparative table of the consumption of the different opiates in the various countries. It was decided that this matter required further consideration and it was therefore placed on the agenda for the next session of the Board.

The Board at two public meetings discussed the draft report which, in accordance with Article 27 of the Geneva Convention, it is called upon to present annually to the Council.
11.

REFUGEES QUESTIONS.

1. Nansen International Office for Refugees.

The Governing Body of the Nansen International Office for Refugees held its third session in Geneva from July 1st to 3rd, 1931. The session was chiefly devoted to drafting the annual report which the Office will submit to the Assembly under Article 17 of its Regulations (see document A.27.1931).

The first part of the report describes the various administrative and organizing measures taken by the Governing Body during its first three sessions.

The second part of the report embodies a scheme for the liquidation of the Refugees Organisation at a date not later than December 31st, 1939, as requested by a special resolution adopted by the Assembly on October 3rd, 1930. The Governing Body of the Office expresses the opinion that the liquidation scheme should not only indicate the steps necessary to wind up and terminate the administrative services but a programme of the work to be done by the Organisation on behalf of the Refugees up to the moment of its liquidation and an examination of the conditions under which their interests may be ensured after the International Office has ceased to exist. The plan accordingly mentions the principal steps which the Office proposes to take for the relief of refugees who are unable to work and for the placing and settlement of the refugees who are employable.

The scheme contains a scale and a schedule of the budgetary contributions from the League which the Governing Body considers necessary during the period of liquidation. The Governing Body is of opinion that the activities of the Office should for a certain period be continued without appreciable reductions. For that reason, it is asking the Assembly to provide for the year 1932 almost the same contribution as that allocated for the year 1931 (1932: 330,847 Swiss francs; 1931: 333,800 Swiss francs). For the years 1933 to 1936, the contributions would only be slightly decreased. The period of liquidation would, on the other hand, be diminished by one year and would come to an end in 1938 and not in 1939 as originally contemplated.

There are attached to the annual report of the Governing Body the regulations of the Office, its rules of procedure, its financial regulations, its staff regulations, a list of the persons employed and a summary of the replies of the Governments to the recommendations made by the Inter-Governmental Advisory Commission for Refugees in 1930.

2. General Secretariat of the League of Nations.

The political and legal protection of refugees remains entrusted to the regular bodies of the League and the Secretary-General of the League of Nations has asked the Governments concerned to inform him whether they think it necessary for these bodies to remain associated with the carrying into effect of the Arrangement and Agreement of 1928. The Governments of Greece, Czechoslovakia, Germany, Estonia and Switzerland have replied that they can carry out the provisions in question through their own national authorities. The Governments of Bulgaria, Belgium, Austria, France and Yugoslavia have, on the contrary, intimated that they think it necessary that the representatives of the Office in their respective countries should act under the auspices of the League of Nations, discharging the duties contemplated in the Arrangement and Agreement of 1928. The Secretary-General has regulated the position of these representatives accordingly.

3. Inter-Governmental Advisory Commission for Refugees.

The Inter-Governmental Advisory Commission for Refugees met at Geneva on August 20th and 21st, 1931. It examined the report (document A.27.1931) which the Governing Body of the Nansen International Office is presenting to the Assembly. It recommends the adoption of the conclusions of the report.

It intimates, moreover, that it proposes to consider at later sessions whether it is not desirable to prepare a formal international convention ensuring the refugees full legal security and stability in respect of settlement and occupation.
INTELLECTUAL CO-OPERATION.

The International Committee on Intellectual Co-operation met at Geneva for its thirteenth session from July 20th to July 25th, 1931. The meeting of the Plenary Committee was preceded by meetings of a delegation of the Sub-Committee of Experts for the Instruction of Youth in the Aims of the League of Nations (July 3rd and 4th, 1931); the Permanent Committee for Arts and Letters (July 6th to 9th, 1931); the Committee of Scientific Advisors (July 17th and 18th, 1931); the Executive Committee (July 13th to 15th, 1931); the Committee of Directors (July 16th and 17th, 1931) and the Governing Body of the International Institute of Intellectual Co-operation (July 21st, 1931).

The Plenary Committee reviewed the work of these bodies and of the various Committees of Experts convened during the current year, the work of the International Educational Cinematographic Institute and the work done since its reorganisation by the International Institute of Intellectual Co-operation.

1. INSTRUCTION OF YOUTH IN THE AIMS OF THE LEAGUE.

The delegation of the Sub-Committee of Experts for the Instruction of Youth in the Aims of the League met at Geneva under the chairmanship of Professor Gilbert Murray on July 3rd and July 4th, 1931.

1. SCIENTIFIC STUDY OF INTERNATIONAL RELATIONS.

Representatives of the Conference of Institutions for the Scientific Study of International Relations have discussed with representatives of the Sub-Committee of Experts to what extent the institutions concerned might contribute to the instruction of youth in the aims of the League of Nations. The delegation noted that the institutions in question had not all the same objects in view. Some of them gave instruction while others constituted groups of scholars or experts and were of the nature of academies. The delegation decided to make an enquiry with a view to defining the part which might be played by the institutions.

2. REVISION OF SCHOOL TEXT-BOOKS.

The delegation noted that an important memorandum had been prepared by the Institute of Intellectual Co-operation in Paris to serve as a basis for a further enquiry into the conditions under which the revision of school text books might be effected with a view to the elimination of passages which might prejudice the mutual understanding of nations and the spirit of international friendship. The Institute had emphasised the difficulties inherent in the revision of the text-books generally in use. It drew attention to the excellent results achieved in cases where governments and administrations had acted of their own volition but noted that the number of such cases was relatively small.

The delegation decided to forward the memorandum of the Institute to a special committee composed of historians, teachers, representatives of the institutions for the scientific study of international relations and members of the Sub-Committee of Experts. This committee would consider the best methods whereby school text-books might be revised in the desired sense.

3. LIBRARIES AND PUBLICATIONS.

The delegation considered the part which might be played by libraries and publications in the instruction of youth in the aims of the League. It noted the conclusions of the directors of several large libraries who had met at the Institute from June 4th to June 6th, 1931, who had expressed the hope that a larger place would be found in libraries for the publications of the League.

The delegation considered the possibility of a wider distribution of League publications or publications concerning the League and of rendering them more immediately accessible in libraries. They also suggested that attractive publications should be issued accompanied with illustrations.

4. USE OF WIRELESS.

The delegation noted a report of the International Institute of Intellectual Co-operation on the use of wireless in the instruction of youth and invited the views of the Director of the
International Broadcasting Union to explain the efforts made by the Union to stimulate public interest in the work of the League. The delegation asked the International Institute to make an enquiry with the assistance of the International Broadcasting Union into the use of wireless to promote a better understanding between peoples and into the educational value of wireless.

5. **Educational Cinematograph.**

The delegation considered the part which might be played by the educational cinematograph in the instruction of youth in the aims of the League. It requested the Secretariat, with the help of the International Educational Cinematographic Institute and other interested bodies, to collect information from the manufacturers and users of educational films in regard to the preparation of scenarios of an international character appropriate to the various nations, the cost of production of such films and the extent of the market. The object of the enquiry is to enable a programme to be framed for the production, financing and distribution of educational films relating to the history, aims and work of the League.

6. **Public Collections of Teaching Material ("Musées Pédagogiques").**

The delegation noted a report of the International Institute on Intellectual Co-operation on public collections of teaching material and their use for the instruction of youth in the aims of the League. It recommended that a closer connection should be established between these collections in the various countries and proposed that a small Committee of Experts should examine in what way they might best be used for the object in view.

7. **Educational Information Centre.**

The Educational Information Centre of the League is divided into two services, a branch at Geneva in the Secretariat of the League and a branch at Paris attached to the Institute of Intellectual Co-operation. The duty of the Geneva service is to assist the Secretary of the International Committee on International Co-operation in all that relates to the preparation of the work of the Sub-Committee of Experts. The work of the Paris service is to study educational questions bearing on methods of education with a view to any decision which may be taken by the International Committee on Intellectual Co-operation or giving effect to such decisions.

The delegation approved the programme of work of the two services for 1932. The Geneva service will study the methods used in training Schools and Colleges to prepare teachers for instructing their pupils in the aims and activities of the League and to make the young generation realise that international co-operation should be the normal method of conducting world affairs. It will also study the possibility of organising interchanges of teachers engaged in secondary education. The Paris service will study the possibility of securing co-ordination as between the Public collections of teaching material in the various countries with a view to instruction in regard to the League, the revision of school text-books with a view to amending passages prejudicial to the mutual understanding between nations and the spirit of international friendship, the use of wireless in education, study tours and interchanges between young students, the use of libraries to spread knowledge of the League, the activities of the more important international associations and questions relating to bibliography.

The Plenary Committee on Intellectual Co-operation, reviewing the work of the delegation of experts, approved its proposals and conclusions and instructed the Educational Information Centre to take the necessary executive action (see below: Resolutions of the Plenary Committee).

---

II. **PERMANENT COMMITTEE FOR ARTS AND LETTERS.**

The Permanent Committee for Arts and Letters constituted by the Assembly of the League in 1930 met for the first time in Geneva from July 6th to July 9th, 1931. The composition of the Committee was noted in the General Report on the Work of the League (document A.6.1931, page 146).

The Committee laid down certain principles which might with advantage be adopted with a view to introducing more order and coherence into the exchange of ideas between nations. More particularly, it recommended a system of correspondence and discussion between recognised intellectual leaders in the various countries upon questions of a general intellectual or a specific and technical character with a view to publication. It further considered that measures should be adopted to ensure the representation and influence of intellectual circles in the general social, economic and political life of nations and to encourage meetings intended to spread a knowledge of the aims, methods and results of intellectual co-operation.