Geneva, September 15th, 1936.

LEAGUE OF NATIONS

REPORT ON THE WORK OF THE LEAGUE 1935/36

Part II.
NOTE BY THE SECRETARY-GENERAL.

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

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

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

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

September 15th, 1936.
CONTENTS.

NOTE BY THE SECRETARY-GENERAL ........... 3

A. Work of the League.

1. POLITICAL QUESTIONS:
   I. Dispute between Bolivia and Paraguay .... 7
   II. Settlement of the Assyrians of Iraq .... 7
   III. Italo-Ethiopian Conflict:
       A. Meetings of the Council and Assembly .... 10
       B. Meeting of the Co-ordination Committee .... 18
   IV. Treaty of Mutual Guarantee between Germany, Belgium, France, Great Britain and Italy, done at Locarno on October 16th, 1925 .... 18
   V. Free City of Danzig .... 19

2. REDUCTION AND LIMITATION OF ARMAMENTS:
   London Naval Treaty, signed on March 25th, 1936 .... 26

3. MANDATES:
   Work of the Permanent Mandates Commission at its Twenty-ninth Session (May-June 1936) .... 27

4. SLAVERY .... 38

5. ECONOMIC AND FINANCIAL QUESTIONS:
   A. Work of the Financial Organisation:
      The Fiscal Committee .... 39
   B. Economic Intelligence:
      I. Publications .... 40
      II. Business-cycle Research .... 43

6. COMMUNICATIONS AND TRANSIT:
   I. National Public Works .... 45
   II. Disputes regarding the Reorganisation of the Railways of the Former Austro-Hungarian Monarchy .... 47

7. HEALTH QUESTIONS:
   Meeting of the Bureau of the Health Committee in Moscow 48

8. TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS:
   Work of the Permanent Central Opium Board . . . . 51

9. INTERNATIONAL ASSISTANCE TO REFUGEES:
   I. Nansen International Office for Refugees . . . . 53
   II. Refugees coming from Germany . . . . . . . . 53

10. INTELLECTUAL CO-OPERATION:
    Work of the International Intellectual Co-operation Organisation . . . . . 56

11. LEGAL AND CONSTITUTIONAL QUESTIONS:
    I. Composition of the League and of the Council:
       Changes during 1936 . . . . . . . . . . . . . . . . . . . . . . . 78
    II. Work of the International Institute at Rome for the Unification of Private Law . . . . . 78

B. Permanent Court of International Justice.

   Introduction . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 81
1. Composition of the Court . . . . . . . . . . . . . . . . . . . . . . . 81
2. The Registry . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 83
3. The Statute . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 83
4. The Rules of Court . . . . . . . . . . . . . . . . . . . . . . . . . . 84
5. Jurisdiction . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 84
6. Activities . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 88
7. Cases . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 89
A. WORK OF THE LEAGUE.

1.

POLITICAL QUESTIONS.

I. DISPUTE BETWEEN BOLIVIA AND PARAGUAY.

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

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

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

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

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

II. SETTLEMENT OF THE ASSYRIANS OF IRAQ.

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

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

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

At the meeting on June 30th, the French representative made a statement in which he drew the Committee's attention to the recent political developments in the Levant. The scheme for the reclamation of the Ghab and the settlement of Assyrians in that valley, which was attended by very serious risks, both technical and political, had little chance of success unless the Nationalist opposition to the establishment of a Christian minority in that district could be kept in check by the mandatory administration. When France had envisaged the execution of the plan of settlement in the Ghab, it had been on the assumption that she would retain, throughout the period of its application, all her powers and responsibilities in the mandated countries. Recent political developments had, however, led the French Government to contemplate a substantial anticipation of the transfer of the responsibilities of government to the local administration, as compared with original expectations. Once this transfer had been effected, the political difficulties would
appear in all their force and would, indeed, grow very acute, and the local administration would be unable to overcome them. In those circumstances, France considered that, even if the local Government were inclined to agree to take over the obligations contracted, she would have to advise against such a transfer. The French Government therefore felt bound to call the Committee’s attention to the advisability of abandoning the plan of settlement in the Ghab.

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

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

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

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

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

¹ The consultation, undertaken in May, of the Assyrians living in the mountains on the northern frontier of Iraq made it possible to obtain definite results for all ex-Ottoman Assyrians living in Iraq and their descendants: out of 21,671 persons registered by the Local Committee in Iraq, 14,259 declared that they wished to leave the country, 59 said they desired to remain, while 7,353 left the decision to their tribal chiefs, who have not yet announced their wishes but are understood to be opposed to leaving the country. Of the 14,259 indicated above, 2,000 have been transferred to the Khabur in Syria in accordance with the Committee’s decision of May 8th (see Report on the Work of the League, Part I, page 18). The 6,000 Assyrians who had already been settled in Syria before the end of last year are not included in the above figures.
would continue to enjoy full security. The French representative said that the Assyrian colony already settled in Syria would continue to enjoy the guarantees which the mandate or any other regime that might be substituted therefor would always afford to the minorities; and the United Kingdom representative, while expressing the disappointment which His Majesty's Government felt at the breakdown of the Ghab plan as a result of political developments which nobody could foresee, noted with satisfaction that the Committee proposed to pursue its efforts to find another solution for the problem of the settlement of the Assyrians.¹

III. ITALO-ETHIOPIAN CONFLICT.

A. Meetings of the Council and Assembly.

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

On June 26th, the ninety-second ordinary session of the Council, which had been adjourned on May 13th, was resumed. The Italian Government had sent no representative, but expressed the hope that "when the present situation was cleared up it would be able to resume its collaboration with the League."

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

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

Resumption of the Assembly Session, June 30th.

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

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

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

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

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

The note concluded with the following paragraphs:

"Italy views the work she has undertaken in Ethiopia as a sacred mission of civilisation, and proposes to carry it out according to the principles of the Covenant of the League of Nations and of other international deeds which set forth the duties and tasks of the civilising Powers. Italy assures equitable treatment to the native populations, by promoting their moral and material well-being and their social progress. In order to associate the native populations with this task of social improvement, native personalities will sit on an Advisory Body already formed under the aegis of the general Government. Religious beliefs will be fully respected and all cults will be freely exercised provided they do not run counter to public order and moral principles. The free use of their original language is guaranteed
to each of the races which inhabit Ethiopia. Slavery and forced labour, which were a blot of infamy on the old regime, are now abolished. Taxes levied on the people will be used exclusively to meet local requirements.

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

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

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

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

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

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

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

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

"If", he concluded, "American ideas cannot be harmonised with the manner of applying the Covenant, if we cannot secure
the practical universality of a principle of justice, and if the attempt to do so might create a danger to peace or might prove incompatible with the forms devised to secure it, the Argentine Republic would be obliged to reconsider the possibility of continuing its collaboration. In any case, you can be sure that, in calling for the meeting of this Assembly, we have acted with the highest intentions and inspired by a spirit of sincere co-operation. We considered that it might constitute a new and a great effort towards peace, imbuing all its Members with the same desire for conciliation and harmony, in order that they might hasten on the solutions which still have to be sought . . . ."

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

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

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

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

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

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

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

¹ For the text of the speeches, see records of the nineteenth, twentieth, twenty-first, twenty-second, twenty-third and twenty-fourth plenary meetings of the sixteenth session of the Assembly.
On the same day, the Ethiopian delegation handed in two draft resolutions, which were referred to the General Committee to be added to the other texts placed at its disposal.

The Ethiopian delegation’s draft resolutions were as follows:

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

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

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

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

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

“Sir,

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

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

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

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

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

“I have the honour, etc.,

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

The text drafted by the General Committee was as follows:

I.

"The Assembly,

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

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

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

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

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

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

"Recommends that the Council:

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

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

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

"The Assembly,

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

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

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

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

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

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

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

¹ The delegate of Panama amplified his views in a communication dated July 6th, circulated as document C.314.M.195.1936.VII.
M. Turbay, delegate of Colombia, said that his delegation accepted the first proposal submitted by the General Committee as a fresh affirmation of the principles embodied in the conclusions of his delegation’s initial declaration, made by the President of that delegation on July 1st, 1936. As to the General Committee’s second proposal, the Colombian delegation reserved the right to state in the Co-ordination Committee the reasons why it had no objection to the recommendations submitted for the Assembly’s approval.

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

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

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

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

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

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

The replies to the circular letter have been distributed to the Members of the League.
B. Meeting of the Co-ordination Committee.

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

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

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

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

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

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

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

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

IV. Treaty of Mutual Guarantee between Germany, Belgium, France, Great Britain and Italy, done at Locarno on October 16th, 1925.

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

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

Situation in the Free City.

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

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

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

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

An article published immediately afterwards by M. Forster, head of the National-Socialist Party at Danzig, intimated that this attitude on the part of the German officers was explained by the fact that, when another German warship had called in the previous year, the High Commissioner had invited the representatives of the Danzig Opposition at the same time as the officers of the ship. M. Forster added that the presence of the High Commissioner of the League at Danzig was
superfluous, as Polish-Danzig relations and Polish-German relations also were excellent. Lastly, he criticised the High Commissioner, alleging, in particular, that he had intervened needlessly in the internal affairs of the Free City.

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

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

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

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

M. Greiser said that the question dealt with in the draft resolution had been hastily placed on the Council’s agenda, and confessed his surprise that the High Commissioner should have made such a request. M. Greiser had not received the High Commissioner’s report until his arrival at Geneva, and his surprise at the terms of the report was even greater than at the Council’s decision. He understood that the refusal by the commander of a German warship to pay a visit to the High Commissioner would be a matter of concern to the Council, but he thought it irrelevant to attempt to establish any connection between that incident and the Government of the Free City. Having been called upon for the second time in a single year to give explanations at Geneva, he thought it his duty
to go fully once and for all into all questions concerning Danzig, and to speak, not as a defender of theoretical texts or of paragraphs which were a dead letter, but as governor of 400,000 Germans, who did not want their destinies to be eternally linked to the League of Nations and who really did not understand the ideology of that institution. The people of Danzig felt that their city had not been severed from the parent State for the reasons that had always been publicly adduced. It had been said that Poland required free access to the sea through the port of Danzig. In M. Greiser's view, the Polish people was quite entitled to claim such access; but, if that had been the object in view, it was not necessary to separate Danzig from Germany, since it had been made into a so-called Free State. It almost seemed as if the sole object of the separation had been to create a permanent source of trouble and friction between Germany and Poland.

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

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

The Government of the Free City had always deferred to the Council's wishes and decisions, even when their execution ran counter to its convictions and shocked the good sense of the Danzig population. The smallest State in Europe, as the German and Polish Governments could testify, had always manifested its desire to maintain good relations with the League. It was natural that the National-Socialist majority should defend itself
against the terrorism of a minority, supported consciously or unconsciously by the High Commissioner. As head of the Government, M. Greiser could not be expected to put down a movement that supported him or to allow the partisans of that movement to be punished when they were acting in self-defence.

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

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

M. Greiser pointed out that his observations were not based on legal considerations or considerations of international law, but that he spoke as representative of 400,000 living Germans. The observance of the letter of the texts had already done enough harm and suffered enough setbacks, and, if in various quarters
the opinion had been expressed that the League had lost some of its prestige, he had shown a way of contributing greatly to the restoration of that prestige in the world.

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

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

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

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

Mr. Lester did not think it his duty to offer any observation on the formal proposals made by the representative of the Danzig Senate. President Greiser had said that he had not taken his stand on legal texts, but he should understand that the High Commissioner could not refrain from taking into account both the legal situation and the various documents which constituted the Statute of the Free City. The High Commissioner's duties,
in fact, were to uphold the various articles, and, whether those articles were regarded in some quarters as a dead letter or not, it was the High Commissioner’s duty to maintain them in force.

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

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

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

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

M. Greiser said that he had not expected the Council to express any other opinion, nor, in view of the slowness of the
League's methods, to take an immediate resolution on the proposals he had submitted. After expressing his thanks to the Rapporteur, he added that he understood that Mr. Eden was considering the possibility of studying the Danzig Government's proposals subsequently, and he wished to thank him particularly for that.

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

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

The Council adopted the resolution, and appointed a committee of three members, composed of the representatives of France and Portugal, together with the Rapporteur, to follow the developments of the question.
2.

REDUCTION AND LIMITATION OF ARMAMENTS.

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

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

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

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

3.

MANDATES.

Work of the Permanent Mandates Commission at its Twenty-Ninth Session (May-June 1936).

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

Territories under “A” Mandate.

Palestine and Trans-Jordan.

Annual Report for 1935.

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

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

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

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

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

The Commission noted that Palestine had again enjoyed in 1935 favourable economic and financial conditions.
With regard to the question of the treatment of imports from States which have ceased to be members of the League of Nations, the Commission was anxious to obtain full information as to the policy to be adopted in order to safeguard the interests of the territory and those of the States Members of the League. Lastly, the Commission noted with interest that a Dangerous Drugs Ordinance had been enacted; and also an ordinance on the sale of intoxicating liquor. It asked for details with regard to the practical effects of these ordinances.

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

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

Petitions.

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

Syria and Lebanon.

Annual Report for 1935.

In its general observations, the Commission noted that, although not formally bound to do so, the mandatory Power spontaneously gave information on the disorders that took place in Syria at the beginning of 1936. The accredited representative fully discussed with the Commission the character
of those events, their origin and the lessons to be drawn from them. The Commission welcomed this fresh evidence of close co-operation in the application of the mandates system.

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

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

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

While reserving judgment regarding such solutions as might in due course be submitted to it, the Commission desired to point
out at once that the information supplied up to that time by the mandatory Power, on the basis of its experience in Syria under the mandate, did not furnish evidence of the existence of a degree of maturity sufficient to justify any thoughts of the emancipation of this territory without providing for a transitional period.

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

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

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

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

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

**Petitions.**

The Commission considered 156 petitions concerning this territory. With regard to those concerning the administration of the Moslem Waqfs, the Commission reserved the problems raised for more exhaustive enquiry when it had received the documentary material.
With reference to another petition, the Commission drew attention to the position of those Syrians and Lebanese resident abroad who had not been able to avail themselves within the prescribed period of the right of option established by the Treaty of Lausanne. It hoped that the mandatory Power would renew the steps it had been taking to remedy this situation.

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

**Territories under “B” Mandate.**

*Tanganyika.*

*Annual Report for 1935.*

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

In December 1935, the latter communicated to the Commission a despatch, addressed by the Secretary of State for the Colonies to the Governors of Tanganyika, Kenya and Uganda, on the subject of “closer union” in East Africa. This document, which constituted the United Kingdom Government’s comments
on the observations made by various bodies in the territories concerned, stated that the objections raised by the Joint Select Committee of 1931 to the proposal for "closer union" still persisted, and that there was no need in the circumstances to reopen the enquiry into the question. It was added that the policy of close co-operation between the three territories on the lines suggested by the above-mentioned Committee would be steadily pursued. In taking note of this declaration, the Commission drew attention to the considerations of principle regarding the question of "closer union" put forward in its report to the Council on the work of its twenty-third session (1933).

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

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

While noting the objections raised to direct taxation of the income of the non-native sections of the population, the Commission hoped that those objections would not prove insuperable. It was of opinion that the communities in question should contribute according to their capacity to the revenue of the country. In his comments, the accredited representative pointed out that
there was direct taxation of the income of non-natives under the Non-Native Poll Tax, of which full details were given in the annual report for 1935.

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

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

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

Petitions.

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

Territories under "C" Mandate.

South West Africa.

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

The Commission was glad to hear that the year under review had been one of political quiet among the various sections of the population. It expressed the hope that the method of conciliation followed by the mandatory Power would continue to ensure a peaceful atmosphere.
While congratulating the mandatory Power on the improved financial position of the territory, the Commission again noted with concern the steady increase of the territory's indebtedness to the mandatory Power and asked that it would be supplied in future with a general statement defining the Administration's financial policy.

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

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

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

Nauru.

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

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

New Guinea.

Annual Report for 1934/35.

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

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

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

The Commission took note of the new order regarding native labour. It expressed the hope that the Government would give its closest attention to improving the present system of recruitment and re-engagement of labour, and more particularly to exercising stricter control over the recruiting agents. It viewed with concern the intensive recruitment of labour which
would appear to have been going on in certain districts, and noted with satisfaction that a number of districts had been declared “closed areas”.

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

Petition.

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

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

The Council paid a tribute to the memory of M. Gohr, Belgian member and Chairman of the Committee, who had taken part in all the League's work on slavery since 1924.

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

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

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3 M. Louwers (Belgian) was appointed as M. Gohr's successor on the Committee.
5.

ECONOMIC AND FINANCIAL QUESTIONS.

A. WORK OF THE FINANCIAL ORGANISATION.

The Fiscal Committee.

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

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

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

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

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

1 Austria, Belgium, United Kingdom, Free City of Danzig, Denmark, France, Greece, Hungary, Italy, Netherlands, Sweden, Switzerland, United States of America.
Some ten conventions on double taxation and administrative and judicial assistance in fiscal matters were concluded in 1935, so that the number of conventions that may be regarded as the indirect result of the League's work in the fiscal sphere is now about 150.

B. ECONOMIC INTELLIGENCE.

I. PUBLICATIONS.

Money and Banking, 1935/36.

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

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

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

Review of World Trade, 1935.

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