competent, but difficulty has arisen with regard to law which is not of the Western type (such as Mohammedan law and Hindu law), and as regards the status of women among the primitive races. The institutes do not consider themselves to have adequate means at their disposal for studying these subjects.

The Committee has, however, been able to make arrangements which will enable it to publish an account of typical examples of oriental law. It was not possible to make similar arrangements as regards the primitive peoples. As stated in its first report, the Committee has reached the conclusion that it "does not feel able to take responsibility for directing the compilation for primitive races of a survey such as is contemplated by the Assembly's resolution ", but it adds that "this, of course, does not prejudice the question whether such a study should be made by the League ".

The Committee in its first report expresses its great satisfaction at the help which it is receiving from the women's international organisations, with whose representatives it has discussed the measures it is taking and the ways in which the organisations can best assist it.
REGISTRATION AND PUBLICATION OF TREATIES AND INTERNATIONAL ENGAGEMENTS
(Article 18 of the Covenant)

Present Situation with regard to International Engagements registered with the Secretariat of the League of Nations

As in previous years, the registration of treaties by the Secretariat has been carried out according to the method laid down by the Council of the League of Nations (on May 19th, 1920).

Between May 19th, 1920, and May 19th, 1939, 4,568 treaties and international engagements have been submitted for registration, 211 of which were submitted during the period between May 19th, 1938, and May 19th, 1939.

The treaties registered have, as in previous years, dealt with various subjects, as may be seen by consulting the following list, which gives a general idea of the character of the agreements registered during the period in question.¹

*Treaties of Peace, Friendship, Alliance, Neutrality, etc.*

<table>
<thead>
<tr>
<th>Registration No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4365</td>
<td>Denmark, Finland, Iceland, Norway and Sweden.</td>
</tr>
<tr>
<td>4424</td>
<td>Iraq and Iran.</td>
</tr>
<tr>
<td>4431</td>
<td>Afghanistan and Czecho-Slovakia.</td>
</tr>
<tr>
<td>4437</td>
<td>Egypt and Turkey.</td>
</tr>
<tr>
<td>4493</td>
<td>Greece and Turkey.</td>
</tr>
<tr>
<td>4516</td>
<td>China and Estonia.</td>
</tr>
</tbody>
</table>

*Arbitration, Conciliation and Judicial Settlement.*

<table>
<thead>
<tr>
<th>Registration No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4425</td>
<td>Iraq and Iran.</td>
</tr>
<tr>
<td>4548</td>
<td>Inter-American Convention.</td>
</tr>
</tbody>
</table>

¹ Some of the International Engagements mentioned in the list, dealing with several subjects, may be classified under several heads.
Registration No.  

Treaty of Non-Aggression.  

4402 Afghanistan, Iraq, Iran and Turkey.  

Political Questions.  

4537 Great Britain and Northern Ireland and Italy.  
4538 Great Britain and Northern Ireland, Egypt and Italy.  

Consular Conventions, Conventions concerning Conditions of Residence and Similar Questions.  

4414 Belgium and Siam.  
4438 Egypt and Turkey.  
4531 Argentine Republic and the Netherlands.  
4564 Roumania and Turkey.  

Judicial and Extradition Conventions.  

4362 Albania and Czecho-Slovakia.  
4420 Belgium and Switzerland.  
4436 United States of America and Norway.  
4446 Great Britain and Northern Ireland, Commonwealth of Australia and New Zealand and Luxemburg.  
4479 General Convention.  
4491 Greece and Grand-Duchy of Luxemburg.  
4518 Mexico and Panama.  
4523 Great Britain and Northern Ireland and Switzerland.  
4550 France and Switzerland.  
4552 Poland and Switzerland.  

Military Questions and Similar Questions.  

4454 United States of America and Lithuania.  
4539 Great Britain and Northern Ireland and Bulgaria.  
4557 United States of America and Brazil.  

Naval Questions.  

4535 Great Britain and Northern Ireland and Poland.  

Air Navigation.  

4378 Union of South Africa and Germany.  
4380 Union of South Africa and Portugal.  
4393 Germany and Estonia.
Registration No.

**Air Navigation (continued).**

4405 Great Britain and Northern Ireland and Hungary.
4409 Great Britain and Northern Ireland and China.
4410 Great Britain and Northern Ireland, Commonwealth of Australia, New Zealand and India and Belgium.
4429 Germany and Roumania.
4430 Italy and Czecho-Slovakia.
4451 Great Britain and Northern Ireland, Commonwealth of Australia, New Zealand and India and Sweden.
4464 United States of America and Canada.
4465 United States of America and Canada.
4466 United States of America and Canada.
4469 France and the Netherlands.
4481 Great Britain and Northern Ireland, Commonwealth of Australia, New Zealand and India and Switzerland.
4482 Great Britain and Northern Ireland, Commonwealth of Australia, New Zealand and France.
4499 Norway and the Netherlands.
4509 Italy and the Netherlands.
4536 Great Britain and Northern Ireland and France.

*Commerce, Navigation and Customs.*

4359 Finland and Greece.
4363 Brazil and Czecho-Slovakia.
4364 Chile and Sweden.
4366 Great Britain and Northern Ireland and Siam.
4372 Union of South Africa and France.
4373 Union of South Africa and Italy.
4374 Union of South Africa and France.
4377 Union of South Africa and Czecho-Slovakia.
4384 New Zealand and Switzerland.
4386 Belgium, Denmark, Finland, Luxemburg, Norway, the Netherlands and Sweden.
4387 Hungary and Iran.
4388 Hungary and Latvia.
4395 Germany and the Netherlands.
4401 United States of America and Chile.
4404 Germany and Greece.
4413 Economic Union of Belgium and Luxemburg and Siam.
4415 Egypt and Iraq.
Registration No. | Commerce, Navigation and Customs (continued).
---|---
4416 | Norway and Poland.
4417 | Italy and Norway.
4422 | Denmark and Haiti.
4433 | United States of America and Venezuela.
4435 | Finland and Norway.
4444 | United States of America and Bulgaria.
4449 | Great Britain and Northern Ireland and Poland.
4450 | Great Britain and Northern Ireland and Portugal.
4480 | Great Britain and Northern Ireland and Cuba.
4488 | Germany and Denmark
4489 | United States of America and Ecuador.
4492 | Italy and Czecho-Slovakia.
4495 | Greece and Lithuania.
4497 | Estonia and the Netherlands.
4502 | Greece and Poland.
4503 | Estonia and Switzerland.
4504 | Sweden and Yugoslavia.
4505 | Commonwealth of Australia and Switzerland.
4507 | Canada and Haiti.
4508 | Canada and Guatemala.
4510 | Brazil and Denmark.
4513 | Sweden and Turkey.
4517 | Estonia and Sweden.
4521 | Ecuador and the Netherlands.
4533 | Greece and Latvia.
4534 | Bulgaria and Greece.
4540 | Denmark and Norway.
4541 | Norway and Sweden.
4544 | United States of America and Greece.
4554 | Ecuador and Sweden.
4558 | Chile and Cuba.
4559 | Economic Union of Belgium and Luxemburg and Latvia.
4561 | Denmark and Sweden.
4565 | Cuba and Portugal.
4568 | Switzerland and Yugoslavia.

Economic and Financial Conventions and Conventions regarding Taxes.

4381 | Latvia and Union of Soviet Socialist Republics.
4382 | Germany and Latvia.
Economic and Financial Conventions and Conventions regarding Taxes (continued).

Registration No.

4392 United States of America and Sweden.
4403 Germany and the Netherlands.
4406 General Agreement.
4411 Great Britain and Northern Ireland and Turkey.
4418 Belgium and the Netherlands.
4421 Denmark and the Netherlands.
4427 Denmark, Finland, Iceland, Norway and Sweden.
4428 Poland and Roumania.
4441 Estonia, Latvia and Lithuania.
4442 Estonia, Latvia and Lithuania.
4443 Germany, Belgium and Grand-Duchy of Luxemburg.
4452 Great Britain and Northern Ireland and Switzerland.
4453 Great Britain and Northern Ireland and Roumania.
4458 General Agreement.
4459 General Convention.
4460 United States of America and the Netherlands.
4463 United States of America and Haiti.
4467 Denmark and the Netherlands.
4468 Germany and the Netherlands.
4475 Germany and Panama.
4477 United States of America and Nicaragua.
4478 Latvia and Poland.
4496 Economic Union of Belgium and Luxemburg and Roumania.
4498 Estonia and Lithuania.
4501 Finland and Lithuania.
4506 Finland and the Netherlands.
4512 Estonia and Latvia.
4514 Sweden and Turkey.
4515 Sweden and Turkey.
4522 France and Switzerland.
4525 Germany and Great Britain and Northern Ireland.
4526 Germany and Great Britain and Northern Ireland.
4527 Germany and Great Britain and Northern Ireland.
4532 The Netherlands and Roumania.
4542 Estonia and the Netherlands.
4567 Economic Union of Belgium and Luxemburg and Yugoslavia.
Registration
No.

4360  Finland and Norway.
4361  Finland and Norway.

**Hunting and Fisheries.**

**General Relations.**

4358  Denmark and Siam.
4367  Japan and Siam.
4368  Germany and Siam.
4389  Italy and Siam.
4412  Siam and Switzerland.
4476  United States of America and Siam.
4485  The Netherlands and Siam.
4528  Germany and Great Britain and Northern Ireland.

**Delimitation of Frontiers, Frontier Traffic and Similar Questions.**

4390  Guatemala and Salvador.
4407  Belgium and Great Britain and Northern Ireland.
4408  Belgium and Great Britain and Northern Ireland.
4423  Iraq and Iran.
4440  Belgium and Grand-Duchy of Luxemburg.
4500  Colombia and Panama.
4511  Bulgaria and Yugoslavia.
4551  France and Switzerland.
4553  France and Switzerland.

**Communications and Transit, Passports.**

4369  Hungary and Latvia.
4370  Greece and Hungary.
4379  Union of South Africa and United States of America.
4383  Norway and Sweden.
4391  General Arrangement.
4396  Belgium and the Netherlands.
4399  Hungary and Norway.
4419  Union of South Africa and Finland.
4445  United States of America and France.
4457  Lithuania and Poland.
4462  Lithuania and Poland.
4483  General Convention.
4484  General Convention.
4543  Greece and Turkey.
4563  Finland and Hungary.
Registration
No.
4397 Hungary and Czecho-Slovakia.
4456 Lithuania and Poland.
4566 Belgium, France and the Netherlands.

Tonnage Measurement.
4545 Finland and Sweden.
4560 Great Britain and Northern Ireland and India and Egypt.

Administrative Questions.
4398 France and Monaco.
4432 United States of America and Cuba.
4546 France and Norway.
4556 United States of America and Mexico.
4562 United States of America and Finland.

Social and Labour Questions.
4547 Latvia and Poland.
4555 Belgium and France.

Health Questions.
4371 Denmark and Sweden.
4486 General Convention.
4487 General Convention.
4524 India and French Indo-China.

Intellectual and Artistic Relations.
4400 Estonia and Hungary.
4426 Finland and Hungary.
4520 Finland and Poland.

Scientific Questions.
4394 General Agreement.

Nationality and Similar Questions.
4439 Egypt and Turkey.
4494 United States of America and Switzerland.
Registration No. 4461 General Convention.

Postal, Telephonic, Telegraphic and Radiotelegraphic Conventions.

4375 General Agreement.
4376 General Agreement.
4385 Great Britain and Northern Ireland and the Netherlands.
4434 United States of America and Japan.
4447 Malaya and Siam.
4448 Malaya and Siam.
4455 Lithuania and Poland.
4470 Kenya, Uganda, Tanganyika and Egypt.
4471 Great Britain and Northern Ireland and France.
4472 Mexico and Sweden.
4473 United States of America and Sweden.
4474 Lithuania and Sweden.
4490 United States of America and British Guiana.
4519 United States of America and Iceland.
4529 Great Britain and Northern Ireland and Poland.
4530 Great Britain and Northern Ireland and France.
4549 United States of America and Yugoslavia.

The following table gives the number of treaties registered with the Secretariat at the request of the various States during the period from May 19th, 1938, to May 19th, 1939:

<table>
<thead>
<tr>
<th>Country</th>
<th>Treaties</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>25</td>
</tr>
<tr>
<td>Union of South Africa</td>
<td>10</td>
</tr>
<tr>
<td>Australia</td>
<td>1</td>
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<td>Belgium</td>
<td>10</td>
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<tr>
<td>Great Britain and Northern Ireland</td>
<td>37</td>
</tr>
<tr>
<td>Canada</td>
<td>2</td>
</tr>
<tr>
<td>Cuba</td>
<td>5</td>
</tr>
<tr>
<td>Czecho-Slovakia</td>
<td>6</td>
</tr>
<tr>
<td>Denmark</td>
<td>5</td>
</tr>
<tr>
<td>Egypt</td>
<td>6</td>
</tr>
<tr>
<td>Estonia</td>
<td>8</td>
</tr>
<tr>
<td>Finland</td>
<td>11</td>
</tr>
<tr>
<td>France</td>
<td>3</td>
</tr>
<tr>
<td>Greece</td>
<td>10</td>
</tr>
<tr>
<td>Hungary</td>
<td>8</td>
</tr>
<tr>
<td>Iran</td>
<td>1</td>
</tr>
</tbody>
</table>
Iraq ... ... ... ... ... ... ... ... ... ... ... ... 3
Latvia ... ... ... ... ... ... ... ... ... ... ... ... 6
Lithuania ... ... ... ... ... ... ... ... ... ... ... ... 7
The Netherlands ... ... ... ... ... ... ... ... ... ... ... ... 20
New Zealand ... ... ... ... ... ... ... ... ... ... ... ... 1
Norway ... ... ... ... ... ... ... ... ... ... ... ... 13
Panama ... ... ... ... ... ... ... ... ... ... ... ... 3
Roumania ... ... ... ... ... ... ... ... ... ... ... ... 3
Salvador ... ... ... ... ... ... ... ... ... ... ... ... 1
Siam ... ... ... ... ... ... ... ... ... ... ... ... 9
Sweden ... ... ... ... ... ... ... ... ... ... ... ... 18
Switzerland ... ... ... ... ... ... ... ... ... ... ... ... 9
Turkey ... ... ... ... ... ... ... ... ... ... ... ... 1
Yugoslavia ... ... ... ... ... ... ... ... ... ... ... ... 4

International engagements concluded under the auspices of the League of Nations, deposited with the Secretariat and registered in consequence of their entry into force ... ... ... ... ... ... ... 3

The Secretariat has also registered many accessions, ratifications, denunciations, etc., concerning Conventions previously registered at the request of various States.

It has also registered further information relating to general Conventions which it had already published.

International engagements are published in the Treaty Series in their original languages, with translations into French and English, when they have not been drawn up in one of these two languages.

Up to the present, 193 volumes of about 450 pages each, containing 4,500 treaties, have been published by the Secretariat. Other volumes will appear in the near future.
Additions to the Library.

The Library has acquired 6,164 books and 3,715 volumes of official publications from Governments.¹

The Library has also received 264 new periodicals in addition to the 2,468 periodicals which it already possesses. This figure does not include the 1,016 official periodicals received from Governments.

Including these various additions, the Library now possesses about 296,000 volumes.

The geographical collection has received 536 new maps, bringing the total to about 16,500.

Publications of the Library.

The Monthly List of Selected Articles has continued to appear regularly. It is based on the analysis of 1,632 periodicals and official journals, and contains a total of 8,685 references.

The Chronology of International Treaties and Legislative Measures, which analyses the official journals and law collections of nearly every country of the world, contains a total of 2,604 references.

These two publications are much appreciated by the civil services, libraries, banks, etc., of various countries, which are thus enabled to benefit from the material collected by the League of Nations Library. Of these publications 62% are supplied to subscribers and in the form of exchanges, while the remaining 38% make up the official distribution.

The Monthly List of Books catalogued in the Library has continued to appear regularly.

The Library also publishes for the use of the Secretariat a weekly List of Additions to the Government Documents Collection and the Fortnightly Survey of Political Events, with 1,584 references to the daily newspapers kept in the Library. Since May 1938, the latter publication has been supplemented by the

¹ The statistics contained in this chapter cover the period from May 1st, 1938, to April 30th, 1939.
List of Newly Concluded International Engagements not yet registered with the Secretariat, prepared by the Legal Section.

In addition to these periodicals, the Library has also published for the use of the Secretariat an *Alphabetical List of Periodicals* received by it.

The Information Section has recently issued an illustrated pamphlet on the Library, based on information supplied by the latter.¹

*Attendance at Reading-rooms.*

The number of readers' cards issued during the year was 637. The number of readers (admittances) was 18,923. The maximum was reached in September 1938 with an average of 78 admittances daily.

*Loans to the Secretariat.*

Books and periodicals  
21,176²

Government documents  
28,828³

*Photostatic Reproductions.*

The photostatic workshop received 1,340 orders for the reproduction of rare or out-of-print works, which were punctually carried out.

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² Including the circulation of 14,840 numbers of periodicals regularly sent round the Secretariat.
³ Including the circulation of 9,000 numbers of official journals regularly sent round the Secretariat.
STORAGE OF SPANISH WORKS OF ART AT THE LEAGUE BUILDING

From the beginning of February to the end of April 1939, the League building sheltered the Spanish art treasures brought from Catalonia to Geneva to remove them from the risks of war.

Since 1936, the risks run by the Spanish works of art had on several occasions given rise to concern in artistic circles throughout the world. When it was learnt at the beginning of 1939 that numerous masterpieces from the Spanish museums were stored in the north of Catalonia—i.e., in a particularly exposed area—this anxiety became still more acute.

At the beginning of January 1939, on the proposal of the painter José-Maria Sert, the Paris Academy of Fine Arts, the French Council of National Museums and the Société des Amis du Louvre expressed the wish that the masterpieces of the Prado Museum should be conveyed to the League of Nations building, which was regarded as a neutral place of shelter where their security could be provided for in the most favourable conditions. Following upon the expression of this wish, an international committee (International Committee for the Safeguarding of the Spanish Art Treasures) was formed. This Committee included American, Belgian, British, French, Netherlands and Swiss members, all of whom were at the head of museum committees in their own countries. The chairman of the Committee was M. David Weill, President of the French Council of National Museums.

This International Committee undertook to negotiate with the Spanish authorities who had the works of art in question in their keeping, with a view to obtaining authorisation to bring them into France and convey them to Geneva.

The outcome was a convention, which was signed on February 3rd at Figueras by M. Alvarez del Vayo on the one hand, and by M. Jaujard, Assistant Director of French National Museums, on behalf of the International Committee, and Mr. McLaren, delegate of the National Gallery, London, on the other.

This convention contained two articles stipulating: (1) that the works and objects of art should be entrusted to the Secretary-General of the League of Nations, who would give a receipt for
them; (2) that this receipt should carry with it an undertaking that, when peace was restored in Spain, the works and objects of art entrusted to the Secretary-General should be returned to the Spanish Government, in order that they should "remain the common property of the Spanish nation".

The Secretary-General had stated that, in view of the exigencies of the situation, he accepted these two obligations, but that, as the operation was neither authorised nor covered by any decision of the Assembly or the Council of the League of Nations, he could not incur any expenditure, even by way of an advance, or pledge the collective responsibility of the League of Nations.¹

Evacuation and transport were organised by M. Jaujard, assisted by M. Henraux, Chairman of the Société des Amis du Louvré, and Mr. McLaren, of the National Gallery, with the help of M. Perez Rubio and M. Giner Pentoja, President and member respectively of the Junta nacional del Tesoro Artístico, who had looked after the works of art during their peregrinations. At 9 a.m. on February 4th, the first seven lorries crossed the frontier at Le Perthus. From February 4th to 8th, seventy-one lorries crossed the frontier, bringing into French territory the works of art, which had been stored in four places—Figueras, Perelada, Labajol and Darnius. As and when they arrived at the French frontier, the Spanish works of art were placed under Customs supervision and under the guard of detachments of French soldiers.

On February 9th, the loading of all the articles was begun at Céret station, and on February 12th a train with 1,845 cases containing the works of art left Perpignan for Geneva. At the Franco-Swiss frontier, the Swiss gendarmerie and Customs officers took over from the French guards and Customs officers. The supervision and guarding of the works of art were to cease only when they were handed over by the Secretary-General to the representatives of the Spanish Government.

By February 17th, all the works of art had been conveyed to the League of Nations building.

Beginning on March 4th, the inventory of the Spanish pictures, tapestries and objets d'art thus transported was finished on March 24th.²

The examination showed the experts that the contents of the cases were in perfect condition.

¹ The whole of the expenses of evacuation, which amounted to a considerable sum, was covered by private advances collected and administered by the International Committee.
² The roneoed inventory contains 193 pages.
The work of making the inventory was directed by M. Jaujard, with the help of M. Perez Rubio and M. Giner Pentoja. It was carried out by M. Vergnet-Ruiz, of the Louvre Museum, Mr. McLaren, of the National Gallery, and M. Gielly, of the Musée d’Art et d’Histoire of Geneva, as experts on painting; and by M. W. Deonna, Director of the Musée d’Art et d’Histoire of Geneva, M. Carle Dreyfus, of the Louvre Museum, and Mr. Michael Stewart, of the Victoria and Albert Museum, as experts on tapestries and *objets d’art*. M. J. M. Sert, delegate of the Spanish Government, was also present during the making of the inventory, as well as M. J. Vallery-Radot, representing the Secretary-General.

In pursuance of the Figueras agreement, M. Avenol handed over the works of art on March 30th to the representative of the Spanish Government, in the presence of M. Paul Lachenal, delegate of the International Committee.

Nevertheless, the works of art remained in storage at the League building until April 29th.
PARTICIPATION OF THE LEAGUE OF NATIONS IN THE NEW YORK WORLD'S FAIR (1939)

In September 1937, Mr. Grover Whalen, President of the New York World's Fair, in a letter to the Secretary-General of the League of Nations forwarded by the United States Minister at Berne, invited the League of Nations to participate in the New York World's Fair, which was to open on April 30th, 1939. The President said that the purpose of the Fair was:

"To present a clear idea of the mesh of interdependence and interrelations in which all men, all peoples, all nations are caught, and to show the tools with which that much desired better world of to-morrow is to be built."

He added that as the social, humanitarian, cultural and economic aims of the League of Nations were identical with the objects of the New York World's Fair, its participation was most desirable.

In January 1938 the Council decided that the League of Nations should participate in the Fair, and, in September 1938, the nineteenth Assembly confirmed that decision.

In the preparation of plans for the League's participation, the Secretary-General consulted various experts.

In order to give the League exhibits a rational and logical character, one or more general conceptions had to be selected as a basis. The plan finally drawn up for the Pavilion rested upon certain underlying ideas, to illustrate which a great wealth of exhibits has been prepared and assembled.

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1 At the invitation of a number of exhibition committees, the League of Nations has also participated, or is participating, in a modest way—for example, by sending an appropriate selection of its publications—in the following exhibitions:

- Exhibition of Infant Hygiene, Belgrade, October 1938.
- Road Exhibition, The Hague, June-July 1938.
- Empire Exhibition (Peace Pavilion), Glasgow 1938.
- Book Exhibition, Bogota, July-August, 1939.
- Danish Health Exhibition, Copenhagen, April 1939.
- San Francisco Exhibition, 1939.
- Swiss National Exhibition, Zurich, 1939.

2 The 1937 Assembly opened an initial credit of 300,000 Swiss francs for this purpose, and that of 1938 raised the appropriation to 1,200,000 francs.

3 Including the Rev. Father de Reviers de Mauny, of Paris, Commissioner of the Vatican Pavilion at the 1937 Paris Exhibition, who, in March 1938, was appointed technical adviser to draw up detailed plans for the Exhibition and for the League Pavilion. The architects of the building are M. R. Petit, of Paris, and M. Stuyt, Member of the League Secretariat. Mr. van Erp, of New York, is supervising the erection of the Pavilion.
The first of these ideas is that the League marks the climax of a very long historical process reaching back to the origins of human society. As human organisation grew more and more complicated, the need for an international order was generally realised and eventually became an urgent necessity. The League of Nations is the modern expression of a very ancient problem, now more pressing than ever before.

Although a recent institution, it already has great achievements to its credit. It is these technical and political achievements which the League Pavilion will show to visitors in the most vivid and suggestive form possible.

A third idea has also been embodied in the planning of the Pavilion—namely, society’s inevitable choice between order and disorder, law and violence. Faced with a dilemma, will mankind choose a world disorganised and doomed to wage war or a universal organisation to guarantee world order?

The architectural form of the Pavilion symbolises the two planes on which the League has evolved. The base, which is of pentagonal form, illustrates the work accomplished in the five continents. The superstructure, of circular shape, suggests the universalising aims and ideals which are the League’s inspiration.

The Pavilion comprises five pentagonal rooms, distributed round the circumference of the building. In the centre, a large circular hall, surmounted by a dome, marks the culminating point of the Pavilion. Visitors enter this hall last. As they pass through the surrounding rooms, they are able to follow the historical development and multifarious activities of the League.

The total height of the Pavilion is 27 metres and its width 32 metres.

The entrance hall, very simple in style, is decorated by a large metal shield on a black base. This shield bears the inscription “Peace on earth—goodwill to men”.1

Room I is intended to recall the long historical process which culminated in the League of Nations.

In the upper part of the room, six large hangings illustrate the advance of humanity from the smallest possible group—the family—to the union and complete understanding of the peoples by federation, passing successively through the village, the clan, the mediæval State and the nation.

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1 Architect: M. J. Braunwald.
In the lower part, portraits, quotations, texts and documents recall some of the great men and historical events that have helped to develop the idea of international organisation.

Following upon this historical survey, in a niche between two columns, is placed a model of the League of Nations buildings. Above this, three groups of inscriptions recall the League's antecedents, the Peace Conference and the birth of the League.

A special space has been reserved for the League Library.

On the circular wall of the room, a metal tree shows the various branches of the League's activities.¹

*Room II* is devoted to the League's public health work. "Health by international co-operation" is the motto of this room, which is placed under the ægis of the "Good Samaritan".

Five large panels illustrate five specially characteristic spheres of the League's work—the activities of the Eastern Bureau as a centre of epidemiological information; the campaign undertaken by the League against malaria; biological standardisation, sero-diagnosis and the treatment of syphilis; the campaign for the improvement of nutrition; and, lastly, cooperation with the various Governments.

This last panel represents certain aspects of the League's co-operation with China.

Maps, photographs, composite photographs, documents and drawings illustrate the League's numerous efforts in these different fields.²

The theme of *Room III* is displayed in two different places.

Round the circular wall of the room, adjacent to the central hall, runs a prominent inscription: "No social progress without prosperity". Six bas-reliefs surrounding this inscription illustrate subjects dealt with in the room—mandates, slavery, refugees, narcotic drugs, child welfare and the campaign against the traffic in women.

The walls of the room bear three large and two smaller panels. One of these illustrates the work of the League in its capacity as the guardian of territories under mandate, and its efforts for the abolition of slavery and the slave trade. A second panel illustrates the League's efforts to develop child welfare.

A large map of the world is placed under the photograph of Nansen, whose name symbolises the League's relief work on behalf of refugees. Documents and texts are provided indicating the scope of this work.

¹ Architect: M. J. Braunwald.
² Architect: M. Y. M. Froidevaux.
Two other panels are devoted to the campaign against the traffic in women and that against drugs.¹

*Room IV* has as its general title: "No prosperity without peace". A large map of the world shows that the latter has, in a certain sense, shrunk as a result of scientific discoveries and progress, and that the nations thus come to depend more and more upon one another. This map shows the principal lines of inter-continental communication, both ancient and modern, maritime and aerial, crossing the various oceans in an ever shorter time.

An inscription under this map of the world reads: "In a world growing smaller, no nation escapes depression; all share prosperity". Graphs illustrate both national and world-wide economic depressions.

Below the map of the world appears a survey of the League's plans and work in the sphere of economics and transport. In the centre, on a base consisting of publications and documents, a hive symbolises the work of analysis and synthesis accomplished by the League Economic Intelligence Service. Dioramas placed beside the hive illustrate the advantages of unifying road signals and maritime buoying, thus increasing the safety of transport by land and sea. Two other dioramas deal with the questions of liquid fuel and the Radio Nations wireless station.²

*Room V* is devoted to the League's work for peace. This work is defined in the words: "No peace without order".

The attention of the public is directed to three main ideas: Peace must be built up by an international organisation; disputes must be legally settled by a permanent court of international justice; closer union between nations must be morally prepared by an intellectual co-operation organisation.

A large panel represents the problem of the armaments race. A graph shows the stages of this race since 1910, and the annual world outlay on armaments. A metallic frieze represents modern war material. Side by side with this, photographs show the pacific equivalents of military expenditure, such as milk bottles, day nurseries, hospitals, roads, etc.

How is the world to avert the general ruin threatened by this race and the insecurity resulting from it? The inscriptions recall the principles of the Covenant and the League's efforts to secure a reduction of armaments.

¹ Architect: M. Paul Winter.
² Architect: M. Raymond Petit.
On a semi-circular screen panels have been placed, separated by large figures in bas-relief representing Peace, Justice and Prudence.

Over the panel devoted to the Council and the Permanent Court of International Justice is a large inscription: "Peaceful settlement of disputes by diplomacy and by law".

The panel devoted to the Permanent Court of International Justice shows the extent of its jurisdiction and the large number of cases which have been referred to it.

That reserved for the Council consists of a large map of the world indicating States Members and non-members of the League. Numbered points in relief on this map show the disputes with which the League has dealt since 1920.

Another panel illustrates the work of intellectual co-operation.

Having thus passed in review the spectacle of an armaments race leading to war, the means by which it may be remedied and the results obtained by agreement between Governments within the framework of an international society, the visitor will have completed his inspection of the technical aspects of the League and will pass into Room VI.¹

Room VI forms the culminating point of the League Pavilion. Confronted by all the catastrophes resulting from disorder, violence or misunderstanding, the various peoples must form a constructive union, for this alone can ensure peace, security and happiness.

All round the circular hall, a dark wall bears four frescoes representing scourges such as War, Famine, Epidemics and Exile.

By way of contrast, in the middle of the hall and under the full light falling from the dome, a group of five figures surrounds a tree in wrought metal. These five figures represent the five continents, forming a circle to protect the Tree of Peace.²

* * *

The League of Nations Pavilion at the New York World's Fair was formally opened on May 2nd, 1939. Speeches were made by the representatives of the President of the United States of America. The speech by the Secretary-General of the League of Nations was read by the Commissioner-General of the League Pavilion.³

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¹ Architect: M. Delarozière.
² Architect: M. H. Le Roy.
B. PERMANENT COURT OF INTERNATIONAL JUSTICE¹

1. COMPOSITION OF THE COURT

The Court is composed as follows: M. Guerrero (President) (Salvador), Sir Cecil Hurst (Vice-President) (United Kingdom), Count Rostworowski (Poland), M. Fromageot (France), M. de Bustamante (Cuba), M. Altamira (Spain), M. Anzilotti (Italy), M. Urrutia (Colombia), M. Negulesco (Roumania), Jonkheer van Eysinga (Netherlands), M. Nagaoka (Japan), M. Cheng Tien-Hsi (China), Mr. Hudson (United States of America), M. De Visscher (Belgium), and M. Erich (Finland). M. Erich was elected a member of the Court on September 26th, 1938. The Registrar of the Court is M. J. López Oliván.

The term of office of the judges at present composing the Court ends on December 31st, 1939. A general election will take place during the ordinary session of the Assembly of the League of Nations to be held in September 1939.

The composition of the Chambers is as follows until December 31st, 1939:

Chamber for Labour Cases: Members: Sir Cecil Hurst (President), M. Altamira, M. Urrutia, M. Negulesco, Mr. Hudson. Substitute Members: Jonkheer van Eysinga, M. Nagaoka.

Chamber for Communications and Transit Cases: Members: M. Guerrero (President), M. Fromageot, M. Anzilotti, Jonkheer van Eysinga, M. Cheng. Substitute Members: Count Rostworowski, M. Nagaoka.

Chamber for Summary Procedure: Members: M. Guerrero (President), Sir Cecil Hurst, Count Rostworowski, M. Fromageot, M. Anzilotti. Substitute Members: M. Urrutia, M. De Visscher.

Since June 15th, 1938, one case, that of the Société commerciale de Belgique, brought by an Application of the Belgian

¹ For a complete statement of the facts concerning the organisation, jurisdiction and activities of the Court since the last session of the Assembly, see the fifteenth annual report of the Court. This work, which has just appeared, will be issued to Governments and also to full delegates to the next session of the Assembly, and their legal advisers. According to the practice which has been adopted since 1933, it has been compiled in the Registry of the Court and has been included, for the convenience of delegates, in the report to the Assembly.
Government against the Greek Government, has involved the appointment of a judge *ad hoc* by the Greek Government—namely, M. C. G. Ténékidès, associate of the Institute of International Law.

2. THE STATUTE AND THE RULES OF COURT

The Statute of the Court (revised Statute), which came into force on February 1st, 1936, was published by the League of Nations in document C.80.M.28.1936.V, and by the Court in the third edition of volume 1 of Series D of its publications. The same volume also contains the revised Rules of Court, which came into force on March 11th, 1936.

3. JURISDICTION

(a) TREATIES

The Registry publishes annually the relevant extracts from agreements or treaties which have come to its knowledge and which provide for the jurisdiction of the Court or for some extra-judicial action on the part of the Court or its President. In the annual report, which has just been published, twenty-three new agreements are mentioned; this brings the total number to about 560.

(b) THE OPTIONAL CLAUSE

Since June 15th, 1938, Egypt and Iraq have signed the Optional Clause annexed to the Court’s Statute (Article 36, paragraph 2), subject to ratification.

The period for which Spain had accepted the clause expired on September 21st, 1938.

Furthermore, on March 29th, 1939, the Government of Liechtenstein filed with the Registry the following declaration:

"The Principality of Liechtenstein, represented by the Head of the Government, hereby accepts the jurisdiction of the Permanent Court of International Justice, in accordance with the Covenant of the League of Nations and with the terms of the Statute and Rules of the Court, in respect of all disputes which have already arisen or which may arise in the future. The Principality of Liechtenstein undertakes to carry out in full good faith the decision or decisions of the Court and not to resort to war against a State complying therewith.

"At the same time, the Principality of Liechtenstein accepts as compulsory *ipso facto* and without special convention, the jurisdiction
of the Court, in conformity with Article 36, paragraph 2, of the Statute of the Court and No. 2, paragraph 4, of the resolution of the Council of the League of Nations of May 17th, 1922, for a period of five years in any disputes which have already arisen or which may arise in the future, except in cases where the Parties have agreed or shall agree to have recourse to another method of pacific settlement.

(Signed) Vogt,
Head of the Princely Government."

The States bound by the Optional Clause on June 15th, 1939, were:

The Union of South Africa, Albania, Australia, Belgium, Bolivia, Brazil, the United Kingdom of Great Britain and Northern Ireland, Bulgaria, Canada, Colombia, Denmark, the Dominican Republic, Estonia, Finland, France, Greece, Haiti, Hungary, India, Iran, Ireland, Latvia, Liechtenstein, Lithuania, Luxemburg, Monaco, the Netherlands, New Zealand, Norway, Panama, Paraguay, Peru, Portugal, Roumania, Salvador, Siam, Sweden, Switzerland, Uruguay.

4. ACTIVITIES OF THE COURT

At the time of the nineteenth ordinary session of the Assembly (September 1938), the following cases were pending before the Court:

<table>
<thead>
<tr>
<th>Short Title</th>
<th>General List No.</th>
<th>Parties</th>
</tr>
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<tbody>
<tr>
<td>(a) The Panevezys-Saldutiskis Railway</td>
<td>74 and 76</td>
<td>Estonia/Lithuania.</td>
</tr>
<tr>
<td>(b) The Electricity Company of Sofia and Bulgaria</td>
<td>75 and 78</td>
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<tr>
<td>(c) The Société commerciale de Belgique</td>
<td>77</td>
<td>Belgium/Greece.</td>
</tr>
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The Court has adjudicated on the Panevezys-Saldutiskis railway case and on the case of the Société commerciale de Belgique. In the case of the Electricity Company of Sofia and Bulgaria, the Court has rendered a judgment on the question of jurisdiction and the case on the merits is still pending.

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1 This resolution permits States which are neither members of the League of Nations nor mentioned in the Annex to the Covenant, to accept the compulsory jurisdiction of the Court, but this acceptance may not, without special convention, be relied upon vis-à-vis States Members or States mentioned in the Annex to the Covenant which have signed or may sign the Optional Clause.
(a) The Panevezys-Saldutiskis Railway Case


On February 28th, 1939, the Court, by ten votes to four, delivered its judgment in the case of the Panevezys-Saldutiskis railway, which had been brought before it by an Application of the Estonian Government against the Lithuanian Government and in which the latter Government had presented preliminary objections which were joined to the merits by an order made on June 30th, 1938. The Application was filed with the Registry of the Court on November 2nd, 1937; it founded the jurisdiction of the Court on the declarations of Estonia and Lithuania accepting the compulsory jurisdiction of the Court (Article 36, paragraph 2, of the Statute).

The facts of the case, as summarised in the judgment, with the observation that they do not appear to be disputed, are as follows:

In 1892, a joint-stock company was founded in St. Petersburg under the name of the “First Company of Secondary Railways in Russia”. This company had for its object, inter alia, the construction and operation of railways. The company might engage in these activities throughout the whole of the Russian Empire. Amongst other things, it was authorised to construct and operate a railway between the station at Sventziany, on the St. Petersburg-Warsaw railway, and the station at Panevezys, on the Libau-Romny railway. The company also possessed other lines, in particular in the Baltic provinces and in the Ukraine.

In December 1917, after the Bolshevist revolution, a decree of the Central Executive Committee concerning the nationalisation of banks placed in the hands of the Soviet Government the shares, assets and liabilities of companies existing in Russia—including the company here in question. And, in 1918 and 1919, the Bolshevist leaders took measures intended to establish throughout Russian territory the communist regime, confiscating all private property: nationalisation of industrial and commercial undertakings, the cancellation of the shares and foundation shares of companies, etc.

In February 1918, however, Lithuania and subsequently Estonia had proclaimed themselves independent States; and on March 3rd, 1918, the Treaty of Brest-Litovsk had confirmed the abandonment of Russian sovereignty over the Baltic provinces.
and Lithuania. In September 1919, the Lithuanian Government took possession of the Panevezys-Saldutiskis railway which was situated in territory which had become Lithuanian.

In 1920, the Soviet Republic signed treaties with the new Baltic States. Amongst others it concluded with Estonia the Treaty of Tartu (February 2nd, 1920), which contained detailed provisions as to the fate of private property situated in Estonian territory, particularly as to the property of joint-stock companies. Under this treaty (of which the meaning and perhaps even the translation are disputed between the parties), Russia renounces all rights to the movable and immovable property of individuals which previously did not belong to her, in so far as such property may be situated in Estonian territory, this property becoming the sole property of Estonia. Further, the Russian Government undertook to hand over to the Estonian Government the shares of those joint-stock companies which had undertakings in Estonian territory, in so far as such shares were at the disposal of the Russian Government as the result of the decree of December 1917; and it agreed that the registered offices of these companies should be transferred to Reval. The treaty points out that "the above-mentioned shares shall only confer on Estonia rights in respect of those undertakings of the joint-stock companies which may be situated in Estonian territory, and that in no case shall the rights of Estonia extend to undertakings of the same companies outside the confines of Estonia". And the treaty expressly mentions the "First Company of Secondary Railways" as included amongst these companies.

Between 1920 and 1923, the Estonian Government promulgated decrees for the reorganisation of these companies. Measures were taken in pursuance of these decrees in respect of, amongst others, the First Company of Secondary Railways. It was however at Riga, with the sanction of the Latvian Government and under Latvian law, that, in November 1922, the first general meeting of the company, since the October revolution in 1917, was held. At this general meeting, the Board was instructed to take the necessary steps to re-acquire possession of and to operate the property of the company situated in Lithuania and Poland, while the portion of the system in Latvia was to be ceded to a Latvian company which was to be formed.

In August 1923, the Estonian Government promulgated a law providing for the buying-out by the Treasury of all railways of the company in Estonian territory. And, in November of the same year, a general meeting of the company was held in Tallinn.
This general meeting proceeded to revise and amend the statutes in accordance with Estonian law and in virtue of the powers henceforward conferred upon the company in Estonia, and the registered offices of the company were fixed in Tallinn. Thus, according to the Estonian Government, the "First Company of Secondary Railways in Russia" was transformed into an Estonian company having its registered offices in Estonia, under the name of the "Esimene Juurdeveo Raudteede Selts Venemaal"—a translation into Estonian of the name of the Russian company.

On March 10th, 1924, a general meeting of the "Esimene", held in Tallinn, authorised the Board of Directors to sell the line situated in Lithuania and the lines in Latvia and Poland. In March 1925, a request was sent by the chairman of the Board of the "Esimene" to the Lithuanian Government, asking it "to give instructions for the necessary steps to be taken for the handing over of the Panevezys-Saldutiskis railway to its legal owners".

This petition remained unanswered. Further petitions were subsequently addressed to the Lithuanian Government, and then the negotiations were continued between the Estonian Government and the Lithuanian Government, the company proposing the purchase of its line by the Lithuanian Government. In 1936, the latter replied that the dispute was a matter of civil law and within the jurisdiction of the Lithuanian courts.

In the course of 1937, the Estonian Government renewed its representations but the Lithuanian Government replied that it could not entertain the claim. Thereupon, the Estonian Government brought the case before the Court, asking it for judgment to the effect that the Lithuanian Government had wrongfully refused to recognise the right of the "Esimene" in respect of the railway in question and that that Government was under an obligation to make good the prejudice thus sustained. In the course of the written proceedings, the Lithuanian Government raised two objections based on the alleged non-observance by the Estonian Government of (1) the rule of international law to the effect that a claim must be a national claim, not only at the time of its presentation, but also at the time when the injury was suffered, and (2) the rule requiring the exhaustion of the remedies afforded by municipal law. These two objections were joined to the merits on June 30th, 1938.

The Court in its judgment of February 28th, 1939, recalls that the two objections had been submitted as preliminary
objections, under Article 62 of the Rules which covers more than objections to the jurisdiction of the Court, because it covers any objection of which the effect will be, if the objection is upheld, to interrupt further proceedings in the case and which it will therefore be appropriate for the Court to deal with before enquiring into the merits.

Considering the first objection, the Court defines the rule on which it is based. A State's right to espouse the case of one of its nationals must be regarded as a part of the function of diplomatic protection; and this right can only be exercised on behalf of a national because, in the absence of a special agreement, it is the bond of nationality which alone confers upon a State the right of diplomatic protection. The precedents cited to discredit this rule are seen to be cases where the Governments concerned had agreed to waive the strict application of the rule, and there are no grounds for holding that the parties had this intention in the present case. It therefore rests with Estonia to prove that, at the time when the alleged injury occurred which is said to involve the international responsibility of Lithuania, the company suffering the injury possessed Estonian nationality.

Though, however, it is true that an objection disputing the national character of a claim is in principle of a preliminary character, this is not so in the actual case. This is because the grounds on which Lithuania disputes Estonia's right to take up the case—viz., that the claim lacks national character—cannot be separated from those on which Lithuania disputes the company's alleged right to the ownership of the Panevezys-Saldutiskis railway. The question whether the company is owner or concessionaire of the railway forms part of the merits of the dispute. It involves decisions with regard to the effect of the events in Russia at the time of the Bolshevist revolution, with regard to whether or not there was in existence at the time of the Lithuanian acts, an Estonian national whose cause the Estonian Government was entitled to espouse and finally with regard to the interpretation of the Treaty of Tartu. If the Court were to give decisions on these points, it would also be deciding questions forming an important part of the merits. Accordingly, the first Lithuanian objection, which cannot be decided without passing on the merits, cannot be admitted as a preliminary objection.

The Court next deals with the second objection. The existence of the rule requiring the exhaustion of the remedies afforded by municipal law which, in principle, subordinates the
presentation of an international claim to such exhaustion is not contested by the Estonian Agent, but he contends that the case falls within one or more of the admitted exceptions to the rule. In the first place, he maintains that the courts in Lithuania cannot entertain a suit brought by the "Esimene" to establish its legal claim to the Panevezys-Saldutiskis railway. The Court holds that the question whether the Lithuanian courts have jurisdiction to entertain a particular suit depends on Lithuanian law and is one on which the Lithuanian courts alone can pronounce a final decision. Until it has been clearly shown that these courts have no jurisdiction to entertain a suit by the "Esimene" company as to its title to the railway, the Court cannot say that the local remedies rule does not apply because Lithuanian law affords no means of redress. In the second place, the Estonian Agent maintains that the Supreme Court of Lithuania has already held that there is no continuity between the Russian company and the Estonian company and that, consequently, a decision adverse to the Estonian company has already been given on an essential point. The Court, however, does not consider that this conclusion emerges from the evidence submitted to it in support of this line of argument.

Neither of the reasons put forward for the non-application of the local remedies rule can therefore be regarded as holding good. In consequence, on the one hand, the second Lithuanian preliminary objection having been submitted for the purpose of excluding an examination by the Court of the merits of the case and being one upon which the Court can give a decision without in any way adjudicating upon the merits, must be accepted as a preliminary objection within the meaning of Article 62 of the Rules. On the other hand, as regards the merits of the objection, it is common ground that the "Esimene" company has not instituted any legal proceedings before the Lithuanian tribunals in order to establish its title to the Panevezys-Saldutiskis railway.

The objection must therefore be regarded as one that can be entertained as an objection of a preliminary character and as well founded in substance.

(b) THE ELECTRICITY COMPANY OF SOFIA AND BULGARIA


The case of the Electricity Company of Sofia and Bulgaria was brought before the Court on January 26th, 1938, by an
Application of the Belgian Government against the Bulgarian Government. The Belgian Government invoked the declarations of Belgium and Bulgaria adhering to the Optional Clause accepting the compulsory jurisdiction of the Court and also the Treaty of Conciliation, Arbitration and Judicial Settlement concluded between the two countries on June 23rd, 1931.

On November 25th, 1938, the Bulgarian Government raised a preliminary objection. By a judgment rendered on April 4th, 1939, by nine votes to five, the Court sustained the objection in regard to one point of the Belgian Application and overruled it in regard to the two other points; it will therefore adjudicate upon the merits of these two points.

On the same date, the Court made an Order fixing the time-limits for the further proceedings; the case will in consequence become ready for hearing on October 4th, 1939.

(c) The Société commerciale de Belgique


On June 15th, 1939, the Court by thirteen votes to two delivered its judgment in the case of the Société commerciale de Belgique. This case was brought against the Greek Government by an Application from the Belgian Government, which founded the jurisdiction of the Court on the Treaty of Conciliation, Arbitration and Judicial Settlement of June 25th, 1929, between Belgium and Greece.

The judgment first of all summarises the facts.

On August 27th, 1925, a contract was concluded between the Greek Government and the Société commerciale de Belgique mainly for the purpose of the construction in Greece of certain railway lines. The contract also provided that the financing of the works was to be covered by a loan to the Greek Government by the Belgian company, the former in return issuing bonds to the company which were to constitute a debt of the Greek State and were to form part of its external debt. Any disputes which might arise were to be referred to arbitration.

In 1932, the Greek Government was obliged, on account of the general financial crisis, to abandon the gold standard and to default in the service of its debt. The company could not continue to pay the sub-contractors, and the work came to an end. It then decided to resort to arbitration. A first award was given on January 3rd, 1936, providing for the cancellation
of the contract and for the appointment of a body of experts
to fix the amount of such sum as should be found to be
payable by either party to the other. Under a second award
given on July 25th, 1936, the amount of the Greek Government's
debt to the Company was fixed at 6,771,868 gold dollars.

An examination of the terms of these awards shows that
the parties had in the course of the arbitration proceedings
debated many questions which were also the subject of debate
before the Court. Thus the question whether any liability
on the part of the Greek Government arising from the cancella-
tion of the contract of 1925 could be regarded as part of the
external debt of Greece and subjected to the same conditions
of payment as applied to that debt was brought before the
arbitrators.

The provisions in the awards, other than that relating to
the payment of the debt, were carried out by the Greek Govern-
ment. The company thereupon proposed a compromise regard-
ing conditions of payment. The Greek Government replied
that it could not depart from its views as to the character of the
debt, which formed part of the Greek external debt and conse-
quently must be paid on the same basis; and it made counter-
proposals the object of which was to arrange a long-term
settlement, with a reduced rate of interest. The company
urged that the contents of the Greek Government's reply, if
insisted on, would amount to a refusal to recognise the terms of
the arbitral awards. As the negotiations led to nothing, the
Belgian Government took up the case on behalf of the Belgian
company. The Greek Government, however, maintained its
position; it also pointed out that it was owing to the financial
position of the country and to the difficulties of obtaining
foreign currency that it had been obliged to make its counter-
proposals to the company for a long-term settlement.

These were the circumstances in which the case was brought
before the Court.

Having thus analysed the facts, the judgment considers
the submissions presented by the parties.

In the Application, the Belgian Government asked the
Court to declare that the Greek Government by refusing to
execute the arbitral awards had violated its international
obligations, and to fix the amount of reparation due for this
violation. The Greek Government, however, in its Counter-
Memorial, declared that it did not dispute the validity of the
arbitral awards and had not refused to execute them; whereupon
the Belgian Government, holding that the character of the dispute was changed by this declaration, asked the Court to take note of the declaration by the Greek Government that it acknowledged without reserve the obligatory character of the arbitral awards and to say that, in consequence, the conditions for the payment of the Greek external debt had nothing to do with the execution of the arbitral awards. Finally, in the course of the oral proceedings, the Belgian Government, observing that the Greek Government had declared that it acknowledged the definitive and obligatory character of the arbitral awards, but with reservations which destroyed the effect of that acknowledgment, asked the Court to say that the provisions of the awards were obligatory without reserve and added certain subsidiary and, in its view, consequential demands.

The Court observes that, by its successive submissions, the Belgian Government has thus profoundly transformed the character of the case. Examining the question whether the Statute and Rules of Court authorise such a transformation, it says that the liberty accorded to the parties to amend their submissions up to the end of the oral proceedings must be construed reasonably and without interfering with the obligation that the subject of the dispute must be indicated in the Application. The Court cannot, in principle, allow a dispute brought before it by Application to be transformed, by amendments in the submissions, into another dispute which is different in character. A practice of this kind would be calculated to prejudice the interests of third States to which all applications must be communicated in order that they may be in a position to intervene. Similarly, a complete change in the basis of a case might affect the Court's jurisdiction. Nevertheless, the special circumstances of this case, and more especially the absence of any objection on the part of the Greek Government, make it possible not to regard the present proceedings as irregular.

The submissions before the Court are therefore those finally presented. It should be added that, since the arbitral awards to which these submissions relate are, according to the arbitration clause under which they were made, "final and without appeal", and since the Court has received no mandate from the parties in regard to them, it can neither confirm nor annul them either wholly or in part.

The Court then proceeds to consider each submission.

The Belgian Government first of all prays the Court to declare that the arbitral awards are, without reserve, definite
and obligatory for the Greek Government. The Court notes that, in the Counter-Memorial, the Greek Government had declared that it never at any time intended to throw doubt on the validity of the awards and that financial conditions alone had prevented it from executing them. Consequently, the object of the Belgian Government’s submission is not to get the Court to examine or confirm the awards but simply to get placed on record the agreement thus arrived at regarding their validity and to exclude any reservation in connection with the Greek Government’s recognition of res judicata. The two parties are in agreement: the Belgian Government asks the Court to say that the arbitral awards have the force of res judicata, and the Greek Government asks the Court to record that it recognises that they possess this force.

In its second submission, the Belgian Government prays the Court consequently to adjuge that the Greek Government is bound in law to execute the awards, that the conditions for the settlement of the Greek external debt are foreign to the execution of these awards and that it is without right or title that the Greek Government has sought to impose on the company or on the Belgian Government conditions precedent to payment. It is clear that the foregoing follows logically from the definitive and obligatory character of the awards. Since the Greek Government recognises that the awards possess this character, it cannot contest this submission without contradicting itself and it does not in fact contest it. The Court may therefore say that the second submission of the Belgian Government is neither necessary nor disputed.

The Greek Government’s obligation is qualified, in the second Belgian submission, by the words “in law”. In the opinion of the Court, these words mean that the Belgian Government here adopts the strictly legal standpoint regarding the effects of res judicata, a standpoint which, in fact, does not preclude the possibility of arrangements which, without affecting the authority of res judicata, would take into account the debtor’s capacity to pay. It is precisely the standpoint of fact which the Greek Government adopts when, in its submissions, after acknowledging that the awards possess the force of res judicata, it asks the Court to say that, by reason of its budgetary and monetary situation however, it is materially impossible for the Greek Government to execute them, that the Greek Government and the company should be left to come to an arrangement for the execution of the awards which corresponds with this situation
and that, in principle, the fair and equitable basis for such an arrangement is to be found in the agreements concluded or to be concluded between the Greek Government and the bondholders of its external public debt.

What is the precise import of these three submissions? Do they constitute reservations affecting the Greek Government’s recognition of res judicata? It must, above all, be borne in mind that the question of Greece’s capacity to pay is outside the scope of the proceedings. It is not therefore likely that the Greek Government’s intention was to ask the Court for a decision as to its budgetary and monetary situation. The question of Greece’s capacity to pay is only raised in connection with the contemplated arrangement. The first of these three submissions therefore implies no reservation regarding the recognition of res judicata; it proceeds from a standpoint other than that of the rights acknowledged by the awards. But the Court could entertain it only if it also entertained the second submission concerning the arrangements.

The Court, however, cannot do this. It is certain that the Court is not entitled to oblige the Belgian Government—and still less the company which is not before it—to enter into negotiations with the Greek Government with a view to a friendly arrangement regarding the execution of the awards which that Government recognises as binding: negotiations of this kind depend entirely upon the will of the parties concerned. Still less can the Court indicate the bases for such an arrangement. Nor can the submission referring to the budgetary position be regarded as a plea in defence to the effect that the Greek Government is justified, owing to force majeure, in not executing the awards as they stand. For the Court could not pass upon such a plea without having itself verified that the alleged position really existed and without having ascertained the effect which the execution of the awards would have upon that position; but the parties are in agreement that this question is outside the scope of the proceedings.

Nevertheless, though the Court cannot entertain the Greek claims, it can place on record a declaration made by the Agent for the Belgian Government at the end of the oral proceedings. This declaration was as follows: “If, after the legal situation has been determined, the Belgian Government should have to deal with the question of payments, it would have regard to the legitimate interests of the company, to the ability of Greece to pay and to the traditional friendship between the two countries.”
This declaration enables the Court to record that the two Governments are, in principle, agreed in contemplating the possibility of negotiations with a view to a friendly settlement in which regard would be had, amongst other things, to Greece's capacity to pay. Such a settlement is highly desirable.

The Court concludes by admitting the submissions of the parties respecting the definitive and obligatory character of the arbitral awards and dismissing the other submissions.