

increase of 47 per cent. compared with which the volume of the world's trade was in 1929, 30 per cent. above that of 1913, and in 1933 had declined to below that level. Having regard to the greater speed and increased efficiency of many of the newer ships, it was argued that "the tonnage available is out of all proportion to the demand for it."

The discussions by the Sub-Committee dealing with this matter were terminated by the inability of the Conference to make progress on the matter of exchange stabilization. To quote the official report:—

"Several delegations belonging to countries which are of special importance from the point of view of maritime shipping were of the opinion that a discussion regarding the possibility of regulating this matter could only be usefully pursued when the special circumstances which had led to the adjournment of part of the Conference's work had disappeared."

Indirect Protectionism.—The handicap to international trade alleged to result from legislation enforcing marks of origin was brought under discussion by a proposal submitted by the German delegation supported by the Belgian, Dutch, and Czechoslovakian delegations. This was a proposal for the conclusion of an international agreement for the relaxation and progressive suppression of such legislation.

No general support was forthcoming for the suggestion. It received only a qualified approval by several delegations, and was opposed in principle by the United Kingdom and France. The view expressed on behalf of New Zealand is summarized in the following extract from the "Official Journal":—

"Mr. Masters (New Zealand) said that his country wished its own goods, as well as those sold to it from abroad, to be marked in a way that left no doubt as to their origin. New Zealand considered in principle that the use of marks of origin was necessary and legitimate. If the legislative measures passed in this Dominion had given rise to certain abuses, she was willing to take part in concerted international action to reform them, but she could not support a project intended purely and simply to abolish the system of marks of origin."

Other forms of indirect protectionism, covering in all a wide range of more or less ingenious devices, were brought under notice. It was evident that no single formula could be found that would cover all of them, and the Sub-Commission endeavoured to draft a general "Formula of equitable treatment," which might be included in commercial treaties. In the form in which it was recommended to and adopted by the Conference this read as follows:—

"The Sub-Commission proposes that the Governments participating in the Conference consider the advisability of incorporating into future or existing treaties, wherever such action may be deemed to be suitable, a clause in the sense of the following:—

"If, subsequent to the conclusion of the present treaty, one of the Contracting Parties introduces any measure, which even though it does not result in an infringement of terms of the treaty, is considered by the other Party to be of such a nature as to have the effect of nullifying or impairing any object of the treaty, the former shall not refuse to enter into negotiations with the purpose of either of an examination of proposals made by the latter or of the friendly adjustment of any complaint preferred by it."

(4) *Public Works.*

Sharply divergent views were in evidence as to the wisdom of undertaking considerable public-works expenditure as a means of stimulating employment and raising the price-level. It had been intended to refer the subject to a joint sub-committee, representative of the Economic Commission and of the Monetary and Financial Commission, so that both its economic and financial aspects might be examined. But this intention was frustrated by the adjournment of the Conference, and no progress was made beyond a general debate in the Economic Commission and a recommendation to the Bureau of the Conference that an appropriate sub-committee be set up by the Bureau itself.

VI. THE ACHIEVEMENT OF THE CONFERENCE.

When the Conference adjourned on the 27th July, after a session of nearly seven weeks, the opinion was widely expressed that it had failed. It is true that the Conference achieved little of what was expected of it, yet during the session of the Conference a great deal of work was done. The field to be covered by the Conference proved so vast, the problems so complex, and the situation with which the Conference had to deal was so unstable, that it was not practicable to achieve immediate and definite results.