

1939.

NEW ZEALAND.

# THE LEAGUE OF NATIONS.

REPORT OF THE REPRESENTATIVE OF THE DOMINION OF NEW ZEALAND ON THE NINETEENTH ASSEMBLY OF THE LEAGUE OF NATIONS, HELD AT GENEVA IN THE YEAR 1938.

*Presented to both Houses of the General Assembly by Command of His Excellency.*

## NINETEENTH ASSEMBLY OF THE LEAGUE OF NATIONS.

New Zealand Government Offices,  
415 Strand, London, W.C. 2, 12th October, 1938.

SIR,—

I have the honour to inform you that in the capacity of President of the Council I opened the Nineteenth Assembly of the League of Nations on the morning of Monday, 12th September, 1938.

The Assembly has on more than one occasion opened in an atmosphere of gloom, but never before had the outlook in Europe been darker. It is true to say that the sickness of the League is not of recent origin. Surely we can trace it to the earliest years of the present decade, to the failure of the Disarmament Conference, and to the reluctance or inability of Governments to act collectively in the Far East in connection with the Manchurian crisis. And it is not only the League that has suffered. The seed which was sown has been followed by a harvest of suspicion, fear, and intolerance, until once more we see a large part of Europe an armed camp.

On one aspect of the present situation the League had not been called upon to express an opinion, although that situation weighed heavily on delegates. I refer to the minorities of Czechoslovakia, and particularly to the German minority residing largely in the extreme western part of that country and near the German frontier. It is, of course, known to you that for years the Sudeten Germans of Czechoslovakia had been discontented with their position in the Republic. Economically they had suffered considerably, as have other minorities in Europe, and they had cause for complaint in other directions. Some months ago, in response to pressure, the Czechoslovakian Government entered into negotiations with the representatives of the German minority, but the negotiations hung fire. There were bitter complaints and allegations of insincerity on both sides, until, finally, Lord Runciman was sent to Czechoslovakia as mediator. When the Assembly met the position was, briefly—

- (i) The final offer of the Czechoslovakian Government had been made and was under examination; and
- (ii) The German Chancellor was due to make a speech at the annual party conference at Nuremberg.

Although the eyes of the world were focused on Czechoslovakia, there had been movements elsewhere. The German Army was mobilized for the autumn manœuvres, and the French had taken certain precautions on their frontiers. The train was laid, the smallest spark could set it alight, and Europe might once more be plunged into a violent war. This necessarily brief reference to the situation has not entailed any discussion of the merits of the Sudeten case nor of the offer of the Czechoslovakian Government; nor should it, for it was not a subject for debate in the Assembly.

The early proceedings of the Assembly followed the new practice established last year. Having nominated a small Committee of nine, and having charged the members to examine immediately the credentials of the delegates and to report thereon as soon as possible, I began my opening speech. On this considerable care had been bestowed. I could, of course, have used the occasion for expounding the views of the New Zealand Government, but I felt that a speech of a more general nature, containing nothing very controversial, would better meet the circumstances in which we were meeting. I will not attempt to summarize the speech, but will embody it as a whole in this report as an appendix.

The Assembly having been declared open, the report of the Credentials Committee was presented. This having been read and adopted, I appointed, in accordance with the Rules of Procedure, a Committee of eleven known as the "Nominations Committee," whose duty it was to make suggestions for the appointment of the various officers of the Assembly, such as the President, the Vice-Presidents, and the Chairman of Committees.

At the second meeting of the Assembly the Chairman of the Nominations Committee (M. Hambro) announced that he and his colleagues proposed the nomination of Mr. de Valera as President of the Assembly. The Assembly at once proceeded to vote by secret ballot. Of the forty-seven votes cast, five were spoiled or blank; thus the absolute majority required for election was twenty-two. Mr. de Valera received thirty-nine votes. The number of votes cast in favour of Mr. de Valera is the measure of the popularity of the appointment. He is almost as well known in Geneva as in the British Commonwealth of Nations. I welcomed him to the presidential chair, and he made a short speech which is reported in the *Journal* of the 13th September. Four sentences of that speech, embodying a truth which should be ever present with us, must be quoted:—

"All history tells us that in the long-run to be just is to be truly wise. But we seem unable to apply the lesson. The circumstances of war are such that the settlements imposed by it are almost inevitably unjust. It was true in the past; it will, I fear, be true in the future, no matter whose is the victory."

This brief account of the early proceedings of the Assembly may be concluded by mentioning that the Nominations Committee proposed the following:—

- (1) As Vice-Presidents of the Assembly, the first delegates of the United Kingdom, France, Poland, Siam, Sweden, Switzerland, Turkey, and the Union of Soviet Socialist Republics.
- (2) As Chairmen of Committees—
  - First Committee: M. V. Pella (Roumania).
  - Second Committee: M. A. de Nickl (Hungary).
  - Third Committee: M. E. Lapointe (Canada).
  - Fourth Committee: Count Carton de Wiart (Belgium).
  - Fifth Committee: Ali El Shamsy Pasha (Egypt).
  - Sixth Committee: M. R. Olivera (Argentine Republic).

These were subsequently elected by secret ballot.

The Nominations Committee proposed M. S. Lozoraitis (Lithuania) as Chairman of the Agenda Committee, referred to later.

The Committee on Credentials had already elected M. Garcia-Calderon as Chairman.

These officers of the Assembly having been appointed, the General Committee was constituted. It is usual for the Assembly to appoint a small Agenda Committee to consider whether new items proposed should be inscribed on the agenda. This year no exception to the rule was made, and a Committee of seven was nominated by the President, whose nominations were accepted. Mr. R. M. Campbell, of the New Zealand delegation, was amongst the number.

At the third meeting of the Assembly the President put forward a number of proposals emanating from the General Committee which had reference to the distribution amongst the Committees of the Assembly of the work to be done. In the main the proposals were familiar, since it was suggested that the First, Third, Fourth, Fifth, and Sixth Committees should deal respectively with legal questions, disarmament, Budget, social questions, and political questions. As, however, a Committee which had been examining the structure and functions of the Economic and Financial Organization had made certain proposals regarding the consideration by the Assembly of the work of that Organization (see Document A. 31, 1938), the General Committee proposed for the present session an arrangement under which one of the Committees of the Assembly could give its entire attention to the study of economic, financial, and transit questions. Such work belonged quite properly to the Second Committee; the General Committee proposed that other matters with which that Committee had dealt in past years should be sent to a Seventh Committee, which should examine such questions as health and opium and also various reports and documents on intellectual co-operation. Other questions, however, such as housing and nutrition, might be examined jointly by the Second and Seventh Committees. The proposals were accepted by the Assembly, which also agreed to the grouping of Committees for the purpose of meeting, the two groups being 4, 6, and 7, and 1, 2, and 5.

I should mention that M. Schmidt (Estonia) was elected Chairman of the Seventh Committee.

Before proceeding to an account of the work of the Assembly I should make brief mention of the composition of the New Zealand delegation. I attended as sole delegate, with Mr. R. M. Campbell and Mr. C. A. Knowles as substitute delegates. The delegation was completed by the inclusion of Miss J. R. McKenzie and Miss E. M. Hannam. As first delegate I was New Zealand's representative on each Committee, and, bearing in mind the group system of meeting and the experience of my staff, nominated as substitutes for Committees 1 and 4 Mr. Knowles; for Committees 2 and 6 Mr. Campbell, and for Committees 5 and 7 Miss McKenzie. For Committee 3 Mr. Campbell or Mr. Knowles was appointed to act.

The discussion on the report on the work done by the League of Nations in 1937-38 (Document A. 6, 1938) opened on the afternoon of the 13th September. A welcome change, or rather a revival of an old custom, has been made in the *Assembly Journal*, in that it contains summaries of all speeches made in the Assembly. My necessarily brief reference to such speeches may be supplemented by a study of the pages of the *Journal*, which, until the printed verbatim record is completed, remains the only official account of the proceedings of the plenary meetings.

The first speaker was M. Sandler, Sweden's Foreign Minister, and spokesman of one of the group of northern Powers which have placed their own interpretation on certain Articles of the Covenant. He was followed by M. Patijn, Minister of Foreign Affairs in the Netherlands, which country is also included in the group just mentioned. M. Sandler made some remarks of a general nature before he dealt with the Covenant of the League, while M. Patijn's speech was devoted entirely to the Covenant. The reports of the special Committee set up by the Assembly of 1936 to study the application of the principles of the Covenant had been allocated to the Sixth Committee, and as the representatives of countries were in a position to make known in that Committee the views of their Governments, there is no need here to dissect any remarks on Covenant reform made in the course of the general debate. Perhaps the object of those who dealt with the reform of the Covenant in the general debate was to stress the importance which their Governments attached to the question, and it must be made clear that they were perfectly within their rights, since any aspect of League activity may be touched upon. We must therefore take note of M. Sandler's action in drawing the attention of the Assembly, at almost the beginning of its deliberations, to the views of his Government and of the other Governments associated with it. He quoted from the joint declaration of the seven countries whose representatives had met at Copenhagen:—

“Convinced that their countries ought to continue their co-operation in the work of the League of Nations, the Foreign Ministers wish to state that their Governments are determined for the future to keep to the course which they have drawn up for themselves by their declarations, according to which, under present conditions and the practice followed during the last years, the system of sanctions has acquired a non-obligatory character. They are of the opinion that this non-obligatory character of the sanctions applies not only to a particular group of States, but to all members of the League. They are convinced that it is in the interests of the League itself that this liberty of decision is expressly acknowledged. In this spirit they prepare for the discussion of the report put before the Assembly by the Committee of Twenty-eight.”

In answer to the question whether it would be useful or inimical for the League to allow ambiguity to exist as a result of divergencies between theory and practice, M. Sandler said it would be doing a great disservice to the League and to its future if the Assembly ignored the problem. M. Patijn, whose analysis of Article 16 and its application in theory and practice is well worth reading, reminded the Assembly that the report of the special Committee to study the application of the principles of the Covenant contained no proposals for amendment, and he added that developments were taking place and that the Covenant was amending itself. He claimed for his Government the right to decide in each particular case, and in the light of its own military situation and geographical position, whether or not it would allow the armed forces of other members of the League to pass through its territory, and he extended that right of unfettered decision to the application of Article 10.

Whilst we of New Zealand regret the negative attitude of so many Governments in connection with collective security, we cannot help appreciating the anxiety with which the question of sanctions is viewed by those countries which are near neighbours of Great Powers, including Powers which are not only no longer members of the League but are opposed to the League and much for which it stands.

Lord De La Warr spoke on behalf of the United Kingdom. His speech covered a number of matters which are in the hands of various standing Committees of the League, including trade and nutrition. He stressed the importance of securing the right type of Judge in connection with the elections to the Permanent Court of International Justice which are to take place next year. But it was that part of his speech which was devoted to the Covenant which most compelled the attention of his audience. In introducing the subject he said: “It seems clear to the Government which I have the honour to represent that an honest avowal of the limitations of the League and the

re-examination of the original intention of its founders would have the effect of putting it on a sounder basis and of actually increasing its authority and usefulness as an instrument of peace." After remarking that the United Kingdom Government was pledged to the principles set out in the preamble of the Covenant and that it was his conviction that the present difficulties of the League were not permanent, and that, therefore, there was no question of considering a modification of its juridical basis, he proceeded to set forth the views of the United Kingdom Government. Lord De La Warr had already remarked that there had perhaps been a tendency to stress Article 16 at the expense of those provisions of the Covenant which were devised specifically for the settlement of disputes. He now contended that the Assembly should recognize the actual situation as regards the coercive clauses. There should be no automatic obligation to apply economic or military sanctions. There would, however, be a general obligation to consider, in consultation, whether and to what extent Article 16 should be applied, and whether common aid should be rendered to the victim of aggression, but "each State would be the judge of the extent to which its own position would allow it to participate in any measure that might be proposed, and, in doing so, it would no doubt be influenced by the extent to which other States were prepared to act." I have quoted verbatim these last sentences because they foreshadowed a proceeding different from that which characterized the proceedings of the Co-ordination Committee in 1935. And might I remark in passing that no clearer indication of the difference could be found than in the suggestion that a State would be influenced by the extent to which other States are prepared to act. One with only brief familiarity of League procedure can envisage the process of whittling down until the resultant action would be so weak as at once to give rise to further taunts at the ineffectiveness of the Geneva institution. It is true that Lord De La Warr then averred that in the opinion of the United Kingdom Government it was of essential importance for the future of the League to preserve intact the principle that aggression against a member of the League is a matter of concern to all members. Of course, aggression is a matter of concern, and of great concern, if we are to judge from the lengthy debates on recent acts of aggression. It is not that members of the League are not concerned: it is the determination to act that is lacking.

The United Kingdom spokesman then invited the attention of the Assembly to further proposals:—

- (1) The modification or adaptation of the unanimity rule in its application to the first part of Article 11 of the Covenant. A change in this direction would enable the League effectively to intervene sooner.
- (2) The separation of the Covenant from the Peace Treaties as recommended by the Committee of Jurists appointed by the 1937 Assembly.

With the remainder of Lord De La Warr's remarks, which were of a general nature, there is no necessity to deal. It was recognized that the main object of his speech was to make known to the Assembly the United Kingdom Government's views regarding the Covenant; and many subsequent speakers took their cue from the United Kingdom delegate.

Of those who subsequently spoke, it is true to say that the majority favoured a suspension of the automatic application of the Covenant, and several reasons were adduced for such a course: the non-universal character of the League, since mediation by that body was hardly possible when Great Powers were absent; the resurrection of the old idea that nation must be pitted against nation in order to expand national life and to augment strength; the failure to implement Article 8 of the Covenant. But more than one orator admitted that the crisis which brooded over the Assembly was a crisis not only of the League, but of modern civilization, and that, if the issues now dominating world politics had to be settled by war, a new international organization would have to be erected on the ruins of the old. It was made evident that, even if before 1918 the idea of an organization having some degree of approach to universal brotherhood and providing for a common meeting-ground of the nations had not penetrated the mind of the masses, the experience of nearly two decades had convinced all who are not blind to facts or obsessed by outworn dogmas based on might over right that an international organization or League of Nations, whether this League or a reconstructed League, is a necessity.

It was felt in the Assembly that the League is well worth while. Politically it has been a partial failure, but in other respects many successes stand to its credit. The pity is that the masses—those who toil for their daily bread and have little to read beyond the daily newspaper (the policy of which is more often than not moulded in the interests of a group of people)—have not an opportunity of making themselves more fully acquainted with what has been done since 1920 in the name of humanity and of civilization.

On the other speeches a few lines will suffice. There were references to the work of the League in various fields; to national achievements; to China, which country is perhaps undergoing a rebirth in its struggle for freedom; to the Mahomedan world, various races composing which seem to realize more and more that there are ties of brotherhood which had been overlooked in the past. And let not the significance escape us of the outcry against partition in Palestine. Partition may or may not be a solution of the problem. Much sympathy is shown to the Jews, and admiration is unbounded for that courageous attempt to found a Jewish home in Palestine. But there is expressed the possibility of injustice to the Arabs, of creating a problem which may well bring misery and suffering in its train.

Some references by the Argentine delegate to the part played by his country in promoting peace between Paraguay and Bolivia let loose a flood of reference to the subject from delegates from South America. It was satisfactory to know that the efforts of the Argentine Government in this direction were appreciated in full measure by various South American Republics.

Before concluding these somewhat brief references to the debate I must write a few words on the speeches delivered by M. Litvinoff (the principal delegate from the Union of Soviet Socialist Republics) and M. del Vayo (one of the Spanish Delegates) which appear in the *Journal*. M. Litvinoff was ruthlessly candid in his analysis of the situation. He said that even to-day the League was strong enough, by collective action, to avert or arrest aggression, but the time might come when aggression had grown so strong that the League, or what remained of it, would be powerless, even if it desired, to take action.

Naturally, M. del Vayo's speech dealt in the main with his own country (Spain). It was but a prelude to the discussion which would take place in the Sixth Committee, for the Spanish delegation had already requested that the section of the Secretary-General's report dealing with the situation in Spain should be referred to that Committee. He reviewed the various cases of aggression which had taken place and had led to the crisis which then dominated Europe, the responsibility for which, in his opinion, fell on those nations which, while proclaiming their respect for the sovereignty of States and sounding the praises of peace, had neglected their duty.

But the most dramatic intervention which the Spanish delegation made at Geneva was the announcement which Senor Negrin, the Spanish Prime Minister, made on the 22nd September immediately after the close of the general discussion on the report of the Secretary-General. After denying the charge that his Government desired a general conflagration as a solution of its difficulties, he said that that Government had decided on the immediate and complete withdrawal of all non-Spanish combatants taking part in the struggle on the Government side, the withdrawal to apply to all foreigners irrespective of nationality, including those who had acquired Spanish nationality after the 16th July, 1936.

With this end in view, he asked the League of Nations to set up immediately an international commission for the purpose of making any investigations and inquiries it might consider necessary in order to satisfy States comprising the League, and world opinion, that the decision to withdraw was being fully complied with. He introduced a brief draft resolution which the President sent to the Agenda Committee.

At the Agenda Committee, of which New Zealand was a member, and in contrast with its usually altogether formal proceedings, there was a difference of opinion as to whether the subject should even be allowed to be discussed. Though the proceedings were secret and would therefore in the ordinary case not be alluded to in my report, I conceive it proper to make on this occasion a passing reference to them, for the sufficient reason that the representative of the delegation that pressed the objection to allowing discussion referred later in public proceedings to the objection raised. I do no more than supplement his reference by saying that Portugal's objection received no support in the Agenda Committee. The question was whether the Assembly should be recommended to add the subject to its agenda and to refer it to the Sixth ("Political") Committee. The objections made by Portugal were that (1) as to procedure, the "exceptional circumstances" required by the Assembly's rule of procedure No. 4 (4) were not present; and (2) in point of substance, with the London Non-Intervention Committee in being, the creation of a new organ would be a disavowal of that Committee.

These points were rebutted by at least four (including New Zealand) of the Committee's seven members, thus giving the required majority, on the grounds that (i) the Spanish Government's statement did constitute an "exceptional circumstance" justifying inclusion of the new item, although the Assembly was already in being, and (ii) the proper place to discuss the question of substance was not in the Agenda Committee, but in the Sixth Committee. The Assembly was therefore recommended to place the question on its agenda and to refer the draft resolution to its Sixth Committee; and this recommendation the Assembly adopted on the following day, 23rd September.

In the course of the Assembly meetings several draft resolutions were introduced by delegations and referred to the Agenda Committee or the General Committee of the Assembly. An account of the subsequent action taken thereon will be found in the sections of this report devoted to the work of the Assembly Committees. However, it should be noted here that the Assembly itself disposed of the following without asking for a report from one of its main Committees:—

#### COMMISSION OF INQUIRY FOR EUROPEAN UNION.

This is a hardy annual which bloomed for the first time when the late Aristide Briand was one of the great figures in Geneva. On the 23rd September the Assembly decided to renew for one year the mandate of the Commission of Inquiry. Of course, the Commission of Inquiry never meets (Document A. 50, 1938).

## ELECTION OF THREE NEW NON-PERMANENT MEMBERS OF THE COUNCIL.

The term of office of Poland, Roumania, and Ecuador had run its course and it became necessary for the Assembly to proceed to the election of three new non-permanent members to the Council to replace them. Poland, which for some years had occupied a seat of a semi-permanent nature, having invoked the re-eligibility rule, gave notice of her intention not to stand for re-election, so that the issue became clear. There were no active candidates other than those ultimately elected; indeed, the election was little more than a formality. Forty-three States voted, thirty-nine for Yugoslavia and thirty-eight each for Greece and the Dominican Republic.

## PERMANENT COURT OF INTERNATIONAL JUSTICE: ELECTION OF A JUDGE.

On the 26th September the Assembly proceeded to the election of a Judge for the Permanent Court of International Justice to fill the vacancy caused by the death of M. Ake Hammarskjöld.

The rules governing the election of Judges of the Permanent Court require the Council and the Assembly to meet at the same time, the former in secret session, and for each body to vote separately. To be elected, an absolute majority of votes is required. To obtain such a majority in respect of any one person it was necessary on this occasion to have three ballots. The result of the third ballot in the Assembly showed that M. Erich (Finland) had received thirty votes, the next in favour, M. Hansson (Norway), having received seventeen votes. As the third ballot of the Council showed that M. Erich was favoured by that body, he was declared elected.

## FIRST COMMITTEE: CONSTITUTIONAL AND LEGAL QUESTIONS.

New Zealand Delegate: Mr. W. J. JORDAN. Substitute: Mr. C. A. KNOWLES.

The Chairman, M. Pella, has been a member of the Roumanian delegation for many years, and has taken an active part in the deliberations of the Assembly, and especially in those of its First Committee. He brought to the task of Chairman a long experience of League procedure. Nowadays the First Committee's work is reduced to manageable proportions. I understand that in the early years of the League it was one of the most hard-worked Committees of the Assembly.

When the Committee met for the first time on 14th September there was placed before it an agenda of two items, although, of course, the Committee was always faced with the possibility of being asked for legal opinion or for advice by any other Committee of the Assembly.

## WORK OF THE INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW.

This is one of the few organizations set up in past years on the motion of individual Governments, the maintenance expenses of which are being paid in whole or in part by the Governments who proposed their creation. This type of organization, with headquarters removed from Geneva but over which the mantle of the League has fallen, is not liked by several countries. Its forerunner was the Institute of Intellectual Co-operation, which was founded on the proposal of the French Government at a time when resistance to such a policy was difficult, and its foundation was viewed with some misgivings. The fears proved to be unfounded.

The International Institute for the Unification of Private Law was established on the proposal of the Italian Government, which gave certain undertakings regarding its foundation and maintenance. However, Italy has given notice of her withdrawal from the League, and she has denounced her undertakings in respect of the Institute with effect from the 20th April, 1940. The future of the Institute must be the subject of discussion by next year's Assembly. In the meantime, all the Assembly, through its First Committee, had to do this year was to review the work of the Institute as briefly outlined in the Secretary-General's report on the work of the League (pages 181-185, Document A. 6, 1938).

The task of the First Committee was lightened by the early preparation by its Rapporteur, a representative of Greece, of a draft report which, with some amendment, was eventually adopted as the First Committee's report to the Assembly (Document A. 42, 1938, V). This came before the Assembly on the 26th September, when the following resolution was passed:—

“The Assembly takes note of the report of the First Committee on the work of the International Institute for the Unification of Private Law, and congratulates the Institute on the remarkable work it has accomplished.”

I do not think there is any need to give details of the work of the Institute, as sufficient information is furnished in the documents mentioned above. I might, however, mention that one of the matters which the Institute is studying concerns the legal status of women. There had not been time for the organization to submit a report, but,

nevertheless, a number of women were active in Geneva in an effort to obtain a definite promise that the question would be formally inscribed on the Assembly's agenda for 1939. While they obtained no success in this direction, it is only right to state that they did not unduly push their proposal. In this matter, as in others, the grave international crisis doubtless had a sobering effect.

DATE OF OPENING OF THE ASSEMBLY: PROPOSED AMENDMENT TO RULE 1, PARAGRAPH 1, OF THE RULES OF PROCEDURE OF THE ASSEMBLY.

This rule provides, in effect, that the Assembly shall be opened during the first ten days of September. In practice the rule has been suspended on several occasions in order to allow of opening at a later date. The United Kingdom Government proposed an amendment under which the Assembly would meet on the Monday falling between the period 14th to 20th September (see Document A. 11, 1938). There was a short discussion in the First Committee, with the result that the matter was sent to a small sub-committee. The sub-committee reported to the main Committee on the 26th September, when its report was adopted, and the Assembly was recommended to substitute the following for the present rule:—

“The Assembly shall meet in general session every year at the seat of the League of Nations, commencing on the Monday which falls in the period 10th September to 16th September inclusive.”

At its meeting on the 29th September the Assembly approved the recommendation of its First Committee (Document A. 60, 1938, V).

AUSTRIA.

This item on the agenda of the First Committee had its origin in a request of the Fourth Committee to be advised whether, for the purpose of Article 1 of the Covenant, Austria was to be regarded as a State member of the League for the period of two years from the date of the receipt of a letter from the German Government announcing that Austria had become a land of the German Reich, and that from the date of the promulgation of a law bringing the incorporation of the territory into force Austria ceased to be a member of the League of Nations. The material before the Committee is contained in Document A. 1/2, 1938.

The proceedings opened with a long statement by M. Hambro, Chairman of the Special Committee on Contributions, and one could not help being struck by the irony of the situation. No country member of the League has received more help at the hands of the League than has Austria, and she had been a faithful member taking an active part in the work of the League and paying her contributions regularly, when, suddenly, through action from without, she ceased to be an active member of the institution to which she owed so much. Austria was admitted to membership in 1920, when her contribution was assessed at five units. In 1922 a scheme of financial reconstruction of the Austrian finances was undertaken. Her arrears of contributions for 1921 and 1922 were cancelled and she was assessed at one unit. In 1925 she had recovered to such an extent that her contribution was increased to eight units, and in 1936 to ten units. From the time of the increase she paid regularly.

Whilst this is not the place to deal with the work of reconstruction by the League, yet I think every word uttered by M. Hambro was worth saying, for nothing in the League's annals is finer than the scheme of reconstruction which was undertaken only in time to prevent chaos.

There was no debate in the First Committee. The question being of a purely legal nature, the Chairman suggested its transmission for consideration to a small sub-committee, and to his suggestion the First Committee agreed.

On the 26th September the First Committee considered the report of its sub-committee. It was couched in the following terms:—

“The First Committee finds that the German Government's letter to the Secretary-General of 18th March, 1938, is not a notice of withdrawal from the League of Nations within the meaning of Article 1, paragraph 3, of the Covenant.

“The obligation to pay contributions during two years is simply the consequence of the fact that a notice of withdrawal from the League under the above-mentioned provision leaves the State which gives such notice with the rights and obligations of a member of the League during a period of two years.”

Immediately after the report had been read by the Chairman, the Spanish delegate rose and stated that his country regretted that the only opportunity of considering questions arising out of the disappearance of Austria had been afforded by the raising of a purely administrative question, and he then made a declaration on behalf of his Government. M. Andersen, the delegate of Denmark, speaking as Vice-Chairman of the

Committee, replied. He said that no question of principle had been decided. The sub-committee had limited itself to a reply to the question raised by the Fourth Committee. He proposed that the First Committee should take note of the Spanish delegate's declaration, and this was done.

The declaration reads as follows:—

“Spain could not agree to any decision under which the State which sent the letter notifying the withdrawal of Austria from the League of Nations could be regarded as discharged in relation to the League of the financial obligations of the State it had annexed.”

#### POSITION OF FOREIGNERS AND STATELESS PERSONS RELEASED FROM PRISON.

This item belongs properly to the Fifth Committee, where it was considered in detail; but that Committee, having noted that the position of aliens and Stateless persons released from prison raised numerous questions of a legal character, it asked the First Committee to state its views. In the First Committee an attempt was made to consider the setting-up of a League Committee of Experts to make an exhaustive study of the questions involved, and to suggest such measures as might enable Governments to solve the problem by international co-operation. This type of suggestion is one with which delegates are familiar. Some members of the First Committee spoke strongly against it, preferring that the papers (Documents A. 24, 1938, IV, and A. 1/4, 1938) be transmitted to Governments for their consideration with a view of the matter being reopened at next year's Assembly, when Governments would have had an opportunity of instructing their representatives. This latter course was agreed to, and the Fifth Committee was so informed.

#### SECOND COMMITTEE: ECONOMIC AND FINANCIAL QUESTIONS.

New Zealand Delegate: Mr. W. J. JORDAN. Substitute: Mr. R. M. CAMPBELL.

In this part of my report I am to deal, at what may well seem to be undue length, with some problems, no doubt important enough in themselves, but certainly not problems of the kind that the League was founded to cope with. The preservation of peace, the securing of international justice, the maintenance of the independence and territorial integrity of all States so that they may be able, each according to its own genius, to serve their peoples' real interests—these were, and these remain, the essential purpose of the League of Nations. By their success or failure in such spheres the League and the Governments that act for its member States are quite properly to be judged. We cannot subscribe to the notion that the League can regain in the social, economic, or financial spheres the prestige it has lost in what is called “the political sphere.” That is an alibi, I think, to be dismissed, without belittling the value of the proceedings now to be discussed. It is to be remarked, also, by way of preface to this section that the neglect by the 1938 Assembly of the major international problems of the moment had the effect inevitably of enlarging the relative share of the social and economic topics on its agenda.

On general economic and financial questions the ample material before the Second Committee, material that reflects much credit on the Secretariat and those associated with its preparation, frankly pictured the recent marked deterioration in prosperity and business confidence. Hitherto, and notably in the past year or two, the precariousness of prosperity that rested in part on armaments-production had been noted. This year it had to be recorded that almost all over the world “recession” had set in and that the outlook was unpromising. I, myself, in opening the Assembly concurred in the remarks of the Director of the International Labour Office to the effect that limits are set to real progress “as long as the energies of every great nation are primarily directed to war, as long as social welfare is subordinated to the construction of guns, warplanes, and battleships.” Similarly, the League's “World Economic Survey” for 1937–38 dealt in its first chapter with “The Decline in Business Activity”; it showed that United States indices of employment, production, consumption, security prices have all fallen since August, 1937; that recovery in France has been hesitant and uncertain; that in Great Britain a further decline in construction is to be expected unless (and the wisdom of this is not agreed) “State and municipal building takes the place of private construction”; that in Germany the great activity and the ruthlessness in internal adjustment, whatever else they have achieved, have not resulted in a higher but in a lower index of real wage-rates (this index for Germany in 1937 was 2 per cent. lower than in 1929 and 6 per cent. lower than in 1932, whereas for the United Kingdom the 1937 and 1932 index of real wage-rates was 10 per cent. above 1929). New Zealand was one of the exceptional countries mentioned as having had “real prosperity” in 1937; though, again, while “there were few if any signs of depression by the end of the year” (1937), it was added that “the strong upward movement of the last two years had ceased.” Thus, and whatever the future may hold, the relatively satisfactory report to date was that New Zealand had for the most part escaped the general depression or “recession” that was elsewhere so disastrously widespread.



Ample further documents, bringing the record up to August, 1938, confirm the same general trend. The Secretary-General's "Note on the Economic Situation" (September, 1938) thus opens with the words, "In the course of the past twelve months, economic conditions in the world at large have undergone a drastic and disquieting change." Expressed in figures (with a base 1929 = 100), comparing the second quarter of 1938 with the second quarter of 1937, it is shown that industrial production, excluding the Union of Soviet Socialist Republics, fell 19 points, the quantum of international trade fell 15 points, and stocks of primary commodities increased by 23 per cent. I cite almost at random some further passages from the same note:—

"Unemployment has shown an increase in most countries."

"Vigorous efforts have been made through governmental measures and private restriction schemes to curtail the output of primary commodities . . ."

"The decline in industrial activity which ensued in the United States in the last five months of 1937 was exceptionally rapid. The fall was both steeper and deeper than in 1920-21 or 1929-30 . . ."

"It was in the textile industry—a typical export industry—that the slump first made itself felt in the United Kingdom. Between the second quarter of 1937 and the second quarter of 1938, industrial activity in general fell off by 8.7 per cent.; textile-production alone, however, showed a drop of 21.3 per cent. The British cotton industry has fallen back into a state of acute depression . . ."

There was "a drop of 46 per cent. in the domestic consumption of steel and iron from December, 1937, to June, 1938 . . ."

"In Germany, signs of strain have become apparent: . . . exports have fallen; . . . labour has been made liable to conscription for State requirements; . . . a serious decline in security values has taken place on the stock exchange in recent months . . ."

"The value of exports from nearly all primary-producing countries has fallen off considerably, while the value of imports into these countries has fallen less or has continued to rise . . ."

To take four examples from a schedule of twenty agricultural-exporting countries' trade comparisons between the first half of 1937 and the first half of 1938, the percentage decline in export values is shown to be 51 per cent. from Argentine, 11 per cent. from Australia, 21 per cent. from Canada, 12 per cent. from New Zealand; while for the same periods and same countries the imports were 12 per cent. higher to Argentine, 23 per cent. higher to Australia, 12 per cent. lower to Canada, and 5 per cent. higher to New Zealand.

A point clearly related to the foregoing is then made: "The recent tendency to tighten up exchange restrictions once again is clearly traceable to these changes in the currents of trade."

Finally, in more general but not less impressive terms, we have: "All the evidence thus goes to show that the setback which has taken place is one of major dimensions, and has left no part of the world economy undisturbed. . . . There is the uncertainty regarding the mutual exchange value of the world's currencies. . . . More serious still, there is the paralysing uncertainty of the international political outlook. . . . In the industrial areas outside America, the manufacture of armaments absorbs a growing share of total productive resources." And, of course, the authors of the note take care to insist that the apparent economic gains from armaments-production are illusory.

The picture portrayed by these passages is indeed a sombre one, yet I do not suppose it differs substantially from that which already is in the minds of those who watch realistically and themselves are actively concerned with current economic and social conditions and portents. But—and this is surely the most important issue for all of us—do these disquieting facts give the signal for passive acquiescence and despair, or do they, on the contrary, point to the need for positive constructive action, with Governments frankly and fully accepting new and extended responsibilities? The answer, no doubt—and this is not the place to discuss its many-sided implications—will depend on one's "general point of view." To summarize, however, what is fairly to be described as a consensus of responsible opinion, as reflected in the altogether moderate and impartial note by the Secretary-General from which the foregoing quotations have been taken, one may cite the following extract from the same document (the context is the analogies and the contrasts between "the present situation and the depression which began in 1929") :—

"There has been an important change in the attitude of Governments and public opinion towards the general phenomenon of economic fluctuations. There is less willingness to let a depression run its course. There is greater readiness on the part of Governments to intervene actively by monetary or budgetary policy, public works, and other measures to restore production and employment when a decline has taken place."

The Second Committee had as the basis of its proceedings the reports I have already cited, and some others. These others included (i) a report on exchange control, submitted by a Committee composed of members of the Economic and the Financial Committees; (ii) a report on the structure and functions of the Economic and Financial Organizations. They are, of course, available for reference amongst the League's publications, and I need not even summarize them here. I draw attention also to the preliminary memorandum prepared by Mr. N. F. Hall for the League's Economic Committee on "Measures of a National or International Character for Raising the Standard of Living." A platitude though it may be, as Mr. Hall conceded, the constant need "to approach economic problems by way of the standard of living of the mass of the community" surely deserves the emphasis that Mr. Hall gives it, if only because emergency measures and what often pass under the vague term of "planning" or rehabilitation are so apt to lack any clearly rational purpose. The memorandum is a corrective to that common error.

For a summary of the Second Committee's work on general economic and financial questions I cannot, I think, do better than reproduce verbatim the four resolutions recommended by it and duly adopted by the Assembly:—

" I. The Assembly—

" Recognizing that the political events of recent months and the recession in general economic activity which has involved a fall in the price of primary products render it difficult for the time being to pursue a concerted policy towards the relaxation of exchange control contemplated by the last Assembly;

" Viewing with concern the recession in economic activity from which almost all countries are suffering:

"(1) Urges all Governments, when considering the measures to be adopted to stimulate economic activity, to ensure that the measures enforced will not create such disturbances in other countries as to intensify the general depression and thus defeat the very object for which they were introduced;

"(2) Urges Governments to take all possible steps to promote international trade by the relaxation of restrictive measures such as quotas and excessive tariffs, and by the conclusion of bilateral commercial treaties based on the most-favoured-nation principle, and in general that of non-discriminatory treatment;

"(3) Urges those Governments which enforce a system of exchange control to take all appropriate measures towards its relaxation, and, in this connection, draws their special attention to the closing paragraphs of the document laid before the Assembly entitled 'Report on Exchange Control,' and urges all countries, when concluding bilateral treaties with such Governments, to help them to the best of their ability to effect such relaxation.

" II. The Assembly—

" Considering that demographic problems play an important part both in the national economies of the various countries and in the general economy of the world;

" Recognizing that the economic aspects of demographic problems have hitherto been insufficiently studied:

" Requests the Council to constitute a special Committee of Experts to study demographic problems, and especially their connection with the economic, financial, and social situation, and to submit a report on the subject, which may be of practical value to Governments in the determination of their policies;

" Expresses the hope that a place or places will be reserved on the said Committee for the experts of countries interested in the problem which are not members of the League of Nations.

" III. The Assembly—

" Recognizing that the collection, analysis, and dissemination of information relating to economic and social policies and experience can contribute materially to raising the general level of human well-being:

"(1) Requests the Co-ordination Committee to keep constantly in mind the bearing of the whole economic and financial work of the League on the fundamental problem of the standard of living;

"(2) Requests the Economic Committee to consider the advisability of maintaining for another year its sub-committee on this subject, in order that definite proposals for the further prosecution of this work may be laid before the Assembly of 1939;

"(3) Requests the Economic and Financial Organization—

"(a) To extend its inquiry into agricultural credits, within the limits of the budgetary provisions available, to countries that may consider such an inquiry useful, and in the first instance to the Argentine and Uruguay;

"(b) To study methods of providing medium-term credit to industry;

"(c) To undertake a study of the causes which have led to the harmful deforestation and soil erosion of certain areas, and of the measures which Governments have undertaken to check and counteract these tendencies;

- “(d) To advise upon the fundamental principles of monetary and credit policy which might be applied in agricultural countries with a view to diminishing the influence of fluctuations in the balance of payments on the credit structure and the rate of exchange;
- “(e) To study and advise upon the principles on which fiscal legislation dealing with the main categories of taxes, such as income-tax, land-taxes, turnover-taxes, &c., should be based;
- “(f) To make a comparative study, in co-operation with the Health Organization of the League and the International Labour Office, of the physiological needs and of the consumption habits of different classes of the population in selected countries;
- “(g) To study the influence on the standard of living (i) of different classes of taxes in selected countries; and (ii), in co-operation with the Transit Organization, of transport and distribution costs.

“IV. The Assembly—

“Approves the proposals contained in the report of the Committee on the Structure and Functions of the Economic and Financial Organization and the appointment by the Council of the Co-ordination Committee mentioned in that report.”

*Communications and transit* was the other main subject dealt with in the Second Committee. It is a subject of more direct concern to continental countries, with their complex problems arising from constant traffic inter-communication, than to New Zealand. That we cannot be unconcerned, however, may be illustrated by recalling our interest in measures on an international scale to ensure uniformity in road and traffic signals, as well as in other proposals to lessen the perplexities and perils of travellers who cross national frontiers. Due regard to matters of this kind calls, of course, for more continuous and specialized attention than can be given by the League in its ordinary Committees of the Assembly. It requires a permanent organization, linked with the traffic-control authorities in the several countries. The function of the League in this regard is to supervise the work and to elect members of the Organization for Communications and Transit.

The records of the work of the Committee for Communications and Transit are printed as a League document, and call for no detailed notice here. I do no more than illustrate the varied scope of its work by extracting a few points from the chapter heads in the report: “Customs Exemption for Liquid Fuel used in Air Transit”; “International Exchange of Electric Power in Europe”; “Signals at Level Crossings”; “League Wireless Station”; “Passport Systems”; “Yellow River Floods” (China).

The Second Committee proposed, and the Assembly approved, a resolution appreciating the Communications and Transit Organization’s work.

The Second Committee also recommended that eighteen be the number of members of the Committee on Communications and Transit, inclusive of the four members allotted to the United Kingdom, France, Italy, and the Union of Soviet Socialist Republics as holders of permanent seats on the League Council, and that to the remaining fourteen seats the following should be elected for a period of three years: China, Hungary, Poland, and Spain (on their individual candidatures); Roumania (on behalf of the Little Entente); Estonia (on behalf of Estonia, Finland, Latvia, and Lithuania); Norway (on behalf of Denmark, Norway, and Sweden); Belgium and the Netherlands (on behalf of Belgium, Luxemburg, the Netherlands, and Switzerland—the “Rhine group”); Egypt (on behalf of Afghanistan, Egypt, Iraq, and Iran); Turkey (on behalf of the Balkan Entente); and Bolivia, Colombia, and Uruguay (on behalf of Latin America). These recommendations the Assembly approved.

Certain other questions—housing, nutrition, the forthcoming European Conference on Rural Life—were dealt with by the Second Committee and the Seventh Committee jointly; to these I shall refer presently under the heading of “Seventh Committee.”

### THIRD (“DISARMAMENT”) COMMITTEE.

New Zealand Delegate: Mr. W. J. JORDAN. Substitutes: Mr. R. M. CAMPBELL; Mr. C. A. KNOWLES.

In using the common, though not strictly accurate, term “disarmament” to head the section of my report that deals with the work of Assembly’s Third Committee, I appreciate that one invites at once the retort that the pretence of doing anything of the kind under present conditions must have been altogether futile. And, indeed, well may it have seemed paradoxical for us in September, 1938, to discuss problems of “disarmament,” for seldom in recent years could the outlook for the ways of peaceful reason as against force and the threat of force, have been less promising than it was at just this time. Yet that is not the whole story. The proceedings of the Third Committee in 1938, granted that its immediate objectives were limited and modest, can stand any reasonable examination.

In the first place, the Committee was concerned with reduction and limitation of armaments, a problem still to engage attention and on which nothing better than marking time could be expected at the moment. Note was taken of the action already recommended and in part under way to ensure publicity of defence expenditure and to supervise the manufacture of and trade in war material. It was, for example, in this connection not without value to exchange detailed information on measures that have been applied in various countries to deal, in one way or another, with the grave and complex problems that inevitably arise from the plain fact that war and preparations for war, though so tragically destructive of the common good of humanity, are a source of gain to certain special interests. And, again merely to illustrate rather than to attempt exhaustively to cover the relevant papers, I cite the following summary of measures of one type that have been adopted in some countries:—

*Bulgaria.*—Prohibition of manufacture of war materials except certain specified war materials manufactured for Army and other military formations in single State factory. (Law of 9th January, 1925.)

*Colombia.* “(a) The . . . manufacture of implements of war and ammunition are strictly forbidden. The Government alone has the right to . . . manufacture . . . such articles.

“(h) There is no arms-factory of any kind in Colombia. The Government alone possesses one munitions-factory. If any arms or munitions factory were subsequently established, it would be by authorization of the Government, and under its supervision.”

(Communication from Colombian Government dated 5th January, 1938.)

*France.*—French Government was authorized, up to 31st March, 1937, to expropriate, in whole or in part, establishments engaged in manufacture of war materials. Twenty-nine factories have been thus expropriated (twelve outright, seventeen through acquisition of majority of shares). (Law of 11th August, 1936, and decrees thereunder.)

*Union of Soviet Socialist Republics.*—State monopoly of industry. (Constitution of the Union of Soviet Socialist Republics.)

The Committee noted with gratification the progress that the United Kingdom was able to report in the entry into force of the Anglo-German and Anglo-Soviet Naval Agreements; and regretted to record that the Japanese Government's attitude had made it impossible for other Powers to maintain their provisionally agreed limit of 35,000 tons for capital ships.

The protection of civilian populations against air bombing was discussed—and this, by some delegates, with tragically intimate knowledge of its life-and-death importance for the people for whom they spoke; by the rest of us, with the feeling that, removed though we still were from the barbarities against which we sought safeguards, we were in fact dealing with a question that might have tragic import for our people also.

As President of the Council, in opening the Assembly I briefly introduced the subject in sentences which I may quote:—

“May I before ending mention one matter on which the whole world could well agree? I refer to the total prohibition of aerial bombardment. If there is one form of warfare that in its indiscriminate barbarity has earned universal condemnation, it is this. If there is one perversion of science that makes men question whether our vaunted progress is real, it is this. The use of men in battle as a means of settling disputes or satisfying desires is tragic enough, but the slaughter of innocent non-combatant women and children is unworthy of the stage of civilization mankind has reached. Will not the nations of the world agree to abolish this new menace?”

When the matter was followed up in the Third Committee, Senor Azcarate, for Spain, and Mr. Wellington Koo, for China, dealt in some practical detail and in impressively temperate terms with its present realities in relation to their countries. It was impossible to remain unmoved when the Spanish representative admitted that his Government were “disinterested,” in the sense that they expected from present League action no practical results in time to rescue Spain from her plight; he again affirmed his Government's refusal to take reprisals against the civilian population in territory under the rebels' control; and, in the hope perhaps of being of service to countries not yet the victims of extensive air bombing, he described dispassionately some of the late experience of the Spanish people. Senor Azcarate also paid a tribute to the United Kingdom Government for what they had done in making their experts available for independent inquiry in Spain into cases of air bombing of civilian areas. A committee of these British officers had already carried their inquiry far enough to allow their first reports to be circulated to delegations at Geneva (Document A. III/4, 1938).

The United Kingdom representative spoke next. He admitted the practical limitations to possible action at this time; he looked to the mobilizing of world opinion against barbarities of the kind described by the previous speaker; and, giving what proved to be a valuable basis for later discussion and a resolution, he suggested that, by analogy

with certain established principles of international law for warfare on land and sea, it might be agreed by all that (1) the intentional bombing of civilian populations is illegal; (2) targets aimed at from the air must be legitimate objectives, and must be capable of identification; and (3) any attack on those legitimate objectives must be made in such a way that civilian populations in the neighbourhood would not be bombed through carelessness.

Mr. Wellington Koo, for China, had already laid before the Assembly, the Council, and League Committees impressive facts from the experience of his country. Now he dealt less with the immediate tragedies inflicted on his countrymen by bombing from the air than with the challenging implications that this practice carried for the world at large. He claimed the practice to be at once a betrayal of all considerations of humanity and a violation of those well-established principles of international law that distinguish between combatants and non-combatants. He asked again that States, whether members of the League or not, be recommended to refrain from supplying offending Powers with the wherewithal of military aviation. He suggested that the League take the initiative to secure a convention to prohibit or restrict aerial bombardment; and he urged that the use of poison gas be the subject of competent inquiry, looking to League action for its prohibition.

Substantial contributions to the discussion followed from the representatives of France, Mexico, Greece, Hungary, Haiti, the Netherlands, Argentina, the Union of Soviet Socialist Republics, Uruguay, Ireland, and Norway.

This led to general agreement on a resolution and recommendation for submission to the Assembly. Reservation was expressed by the representative of Poland—he was prepared to accede forthwith to certain general rules condemning certain methods of war, but in his view “the Committee was not called upon to pass judgment on any particular situation; . . . he would be unable to accept any resolution which embodied any condemnation, however indirect, of any particular situation whatsoever.”

He, and also Hungary’s representative, indicated that they would vote for the resolutions, but would abstain from voting on the recommendation drafted. With these two abstentions (on Resolution II and recommendation) the Committee, and the Assembly without discussion or dissent, adopted the following resolutions and recommendation:—

#### *I. Reduction and Limitation of Armaments.*

Resolution—

“The Assembly—

“Referring to its resolution of 30th September, 1937, recommending the conclusion of a convention on publicity of national-defence expenditure;

“Considering that the Bureau of the Conference for the Reduction and Limitation of Armaments will meet shortly to consider the observations of Governments on this subject;

“Noting the information collected as the result of its recommendation of 30th September, 1937, on the supervision of the manufacture of and trade in arms, ammunition, and implements of war:

“(1) Requests those Governments which have not given effect to its recommendation concerning the supervision of the manufacture of and trade in arms, ammunition, and implements of war to do so before the next ordinary session of the Assembly;

“(2) Requests the members of the League to communicate to the Secretary-General regularly any changes made in this connection in their legislation or administrative methods;

“(3) Lastly, requests the Secretary-General to convey the present resolution and the relevant minutes of the discussions of the Third Committee to the Bureau and to the Governments of all the States which are or have been represented at the Conference for the Reduction and Limitation of Armaments.”

#### *II. Protection of Civilian Populations against Air Bombardment in Case of War.*

Resolution—

“The Assembly—

“Considering that on numerous occasions public opinion has expressed through the most authoritative channels its horror of the bombing of civilian populations;

“Considering that this practice, for which there is no military necessity, and which, as experience shows, only causes needless suffering, is condemned under the recognized principles of international law;

“Considering, further, that, though this principle ought to be respected by all States and does not require further reaffirmation, it urgently needs to be made the subject of regulations specially adapted to air warfare, and taking account of the lessons of experience;

“Considering that the solution of this problem, which is of concern to all States, whether members of the League of Nations or not, calls for technical investigation and thorough consideration;

“Considering that the Bureau of the Conference for the Reduction and Limitation of Armaments is to meet in the near future and that it is for the Bureau to consider practical means of undertaking the necessary work under conditions most likely to lead to as general an agreement as possible:

“I. Recognizes the following principles as a necessary basis for any subsequent regulations:—

- “(1) The intentional bombing of civilian populations is illegal;
- “(2) Objectives aimed at from the air must be legitimate military objectives and must be identifiable;
- “(3) Any attack on legitimate military objectives must be carried out in such a way that civilian populations in the neighbourhood are not bombed through negligence;

“II. Also takes the opportunity to reaffirm that the use of chemical or bacterial methods in the conduct of war is contrary to international law, as recalled more particularly in the resolution of the General Commission of the Conference for the Reduction and Limitation of Armaments of 23rd July, 1932, and the resolution of the Council of 14th May, 1938.”

Recommendation—

“The Assembly—

“Referring to its resolution of this day’s date on the general question of the bombing of civilian populations from the air;

“Bearing in mind the present situation, notably in Spain and in the Far East, and being anxious to ascertain what measures could be taken pending a comprehensive settlement of the question by general agreement:

“Congratulates the United Kingdom Government on having taken the initiative in setting up a Committee of Investigation to examine cases of the air bombing of civilian populations in Spain;

“Having taken note of the report drawn up by that Committee on a number of cases which it has already examined, expresses the opinion that the development of this happy initiative on international lines might do much to render effective the condemnation of this method of warfare by public opinion and to bring about its discontinuance;

“Takes note of the Chinese Government’s request for the despatch of an international Committee to examine cases of air bombardment of civilian populations in China;

“Points out that, under the Covenant, the Council ‘may deal at its meetings with any matter within the sphere of action of the League,’ especially as regards ‘the firm establishment of the understandings of international law as the actual rule of conduct among Governments’;

“Recommends that the Council should:

“(a) Arrange with the United Kingdom Government that the Committee of Investigation already operating in respect of Spain shall send copies of its reports to the Secretary-General of the League of Nations, so that he may have them circulated to States members, published, and submitted to the Council;

“(b) Take into consideration any other appeal arising out of the bombing from the air of civilian populations directed to establishing, by means of an international Committee, cases of recourse to practices condemned under the principles of international law, to which reference is made in to-day’s resolution, and collect for impartial study any material that may be of use.”

(Document A. 69, 1938, IX.)

#### FOURTH COMMITTEE: FINANCIAL QUESTIONS.

New Zealand Delegate: Mr. W. J. JORDAN. Substitute: Mr. C. A. KNOWLES.

The Chairman of the Fourth Committee, Count Carton de Wiart, is a familiar figure in Geneva. He has been associated with the Assembly from its earliest years, taking particular interest in social and Budget questions.

Before proceeding to an account of the Fourth Committee’s work, it will not be out of place to draw attention to the admirable manner in which the documents relating to the Budget and to the internal services of the Secretariat are prepared. Particularly good are the reports of the Supervisory Commission, illuminating documents without which the work of the Fourth Committee would indeed be heavier.

Early in the proceedings the Secretary-General made the usual statement on the financial position of the League, embodying the three major organizations, the Secretariat, the International Labour Office, and the Permanent Court of International Justice. In addition to the estimates for 1939 and some material covering part of 1938, the Committee had before it the audited accounts for 1937 and the Auditor’s report thereon (Document A. 3, 1938, X).

A surplus or a deficit is often a measure of sound or unsound finance. But comparison between State procedure and League procedure is of no assistance when we are considering the financial structure of the League of Nations. The League, happily, has had a series of surpluses, returned in part to States members. Such surpluses have been due to several causes, some of which have been analysed in the past by the New Zealand delegate. There is no object in reviving old controversies. The financial situation is now satisfactory, and we have cause to be grateful.

The surplus for 1937 is very large, no less than 4,558,625 francs, due—

- (1) To the satisfactory manner in which contributions of States for that year came to hand, for at the end of the year almost 95 per cent. of the contributions had been paid;
- (2) To the collection of a considerable sum on account of arrears; and
- (3) To a difference in favour of the League between the extent of the devaluation of the Swiss franc expressed in terms of gold and the diminution of the contributions of States which followed the act of the Swiss Confederation in devaluing the franc. This difference represents a surplus of no less than 2,991,071 francs.

The Devaluation Fund, which was created to cover risks consequent on devaluation, has been drawn on, particularly by the Court of International Justice (the Budget of which is drawn up in Dutch florins), because the depression of the florin has been less than that of the Swiss franc. On the 14th September the Devaluation Fund stood at 2,991,000 francs.

As the Secretary-General stated, we cannot hope for a repetition of this large surplus year after year. Recently more than one State has given notice of its intention to quit the League, contributions to the expenses of which will consequently suffer reduction. Further, it is hardly likely that the League will escape any financial repercussions of the present tension in Europe, and already there is a falling-off in the contributions. At a given date the contributions paid for this year were 4 per cent. less than those of last year.

At this point we may leave our examination of the surplus with the remark that the Fourth Committee was to be called upon at a later stage to decide on the manner of its disposal.

With that section of the Secretary-General's speech which dealt with the estimates for 1939 we need not concern ourselves. He alluded to the main points, and his remarks were illuminating, but they were no more than a prelude to the examination of the estimates by the Committee itself.

M. Avenol's statement that he would not ask for further credits for the new Building Fund was welcome, but there is another side to the picture, since the League will be called upon to pay damages to contractors for delays which occurred during construction.

The Fourth Committee then began its task of examining the various documents placed before it, beginning with the audited accounts of 1937. It is only recently that there has been a change of Auditor, and it was pleasing to learn that in the opinion of M. Brunskog, the new Auditor, "the finances of the League were handled with foresight and in a manner highly to be commended."

M. Reveillaud, who was then Chairman of the Supervisory Commission, made a short speech which was helpful to an understanding of the accounts, but only one member of the Committee raised a point of substance. The representative of the United Kingdom drew attention to the proposal to put a profit of 390,000 francs on investments sold into a fund to cover possible future losses on exchange. He contended that this sum should be used for the purpose of covering losses on investments, and that another sum to cover possible exchange losses should be inserted in the Budget. M. Reveillaud said he felt the Supervisory Commission would accept the British delegation's view. The Fourth Committee then adopted the audited accounts for 1937.

The examination of the estimates began at the second meeting of the Fourth Committee with a short speech by M. Reveillaud (a series of documents numbered A. 4). These documents contain the estimates as examined and reported on by the Supervisory Commission previous to the opening of the Assembly, but, of course, take no account of supplementary estimates presented in the course of the Assembly session. Before the estimates were taken chapter by chapter, there was a short preliminary discussion of a general nature, but it was of no great importance and only one or two points are worthy of mention. M. Reveillaud, when referring to the system of lump-sum deductions instituted recently, admitted that the system largely prevented overbudgeting—that reprehensible practice which had so swollen the Budgets of some former years. Another point was that made by the United Kingdom representative, who thought that a withdrawal from the Guarantee Fund should be made good not from the surplus of a past year but from the income of a succeeding year, and, further, that the time had come when the full sum required by the Financial Regulations as a Guarantee Fund was no longer necessary. He asked that a report on this point be furnished to the Assembly of 1939. M. Reveillaud, in promising a report, compared the problem raised to that facing banks in connection with the gold cover for their guarantee. A third point was that raised by the Polish

representative, who is also a member of the Supervisory Commission. He contended that a reduction in membership of the League should be followed by a reduction in expenditure. There is, of course, a relationship between the two, but such a contention can be pushed too far. Subsequent discussion disclosed that the aim of the Polish delegate was to initiate a drive for economy and the lightening of the financial burden imposed by the League on States members.

As to the various supplementary credits which were proposed during the Assembly session (see Document A. 5 (b), 1938, X), a few words on two of them will suffice. All proposals were examined by the Supervisory Commission, and their recommendations were accepted. It was undoubtedly a great disappointment to the Chinese delegation to learn that a proposed credit of 2,000,000 francs had been reduced by the Supervisory Commission to 1,700,000 for technical collaboration with China. The Chinese delegate pressed for the larger amount, but after it had been made clear that the work contemplated would not suffer because of the reduction he did not meet with much encouragement. It was pointed out that 250,000 francs of this year's credit remained unexpended and that equipment already on the spot represented a large sum of money (see Document A. 47, 1938).

The Fourth Committee agreed to provide a sum of 900,000 francs to enable the League to participate in next year's World's Fair at New York, making a total expenditure for the years 1938 and 1939 of 1,200,000 francs (see Document A. 5 (d), 1938).

When the supplementary estimates had been disposed of the Committee was in a position to envisage the financial commitments for 1939 as a whole and to consider the question of the disposal of the surplus for 1937. When this latter question was before the Committee the Polish delegate again spoke. He compared the estimates for 1937 with the Budget of 1938, and regretted that the unit of contribution was to remain the same; yet, he said, the work of the League was shrinking and countries were leaving the League. He pressed for an immediate reduction of the unit of contribution through a return to States members of 884,770 gold francs, part of the surplus for 1937, which it was proposed to place to the Reserve Fund. The Polish representative was answered by two members of the Fourth Committee who were also members of the Supervisory Commission, M. Hambro and M. Reveillaud. The former made the point that the cost of membership of the League was less now than formerly; indeed, he estimated that it was but half of the figure which ruled when the League began its activities. He admitted, however, that a decrease in the ratio could not continue. Mr. Reveillaud opposed the suggestion that that part of the surplus marked for the Reserve Fund should be returned to States members. The total at which the Reserve Fund then stood was 9,000,000 francs, and it was not, in his opinion, sufficiently large (and others shared his view), for it was but a third of the League's Budget and could not be regarded as big enough to meet possible demands in a period of grave anxiety.

Although the Polish delegate received little support in regard to his suggestion as to the disposal of part of the surplus of 1937 (on a show of hands only one other delegate voted with him), there was undoubtedly a feeling that economies might be effected. Some pointed references had been made to staff, and it seemed to be implied from remarks that had been made in the course of the debate that it had been difficult to resist political pressure brought by States on behalf of their own nationals when staff appointments were under review. So most members of the Committee, and especially those who served on the Supervisory Commission, welcomed a statement that the United Kingdom delegate made to the effect that the time had come for a re-examination of the financial position of the League in view of the fact that owing to withdrawals the number of units available in the future would be smaller, and that the present level of activity of the League could not be maintained without an increase in the rate of contribution. He proposed that there should be set up a Committee of five independent persons, including M. Reveillaud (who was about to retire from the Chairmanship of the Supervisory Commission, and indeed from the Commission itself) and the new Chairman of the Supervisory Commission and a representative of the International Labour Office. This proposal met with general concurrence and was adopted.

The surplus for 1937, amounting to no less a sum than 4,558,625 gold francs, the Fourth Committee decided to distribute as follows:—

To the reduction of the 1939 contributions	..	..	2,373,058
To the reduction of future contributions	..	..	1,060,209
To the Guarantee Fund	..	..	240,586
To the Reserve Fund	..	..	884,770

Under the rules governing the election of members of the Supervisory Commission, M. Reveillaud, who had been a member since its creation, was due to retire. In addition to this vacancy there were two others to be filled. The Fourth Committee elected M. C. A. Pardo (Argentina) and M. de Boisanger (France) to serve until the 31st December, 1941, and M. G. Ottlik (Hungary) to serve until 31st December, 1940.

The Budget as finally passed by the Fourth Committee shows an estimated expenditure of 32,234,012 Swiss francs, and an estimated income of 22,799,327 gold francs.

It will be observed that the policy of expressing expenditure in Swiss francs and income in gold francs is maintained.



## CONTRIBUTIONS.

The Fourth Committee considered at its meeting on the 19th September the report of the Special Committee on Contributions (Document A. 17, 1938, X), whose tenure of office it was decided to extend by one year. As there had been recent developments it was necessary to modify the report in some respects by means of an addendum bearing date 19th September.

It will be observed with satisfaction that the improvement noted last year in the prompt payment of contributions for the year in which they are due has been more than maintained. Whilst States which pay promptly have still to bear more than their fair share of the burden, it is worthy of notice that the total contributions due to the League since its inauguration have fallen short by little more than 6 per cent. There is no need to analyse the figures. Since the date of my report on the Eighteenth Assembly Guatemala's notice of withdrawal from the League has become effective, Salvador's notice will expire in August next, and other notices of withdrawal have been received. The retreat continues, and I am afraid little consolation is to be found in the fact that some of those withdrawing have been bad payers in the past.

The proposal made last year that States members who pay their contributions promptly should receive a rebate was examined by the Special Committee, whose comments will be found on page 6 of its report, but the present time is not considered propitious for the introduction of such a scheme.

Finally, we have to consider the problem raised by Austria consequent on its absorption in the German Reich early this year. Before examining the problem the Fourth Committee decided to ask the First Committee for legal advice. The Special Committee had assumed that absorption, as announced by the German Government in a letter addressed to the Secretary-General of the League, was tantamount to notice of withdrawal, and the question arose whether Austria was to be regarded as a member of the League for two years from the date of the receipt of the German Government's letter. In due course the First Committee reported as follows:—

"The First Committee finds that the German Government's letter to the Secretary-General of 18th March, 1938, is not a notice of withdrawal from the League of Nations within the meaning of Article 1, paragraph 3, of the Covenant.

"The obligation to pay contributions during two years is simply the consequence of the fact that a notice of withdrawal from the League under the above-mentioned provision leaves the State which gives such notice with the rights and obligations of a member of the League during a period of two years."

I have ventured to repeat this report of the First Committee not only because of its importance, but also because it was concurred in by the Fourth Committee.

The Fourth Committee approved the report of the Special Committee on Contributions.

## STAFF PENSIONS FUND.

I feel that this matter deserves more than passing notice, for the situation disclosed illustrates the problems which those in the position of trustees have to face and the difficulties created by the vicissitudes of the capital market. I draw your special attention to the documents relating to the fund. They are the Eighth Report of the Administrative Board to the Assembly (Document A. 9, 1938, X), the Fifth Actuarial Valuation of the League of Nations Staff Pension Fund (Document A. 8, 1938), and the Second Report of the Supervisory Commission (Document A. 5 (a), 1938, X). The second of these documents contains a report by Dr. Wyss, Consulting Actuary to the fund, and its value lies not only in the disclosure of the position but also in those comments which would apply to other funds faced with similar difficulties.

We learn that the actuarial calculations of the Pensions Fund are based on an interest rate of  $4\frac{1}{2}$  per cent., but that this rate of interest is no longer obtainable on the type of security which the dictates of prudence permit those controlling the fund to buy. So the Consulting Actuary was called upon to report upon the financial effect of a reduction to  $3\frac{1}{2}$  per cent. What does his report disclose? An additional liability to the fund of 3,000,000 Swiss francs, which could be met by—

- (1) An addition to the fund of this sum;
- (2) An additional yearly payment to 1960; or
- (3) An increase in the contributions of the members.

Now, unlike some other funds, age on entry has no bearing on rate of deduction from salary for pension purposes. It was hoped that in the process of time the contributions actuarially insufficient of members joining at later ages would be offset by the contributions of those entering at an earlier age. This hope has not been realized. Apart from this, world conditions have been abnormal, but with an effect not necessarily adverse to the fund. Indeed, on the contrary, abnormal conditions led to the devaluation of the Swiss franc; further, uncertainty caused those responsible for the investment of the fund's money to purchase gold assets; so that, at the present time, in spite of an average yield in interest of only  $1\frac{1}{2}$  per cent., the fund shows no deficit.

The Supervisory Commission carefully weighed the advantages and disadvantages of recommending immediate action, and came to the conclusion that nothing should be done at present. Of course the position will have to be watched, and it may be that the actuarial rate of interest will have to be reduced, thus involving further contributions to the fund by member States or an increase in contributions by members of the fund, or a combination of these two. Consideration of the matter did not long occupy the attention of the Fourth Committee. No doubt its technical nature was an obstacle to a general debate. What was said by those who took part, including Mr. F. T. Cremins (the Chairman of the Administrative Board of the Fund) and Sir Cecil Kisch (representing the United Kingdom), was of interest and showed that they were fully alive to the position. The Fourth Committee wisely adopted the advice tendered to it and approved the reports laid before it. It also approved chapter 7 of the Budget, involving expenditure of 1,710,118 Swiss francs.

Other points stressed in the course of the debate are briefly mentioned in the Fourth Committee's report to the Assembly (Document A. 72, 1938, X).

#### ALLOCATION OF EXPENSES OF THE LEAGUE.

Reference to my report on last year's Assembly will show that an attempt was made to resurrect the Special Committee on the Allocation of Expenses, whose report, adopted in 1936, involved the introduction of a new scale. The attempt was resisted; but, at the same time, the Secretary-General was instructed to ask Governments to communicate to him any suggestions calculated to help the 1938 Assembly and such body as that Assembly might set up to determine the future scale. No question has given greater trouble to successive Assemblies. Member States who consider their allocation too high are impervious to what is so obvious—that reduction in their case would lead to increase in others, with resultant complaints from those suffering the increase. The truth is that there is no scientific basis of assessment. Countries differ in geographical features, wealth, and administration, making comparison difficult. Some Governments replied to the Secretary-General's inquiry, and their answers are to be found in Documents A. 12, 1938, II, A., and A. 12 (a) 1938, II, A. Perhaps the most interesting of the replies is that from the Mexican Government, whose representative took so active a part in last year's debate. But a survey of this year's debate would lead us nowhere; indeed, the Fourth Committee is not the body to discuss the technicalities of the matter.

The record of the debate, with other papers, will be available to the Committee on Allocation of Expenses, which is to be reconstituted, one member being supplied from each of the following States: Argentine, United Kingdom, Canada, France, Greece, India, Iran, Latvia, Mexico, the Netherlands, Norway, and the Union of Soviet Socialist Republics.

The Fourth Committee's report (Document A. 72, 1938, X) and the series of draft resolutions with which it concludes were passed by the Assembly on the 29th September. The Irish delegation proposed an amendment to draft resolution No. 9 (Document A. 80, 1938, X) which was accepted. For convenience of reference I quote the resolutions as amended:—

#### “ I.

“ The Assembly approves the report of the Fourth Committee and adopts the resolutions and decisions proposed therein.

#### “ II.

“ The Assembly—

“ 1. Finally passes the audited accounts of the League of Nations for the nineteenth financial period ended 31st December, 1937;

“ Takes note of the relevant observations of the Supervisory Commission on the accounts, and adopts its conclusions except in regard to the 'account to cover possible losses,' which is to be utilized only in so far as capital losses are incurred.

“ 2. Passes, for the twenty-first financial period ending 31st December, 1939, the expenditure Budget amounting to 32,234,012 Swiss francs and the income Budget amounting to 22,799,327·18 gold francs;

“ Takes note of the relevant passages of the report of the Supervisory Commission, and adopts its conclusions.

“ 3. Notwithstanding the provisions of Article 38 (a) of the Financial Regulations, decides that the surplus for 1937, amounting to a total sum of 4,558,625·20 gold francs, shall be allotted as follows:—

	Gold Francs.
“ (i) To the reduction of the 1939 contributions ..	2,373,058·77
“ (ii) To the reduction of future contributions ..	1,060,209·78
“ (iii) To the Guarantee Fund .. ..	240,586·22
“ (iv) To the Reserve Fund .. ..	884,770·43

---

4,558,625·20

---

“4. Having considered the first, second, and third reports of the Supervisory Commission to the 1938 Assembly—

- “(a) Takes note of its recommendations in regard to the responsibility of the League of Nations in connection with organizations placed under its auspices, the Estate and Renovation Accounts;
- “(b) Decides that the shares of Paraguay, Guatemala, Honduras, Nicaragua, Italy, and Salvador in the Working Capital Fund shall be refunded to them at the moment when their notice of withdrawal takes effect, provided that they have at that time fully discharged their obligations as to League contributions;
- “(c) Resolves that the following wording be substituted for the last two lines of paragraph 1 of Article 23 of the Financial Regulations—  
 “. . . and be deducted as appropriations-in-aid from the estimates put forward in the Budget, save as otherwise provided in the present regulations or decided by the Assembly.”
- “(d) Approves the scheme proposed by the Commission for assistance to members of the auxiliary staff retiring from the service of the League either upon attainment of the age-limit or through invalidity;
- “(e) Whereas the Secretary-General and the Supervisory Commission do not as yet possess all the factual and legal data necessary to enable them to express any opinion as to the advisability of accepting the bequest made to the League of Nations by the late Patrice de Rencourt;  
 “And whereas the acceptance of the bequest in question is likely to involve financial liability for the members of the League and may therefore, in accordance with paragraph 1 of Article 23 (a) of the Financial Regulations, only be accepted after authorization by the Assembly:  
 “Gives full powers to the Secretary-General in agreement with the Supervisory Commission, to accept or refuse this bequest or to come to some arrangement in the matter;  
 “Empowers him to take steps—such as resort to the Courts of law—as the subsequent development of the situation may render necessary;  
 “Authorizes him to charge to the 1938 and 1939 Budgets, in such form as he may deem most appropriate, the expenses (legal charges, &c.) entailed by the eventual acceptance of the said bequest;
- “(f) Considering that it is essential, with a view to maintaining to the fullest possible extent the activities of the League of Nations, to provide necessary economies in the Budget:  
 “Is of opinion that this purpose can best be served by a thorough examination of the standing charges in the Budgets of the Secretariat and the International Labour Organization by a special Committee of independent persons;  
 “Requests the Council to appoint a Committee of five persons, including the 1938 and 1939 Chairmen of the Supervisory Commission and a representative of the Governing Body of the International Labour Office, to examine thoroughly the standing charges in the Budgets of the Secretariat and the International Labour Organization, and recommend what economies can be carried out either immediately or in the near future;  
 “Requests the Secretary-General and the Director of the International Labour Office to prepare their draft Budgets for 1940 in the light of the recommendations of the Committee;
- “(g) Confirming the decision reached by the Council on 28th January, 1938:  
 “Decides that the League of Nations shall participate in the New York World's Fair, and votes for that purpose an appropriation of 1,200,000 francs, of which 900,000 francs will be included in the Budget for the financial year 1939;  
 “And authorizes the Secretary-General, without exceeding the total appropriation of 1,200,000 francs, to incur in 1938 expenditure in excess of the sum of 300,000 francs included in the Budget for that year, and to procure the funds required for that purpose by drawing upon the Working Capital Fund, which would be repaid at the beginning of 1939 by a charge upon the credits voted in the Budget for the financial year 1939.
- “5. Adopts the report of the Special Committee on Contributions in the form amended;  
 “Approves the terms of the arrangements proposed in the report for the settlement of the debt of Albania, Ecuador, and Guatemala;  
 “Approves the recommendations made in the report in the case of China and Cuba;

“ Observes that, as regards Austria—

“ The First Committee finds that the German Government's letter to the Secretary-General of 18th March, 1938, is not a notice of withdrawal from the League of Nations within the meaning of Article 1, paragraph 3, of the Covenant.

“ The obligation to pay contributions during two years is simply the consequence of the fact that a notice of withdrawal from the League under the above-mentioned provision leaves the State which gives such notice with the rights and obligations of a member of the League during a period of two years.

“ Notes that, while the majority of the members of the League continue to pay their contributions with increasing regularity, a certain number still fail to remit their contributions before the end of the financial year during which they are due;

“ Considers that the services of the Special Committee on Contributions are still necessary, and therefore renews the term of office of the following members for a further year—

“ Count Carton de Wiart (Belgium);

“ Sir Frederick Phillips (United Kingdom);

“ M. C. J. Hambro (Norway);

“ M. Stefan Osusky (Czechoslovakia).

“ Appoints on the Committee Sir Ramaswami Mudaliar (India) in place of M. Guani, who has retired.

“ 6. Considering that the present scale of the allocation of the expenses of the League will cease to be in force on 31st December, 1939:

“ Appoints, for the purpose of examining the modifications which should be made in the present scale, a Committee composed of the representatives of the following delegations at the Fourth Committee—

“ Argentine, United Kingdom, Canada, France, Greece, India, Iran, Latvia, Mexico, Netherlands, Norway, and the Union of Soviet Socialist Republics.

“ 7. Takes note of the report of the Administrative Board of the Staff Pensions Fund for the year 1938 and of the passages relating to pensions questions in the second report of the Supervisory Commission to the 1938 Assembly;

“ Decides to make in the Staff Pensions Regulations the amendments submitted to it by the Supervisory Commission;

“ Decides that the practice of valuing the fund annually by the Consulting Actuary shall continue;

“ Takes note of the report on the fifth valuation of the fund as submitted by the fund's Consulting Actuary;

“ Adopts the accounts of the fund as submitted by the Auditor;

“ Decides that the contributions of the League to the Pensions Fund for 1939, under Article 7, paragraph (a), of the Staff Pensions Regulations, shall be 9 per cent. of the pensionable emoluments of the members of the fund.

“ 8. Appoints as members of the Supervisory Commission for the period ending 31st December, 1941—

“ M. Carlos Alberto Pardo (Argentine);

“ M. de Boisanger (France).

“ For the period ending on 31st December, 1940—

“ M. Georges de Ottlik (Hungary).

“ 9. The Assembly decides as follows—

“(1) Until the next ordinary session of the Assembly, the Secretary-General and, as regards the International Labour Organization, the Director of the International Labour Office, acting with the approval of the Supervisory Commission, which may take all decisions by a majority vote, shall have power in their discretion to take any exceptional administrative or financial measures or decisions which appear necessary (including the amendment of Administrative or Financial Regulations), and such measures and decisions shall have the same force and effect as if they had been taken by the Assembly.

“(2) The following ‘Special Article’ is inserted in the Pensions Regulations —

“*Special Article.*

“1. The right to receive the “present value” of an annuity in virtue of Article 9, paragraphs 1, 2, 3, and 4, of the present regulations is suspended from the date of entry into force of the present Article until its revival is decided by the Supervisory Commission, acting by a majority vote, or until the close of the next ordinary session of the Assembly, at which date it shall revive unless otherwise decided by the Assembly.

“1. The present Article does not apply:

“(a) To officials whose service terminated before the Article came into force;

“(b) To officials who had given notice of resignation before 28th September, 1938;

“(c) To officials retiring as the result of having reached or passed the superannuation age or as the result of the expiration of the periods for which they were appointed.’

“(3) Paragraphs (1) and (2) of the present resolution shall be brought into force by a decision of the President of the Nineteenth Session of the Assembly if and when, in his opinion, a state of emergency has arisen.”

#### FIFTH COMMITTEE: SOCIAL QUESTIONS.

New Zealand Delegate: Mr. W. J. JORDAN. Substitute: Miss J. R. MCKENZIE.

The Fifth Committee was called upon to examine the social work done by the League during the past year, and therefore took up the study of the following questions:—

#### WORK OF THE ADVISORY COMMITTEE ON SOCIAL QUESTIONS.

(a) *Organization and Administration.*—Twenty-three Governments are now represented on the Committee, leaving two vacancies to be filled, and twenty-eight international organizations are corresponding members of the Advisory Committee. The increase in this latter connection was desirable to enable the Committee to keep in touch with voluntary organizations and to make its work better known. It was felt, too, that the international organizations would be able to supplement the reports of Governments by information regarding aspects of social questions in different countries.

(b) *Review of Social Questions.*—Following the decision of the 1937 Assembly that a review should be published, inquiries were made as to its most appropriate form. Members of the Fifth Committee stressed the necessity for ensuring that the review would be as attractive, illustrative, and widely circulated as possible. A sum of 25,000 Swiss francs was voted by the Fourth Committee for the issue of a review, and publication will begin in 1939.

(c) *Child Welfare Information Centre.*—This organization has done much in the past year in collecting and distributing documentary material on child welfare, and has also prepared a summary of legislative and administrative measures in various countries (Document C. 73, M. 28, 1938, IV). One of its main tasks was the establishment of a card index of the laws governing the various aspects of child welfare which are in force in the different countries, and it is hoped that by this means an important contribution will be made to the further study of the subject.

(d) *Child Welfare: Placing of Children in Families.*—An inquiry was recently undertaken on this subject, and a report is shortly to be published.

(e) *Cinematograph.*—The Fifth Committee had before it the report of the Advisory Committee on the recreational aspects of the cinema for the young (Document C. 256, M. 152, 1938, IV), and the hope was expressed that public attention will be directed to this hitherto neglected problem.

(f) *Illegitimate Children.*—The Advisory Committee has continued during the past year its examination of this question from various standpoints, including the legal position; and further study is to be given to the religious, social, economic, and other factors which have a bearing on the illegitimate-birth rate. The necessity for continuing the inquiry from the social point of view was stressed by members of the Fifth Committee. One feature of the difficult period through which the world was passing was the number of children born out of wedlock, and several interesting suggestions were made by members—*i.e.*, the facilitation of marriage formalities, organization of guardianship for illegitimate or natural children, and the development of adoption. The delegate of Spain suggested that the term “illegitimate” be replaced by the expression “born out of wedlock.” In her country the use of the expression “illegitimate” had long since been dropped.

Regarding the training of persons employed in social services, it was suggested that the Committee of Experts entrusted with the examination of this question should consult not only those actively engaged in such training, but also representatives of institutions employing social-welfare workers.

(g) *Future Work*.—During the coming year the Advisory Committee is to undertake the examination of three new questions:—

- (i) The principles adopted in the organization and administration of welfare work among the young, including social assistance;
- (ii) The training of persons engaged in social work;
- (iii) Family desertion.

(h) *Protection of Children in Time of War*.—The attention of the Fifth Committee was drawn to this problem, and the suggestion was made by the Spanish delegate that it be included in the study of the principles of the organization and administration of child-welfare work to be undertaken by the Advisory Committee. She described the sufferings of women and children, victims of air bombardment. It was generally agreed that, as the International Red Cross is already dealing with this question in collaboration with the International "Save the Children" Union, these bodies should continue their work.

*Collaboration between the Advisory Committee on Social Questions, the Health Organization, and the International Labour Office*.—The delegate of France stressed the necessity for close collaboration between the Advisory Committee on Social Questions, the Health Organization, and the International Labour Organization on all matters affecting child welfare, and in this he was supported by other delegates. He submitted a resolution for the Fifth Committee's consideration, and this was later adopted with some minor amendments.

#### TRAFFIC IN WOMEN AND CHILDREN.

Satisfaction was expressed by members of the Fifth Committee at the progress of ratification of international conventions in connection with women and children. The conventions of 1921 and 1923 relating to the suppression of traffic in women and children and obscene publications respectively are now applied almost universally. As regards the convention of 1933 for the suppression of traffic in women of full age, this is now in force in twenty-five countries.

*Annual Reports*.—The Advisory Committee, considering the former questionnaire no longer adequate owing to changes in the methods by which traffic in women and children is carried on and in the methods adopted by Governments to combat it, had prepared a new questionnaire; members of the Fifth Committee expressed their satisfaction at this development, which they felt made a clearer distinction between the international and national traffic in women and children, and would further lead to information from countries as to the legislative and administrative progress in the prevention and suppression of the traffic. The Fifth Committee further expressed the hope that the revision of the form of the annual report would lead to a revival of interest in this questionnaire on the part of Governments, and that this would be reflected in a renewed increase in the number of Governments reporting on traffic in women and children.

*Rehabilitation of Prostitutes*.—The Advisory Committee's two volumes (i) on the early lives of prostitutes, and (ii) on social service and venereal disease, were before the Fifth Committee.

During the discussion the delegate of Denmark outlined experiments which had been made in her country in the last two years, where a group of prostitutes had been placed under mental observation, and it was found that about 20 per cent. of them were weak-minded and about 50 per cent. mentally defective. Instead of being sentenced according to old methods, they were sent either to mental homes or to families in the country, where they were employed doing household work. The system had yielded very valuable results.

The Fifth Committee recorded its appreciation of the work undertaken by the Advisory Committee in this field and for the information available in the volumes mentioned above.

*Prevention of Prostitution*.—The Advisory Committee is continuing its study on the prevention of prostitution, especially of minors. This provides, *inter alia*, for a study of the factors leading women into prostitution, for an account of direct preventive measures, and for a study of the reduction of demand. The Fifth Committee stressed the importance of the last point in view of the growing recognition of the rôle played by artificial stimulation of demand in connection with prostitution.

Discussion took place on the question of the convocation of an inter-governmental Conference for the conclusion of a convention for the suppression of the exploitation of the prostitution of others. The object of the convention is to fill important gaps left by the existing conventions in the field of combating traffic in women and children, the chief gap being the protection of persons of full age of either sex against being exploited even with their consent and without being taken abroad for immoral purposes by a third party. The history of this subject is briefly as follows: After a discussion extending over

several years a sub-committee of experts prepared a draft international convention which was, in turn, submitted to the Governments members of the League and non-member States as a basis for study. Replies were received from thirty-four Governments, and these were considered in 1937 by the Advisory Committee, which came to the conclusion that the convention could not be accepted by regulationist countries, and that it would be necessary for the latter to make reservations in respect of the main articles. A sub-committee was appointed to study the best means of meeting these difficulties, and its report, apart from various changes in the text of the first draft, recommended that regulationist countries should not make reservations at the time of signature, but should make a declaration stating that they were in agreement with the principles of the convention and would endeavour to change their legislation within the next few years. Later, the revised draft, together with the sub-committee's comments, were submitted to members and non-member States. From replies received it appeared that the majority of countries were in favour of concluding a convention, but certain reservations were made, mostly in connection with stipulations contained in individual articles of the convention. It was felt, therefore, that a certain number of countries might abstain from signing the convention finally if their specific wishes were not met by the Conference.

The Fifth Committee had before it three alternatives—first, to take a negative attitude and decide against the holding of the Conference; secondly, to hold the Conference in 1939; thirdly, to postpone the Conference until 1940.

During the discussion all members of the Fifth Committee were agreed on the objects and main principles of the proposed convention, but it was felt that the common purposes might not be served by hastening the convocation of the Conference. The Fifth Committee therefore decided in favour of holding the Conference in 1940. This procedure would enable the countries considering abolitionist legislation to prepare further steps in this direction. Later, the Assembly adopted the following resolution submitted by the Fifth Committee:—

“The Assembly—

“Noting that the majority of the countries which have expressed their views on the two drafts of the Convention for the Suppression of the Exploitation of the Prostitution of Others have agreed to the object and main principles of the proposed convention;

“Considering that the convention will fill gaps left in the former conventions concerning the traffic in women and children.

“Noting that in a number of regulationist countries legislation is being studied or in preparation which may dispose of certain difficulties that at present prevent some countries from adhering to the convention:

“Expresses itself in favour of the convocation of a Conference for the conclusion of a Convention for Suppressing the Exploitation of the Prostitution of Others;

“Recommends that this Conference should be convoked by the Council for 1940; and

“Instructs the Secretary-General to insert the necessary financial provision for such a Conference in the draft Budget for 1940.”

#### CONFERENCE OF CENTRAL AUTHORITIES IN EASTERN COUNTRIES.

The 1937 Assembly adopted the resolution submitted by the Fifth Committee that an expert adviser should be appointed to consult the Governments concerned regarding the establishment of a Bureau in the Far East. Owing, however, to the difficult situation in the Far East the Council, in January, 1938, considered that such an officer would be unable to carry out his duties in a satisfactory manner, and accordingly the sending-out of an expert was postponed.

At the 1938 Assembly the Fifth Committee again stressed the importance of and need for such a Bureau, and expressed its regret at the delay which had unavoidably occurred in giving effect to the recommendation of the Bandoeng Conference. Several members doubted whether, as the proposal had been fully discussed at Bandoeng and agreed to by all the official delegates at that Conference, there was any need for further consultation on the spot with the Governments concerned, and in view of the delay it was suggested that the Advisory Committee should take the opportunity of reconsidering the proposal in further detail so that when the Council considered the time ripe for action the most effective measures could be taken to carry out the recommendations of the Bandoeng Conference. The Committee, however, agreed that the sending of an expert should not preclude further consultation with Governments, especially with those particularly interested in the creation of the Bureau.

The proposal was therefore made that the Advisory Committee on Social Questions should be asked to reconsider the proposal for the creation of a Bureau in further detail at its next session, so that when the time came for implementing the recommendation of the Conference the scheme could be carried out in the most effective manner. Questions to be examined by the Advisory Committee include staff, the place in which the Bureau should be set up, and the financial provision necessary for its establishment and maintenance.

## ASSISTANCE TO INDIGENT FOREIGNERS.

It was recalled by a decision of the Council in May, 1931, that this question was entrusted to a Committee of Experts, who prepared a draft convention. The draft convention was twice submitted to Governments, but the results of these consultations were not such as to justify the convening of a diplomatic Conference. Later the Council requested the Committee of Experts to suggest practical measures on an international scale for the improvement of the position of indigent foreigners. This Committee, at its third session, after examining fully the replies and observations submitted by Governments, prepared a third draft convention. As a result, however, of recent changes in the political, economic, and social sphere, the experts came to the conclusion that for the time being the multilateral convention did not seem likely to be an effective international instrument. It was suggested to the Council that the text of the third draft might serve as a basis for the conclusion of multilateral or bilateral conventions, and several practical recommendations were also submitted to the Council.

In June last the model text was sent by the Secretary-General to the various Governments, with the recommendation that it be used as a basis for multilateral or bilateral conventions, and requesting Governments at the end of three years, in 1941, to forward information regarding the action taken on those recommendations.

The Fifth Committee endorsed the recommendation of the Committee of Experts that Governments be asked to inform the League of any agreements concluded on the basis of the draft.

A further question referred to the Committee of Experts related to the execution of maintenance obligations abroad, but as the International Institute for the Unification of Private Law has under consideration the preparation of a draft international convention on the subject the Fifth Committee merely took note of the fact that consideration of the whole question would be held over until the Committee of Experts had received the relative documents.

The Assembly later adopted the following resolutions submitted by the Fifth Committee on Social Questions—

“ The Assembly—

“ Considering that health and social problems are closely interconnected, and that in consequence these problems cannot be effectively solved without rational co-ordination of effort and activity:

“ Notes that the Advisory Committee on Social Questions, the Health Organization, and the International Labour Office, desirous of avoiding duplication of work and overlapping and of enabling the maximum benefit to be derived from studies now in course of preparation or contemplated for the future, have on several occasions indicated, each with reference to its own field of action, the desirability of such co-ordination;

“ Again urges the need for organizing a permanent system of co-ordination between those bodies; and

“ Requests the Council—

“(a) To determine the methods to be employed in this system of permanent co-ordination between the Advisory Committee on Social Questions and the Health Organization;

“(b) To instruct the Secretary-General to secure permanent collaboration of a similar kind with the International Labour Office.

“ The Assembly—

“ Having regard to the delay that has arisen in giving effect to the recommendation of the Conference of Central Authorities in the East that a Bureau of the League of Nations should be created in the East to assist the participating countries in the collection of information and its distribution to them and to perform other functions relating to the traffic in women and children:

“ Recommends that the Advisory Committee on Social Questions should be invited to reconsider the proposal in fuller detail at its next session, so that, as soon as it is possible to implement the recommendation of the Conference, the scheme may be carried out in the most effective manner.”

(Document A. 62, 1938, IV.)

## PENAL AND PENITENTIARY QUESTIONS.

During the discussion of this question at the 1937 Assembly the Fifth Committee suggested that the Seventh International Conference for the Unification of Penal Law, which was to be held in Cairo in January, 1938, be asked to study the position of aliens and Stateless persons released from prison, and to make a report to the 1938 Assembly.

The Cairo Conference gave much time to the discussion of this problem, and among its resolutions was the suggestion of an international convention on the admission of expelled persons to the territory of another State. It also recommended that the text of the special Protocol signed at The Hague in 1930 covering Stateless persons be made more precise, and



that, in view of the new situation in which refugees are now placed, supplementary provisions be added. It further recommended that the position of refugees be re-examined on the basis of the principle that refugees be not expelled to their country of origin, expulsion being replaced, if necessary, by measures of supervision.

At the first meeting of the Fifth Committee it was decided to refer to the First Committee the legal aspect of this question, and a brief account of that Committee's consideration will be found in the section of my report relating to its work. The recommendation of the First Committee was that all documents relating to the subject be communicated to Governments, which could express their views on the desirability of the League's continuing the study of the problem.

Later discussions by the Fifth Committee followed the undermentioned headings:—

*Reports by Governments in regard to the Treatment of Prisoners.*—The Governments of France, British India, Norway, Portugal, and Sweden had submitted during the past year valuable information on the application of the standard minimum rules and the progress made in their respective countries in connection with penitentiary administration, details of which will be found in Document A. 24, 1938, IV. The delegates of the United Kingdom and Roumania also made statements before the Fifth Committee outlining the progress in their countries in regard to prisoners, their numbers, treatment, &c.

Important work has been carried out in this connection by the International Penal and Penitentiary Commission, and a copy of this Commission's report has been forwarded to Governments. It was shown that at the time of the inquiry by the Commission, covering fifty-three countries, about one million persons were under detention, the proportion of prisoners to total population being as follows: In thirteen countries the number of prisoners represents less than  $\frac{1}{2}$  per cent. of the total population; in seventeen countries,  $\frac{1}{2}$  per cent. to 1 per cent.; in seven countries, 1 per cent. to  $1\frac{1}{2}$  per cent.; in nine countries,  $1\frac{1}{2}$  per cent. to 2 per cent.; in four countries, 2 per cent. to  $2\frac{1}{2}$  per cent.; in three countries, over  $2\frac{1}{2}$  per cent.

It will be noted how widely the position varies in the different countries. It must be recognized, of course, that the penal systems and the judicial and penitentiary organizations vary widely, so that the respective figures resulting from these different systems, even in cases where the form has been followed without restrictions, are in no way comparable.

There was general agreement that one of the most important steps to take was the adoption of measures to reduce the number of prisoners, and one such measure was the replacement of imprisonment by fines. Others were the substitution of release on probation for detention, conditional release and suspension of sentences, and the reduction of the period of imprisonment on remand or pending trial.

Certain delegates informed the Fifth Committee of the measures taken in their countries to reduce the prison population, the Argentine representative, for instance, remarking that the criminal code which came into force in 1921 introduced two novelties—conditional suspension of sentence and conditional release.

The Fifth Committee recommended that the prison administrations of all countries should make a detailed study of the measures outlined in the report of the International Penal and Penitentiary Commission. Already these measures had had the effect of reducing the number of prisoners very considerably, and had the advantage of introducing more rational measures for the rehabilitation of prisoners.

*Treatment of Witnesses and Persons awaiting Trial.*—Following on the decision of the 1937 Assembly, seven technical organizations interested in penal questions were consulted regarding measures which might be proposed to protect witnesses and persons awaiting trial against the use of violence and any other forms of physical or mental constraint. Many interesting observations were submitted by these bodies, and the Fifth Committee had an exchange of views as to what the League might do with a view to combating certain abuses at present practised upon witnesses and persons awaiting trial. It was generally agreed that the subject should be further examined by the technical organizations which have already been consulted, and, accordingly, the Secretary-General was asked to communicate with these bodies with a view to their continuing their inquiries so that a joint memorandum summarizing all the various suggestions might be available for discussion by the Assembly in 1939.

*Report on the Activities of Technical Organizations.*—The League of Nations has continued to maintain close relations with seven international organizations dealing with penal and penitentiary questions. A perusal of Document A. 24, 1938, IV, illustrates the manner in which these organizations continue to assist the League in its work on these questions.

*League Bodies dealing with Questions affecting Penal Law during the Past Year.*—The attention of the Fifth Committee was drawn to the work of the inter-governmental Conference which met under the auspices of the League in November, 1937, as a result of which a convention was drawn up for the prevention and punishment of terrorism and a convention for the creation of an international criminal Court. The first of these conventions has been signed by twenty-four and the second by thirteen countries, and

the Fifth Committee suggested that Governments be reminded of the existence of these two international instruments, with a request that progress be made with a view to Governments taking the necessary measures for acceding to them or expediting their ratification.

The following resolution was duly submitted to and adopted by the Assembly—

“The Assembly adopts the report of its Fifth Committee on penal and penitentiary questions.” (Document A. 70, 1938, IV.)

#### SIXTH COMMITTEE: POLITICAL QUESTIONS.

New Zealand Delegate: Mr. W. J. JORDAN. Substitute: Mr. R. M. CAMPBELL.

The “Application of the Principles of the Covenant” was the main item, and the one on which there was the widest divergence of opinion, on the agenda of this Committee. Much thought and valuable study had been applied to the subject since it came to the forefront over two years ago as one result of the admitted failure of economic sanctions to deter Italian aggression in Abyssinia. A series of reports covering all phases of the problem had been made for the League’s “Committee of Twenty-eight”; and these had been circulated for consideration and comment by Governments. In one sense, therefore, the time was clearly ripe for attempting to reach some finality. On the other hand, it will be recalled that when the Assembly met on 12th September there was already grave tension, with peace hanging by a thin thread, in Central Europe, tension that fluctuated from day to day and hour to hour while the Assembly and its Committees were in session. This being the case, and having regard to the absence of agreement on problems that were changing in substance, it was judged by some—and your telegram of 14th September authorized me to support this view—that the time was inappropriate for discussing more or less abstract political principles and the terminology of the Articles of the Covenant. Nor can it, I think, be said in retrospect that much would have been lost if this view had prevailed. We are in truth little, if any, further ahead as a result of the 1938 discussions at Geneva in appreciating the League’s strength and weaknesses—qualities which, as cannot be too much emphasized, will always depend not on the League at Geneva, but on the resolution or otherwise of Governments in their various countries.

The foregoing refers particularly, of course, to Article 16, the “Sanctions” Article, of the Covenant. In the opinion of some Governments this Article as it stands is of the very essence of the League and its fundamental purpose in deterring or combating aggression against the independence and territorial integrity of member States; delete or seriously weaken it, in this view as sometimes expressed, and the League of Nations, even though attracting new adherents, might degenerate into a “universal committee of non-intervention.” Others, as you know, would go far toward refashioning the League into a merely consultative body. Faced with a gap between the terms of the Covenant and present practice, some would stand firm to the Covenant in the hope that sooner or later the world will conform thereto; others would so amend or “interpret” the words of the Covenant as to bring it down to the level of present achievement. It would be superfluous for me here again to discuss the pros and cons of these opposing views.

Suffice it to say that in principal delegates’ opening speeches in the Assembly, and subsequently in the Sixth Committee, not merely were divergent opinions expressed as to the direction that League reform should take, but varying interpretations were also placed upon the present effect of Article 16. There were, of course, general and generous tributes to the high idealism underlying the Covenant. Some representatives insisted that in discussing the League “we have to make certain concessions to unpleasant facts,” and for their part they read Article 16 as at present committing their Government to nothing more precise than an obligation to “consider, in consultation with the other members, whether, and if so how far, they were able to apply the measures provided in Article 16, and what steps, if any, they could take in common to render aid to the victim of such a breach of the Covenant. In the course of such consultation each State would be the judge of the extent to which its own position would allow it to participate in any measure that might be proposed, and in doing so it would no doubt be influenced by the extent to which other States were prepared to act.” Nonetheless, even this “interpretation” was linked (and by the same representative, in the same speech) with a firm expression of hope and trust that for the League 1938 would in years to come be seen “not as a year of retreat . . .” And we had agreement, virtually without exception, that “the text, structure, and juridical effect of the Covenant remain unaltered.” These few sentences seem in themselves enough to show that clarification of ideas was still required not simply as between one Government and another, but in respect to the different and scarcely reconcilable sentiments of the one Government.

In the Assembly or the Sixth Committee formal statements bearing on Article 16 were made for the United Kingdom, Belgium, Denmark, Finland, Luxemburg, the Netherlands, Norway, Sweden, Poland, Latvia, Hungary, Argentina, Roumania, Mexico, Estonia, Canada, New Zealand, France, Colombia, China, the Union of Soviet Socialist Republics, Ireland, Iraq, Iran, Afghanistan, Turkey, Greece, Union of South Africa, Ecuador, Albania, India, Lithuania, Bolivia, Bulgaria, Haiti, Uruguay, and Yugoslavia. The short statement for New Zealand is here cited, not of course for any special

importance that attaches to it—it did, in fact, no more than restate the oft-repeated and well-understood views of the Government—but simply because this is a New Zealand document. The New Zealand representative said—

“My only reason for speaking is to avoid any risk lest silence may be misinterpreted. We agree with those who hold that, under present circumstances, discussion on the Covenant can serve no good purpose.

“Since, however, the matter is being discussed and is the subject of formal statements on behalf of Governments, I am to say on behalf of New Zealand—

“First, that we retain our faith in the League and in the Covenant as they are and in the policy set out in the letter addressed to the Secretary-General by the Prime Minister of New Zealand on the 16th July, 1936, recorded in League of Nations official *Journal* Special Supplement No. 154.

“Secondly, that holding these views we cannot support any resolution, interpretation, or declaration the effect of which would be to weaken the principles of the Covenant;

“Thirdly, that we will willingly take our part with others in maintaining those principles;

“Finally, that we are in complete accord with the views expressed by the representatives of the United Kingdom and of other countries regarding Article 11 of the Covenant and the separation of the Covenant from the Treaties of Peace.”

The sequel to the long discussion was that M. Munters (Latvia) was given the well-nigh impossible task as Rapporteur of drafting a report that could have general assent. In this he substantially succeeded. No attempt was made to amend the wording of Article 16, nor, after a short reference to “declarations and observations,” to do more than “note the situation of fact created by them” and to suggest that the Assembly refer them to members of the League. But was any “situation of fact” so created? Even this guarded phrase might have been read, by some ambiguously perhaps, to infer that a change of substance had been made, and a change to the serious detriment of the Covenant. Hence it was not acceptable. After further friendly discussion, in which it was recalled that Article 26 really presented the proper procedure for amending the Covenant, compromise was reached on a report and resolution. These, duly approved by the Assembly (A. 74, 1938, VII), refrain from expressing any opinion either on the contents of declarations and observations respecting Article 16 or on “a *de facto* situation which, according to certain delegations, is thus created.”

Article 11 of the Covenant was discussed somewhat less than Article 16 and, in the final result, with even less consequence. The United Kingdom proposed, and New Zealand was with the great majority in supporting, a resolution that would have enabled the Council to proceed to “express an opinion, adopt a report, make recommendations” in any circumstance which threatens to disturb international peace, and to do so “with the consent of all its members *other than the parties to the dispute*.” The present position is that the clear intention of the Covenant, under which the League should be able to intervene early in an actual or threatening dispute between nations, may be frustrated by the objection of the party or parties in question. The resolution duly came to the Assembly: twenty-nine States voted for, eleven abstained, two (Poland and Hungary) voted against. The resolution was not adopted.

“*Collaboration between the League and non-member States*,” being another matter long under discussion prior to this Assembly, was the subject of a unanimously adopted resolution of the Sixth Committee and the Assembly. This resolution requested the Secretary-General to transmit to non-member States an invitation for comment or suggestions for further developing technical and non-political collaboration between them and the League. To complete the reference it may be added here that, by authority of the Council (30th September, 1938), the invitation has been sent to the United States of America, Saudi Arabia, Brazil, Costa Rica, Iceland, Germany, Guatemala, Honduras, Japan, Liechtenstein, and Nicaragua.

#### SEPARATION OF COVENANT FROM TREATIES OF PEACE.

The fourth and final aspect of the “Application of the Principles of the Covenant” discussed in 1938 concerns the Covenant in its relation to the Peace Treaties. It has long been recognized (and this without prejudice to what may now be seen as defects or merits in those treaties) that the League Covenant should be separated from the Treaty of Versailles and other treaties resulting from the Great War. This was favoured by, amongst others, the New Zealand Government (Prime Minister’s letter of 16th July, 1936, point 16) as a first step towards reconsidering the status established by unjust treaties. For others, the separation was viewed as an innocuous proceeding with no such implications of substance. Indeed, the view was pressed, and it is recorded in one of the resolutions now unanimously approved (A. 78, 1938, VII), that already “from the first, the Covenant has had an independent existence . . . .”

The Assembly, adopting the Sixth Committee’s report and draft resolutions, took all necessary steps on its part to make clear the formal separation of the Covenant from the Treaties of Peace. Its resolution and the draft amendments have been communicated (Council decision, 30th September, 1938) to the following non-member States: United States of America, Brazil, Costa Rica, Germany, Guatemala, Honduras, Japan, and Nicaragua. It rests now with States members to sign the Protocol giving effect to the amendments.

## REFUGEES.

For two reasons the question of international assistance to refugees called for special consideration by the Assembly and its Sixth Committee in 1938: first, because the two existing League organizations, the Nansen Office for Refugees and the Office of the High Commissioner for Refugees coming from Germany (and Austria, by Council resolution of 14th May, 1938), were to end on 31st December, 1938; and, secondly, because urgency was given to the problem by developments beyond immediate League control, including the recent Evian Conference, and by the ominous outlook for minorities and prospective refugees, victims of more or less peaceful frontier adjustment and racial theories. Already some six hundred thousand refugees are in some way or other dependent on the League, the object of which is, of course, to facilitate their absorption in the countries of refuge.

The Sixth Committee at once (14th September) set up a sub-committee, representative of eighteen States, which had as the basis of its work the plan proposed by the Council in May, 1938, by its Committee of Three (Bolivia, the United Kingdom, and France). New Zealand's attitude, pursuant to the helpful directions which the Government have continued to give me as their delegate, was one of warm approval of the continuance of every possible endeavour to mitigate the unhappy lot of refugees, an attitude which, it is gratifying to note, is maintained as well by all others at the League of Nations Assembly, its Committees, and the Council.

Hence there was little difficulty in completing and in the Assembly's approving the plan (for full text, see A. 54, 1938, XII) for setting up a new and unified League Office for Refugees, with headquarters in London. It is to be controlled by a High Commissioner appointed for a term of five years from 1st January, 1939; the first appointee, nominated by the United Kingdom, is Sir Herbert Emerson, G.C.I.E., K.C.S.I., C.B.E.; for the first year a League grant of 224,500 Swiss francs is fixed.

## MANDATES.

A tribute to the good working of the mandates system generally, some differences of opinion respecting the partition of Palestine (the League to date has gone no further than authorize the mandatory Power to continue the study of this solution), and a resolution expressing "the hope that the problems relating to Palestine may be solved in the near future, account being taken of all the legitimate interests at stake"—this briefly but adequately covers the Sixth Committee's and the Assembly's 1938 proceedings in regard to mandates (Document A. 53, 1938, VI).

## SITUATION IN SPAIN.

This came formally before the Sixth Committee by the Assembly's adopting a resolution proposed by the Spanish delegate referring to the Committee the section of the Secretary-General's report relating to the situation in Spain. Subsequently a more specific issue came to it in the form of a draft resolution, also submitted by the Spanish delegate, giving effect to the Spanish Government's request for a League Commission to verify "the immediate and complete withdrawal of all the non-Spanish combatants engaged in the struggle in Spain on the Government side."

The issue, as might be supposed, quickly resolved itself into one of belief in greater or less competence of the "Committee of Non-Intervention," already in existence, if not very active, in London. The Foreign Minister of Spain at the outset made it clear that, though his Government had co-operated with the Non-Intervention Committee whenever requested to do so, they could not agree simply to transmit this matter to that Committee. "Would it be reasonable or defensible," he asked, "to shunt the Spanish Government's request—admittedly so valuable a contribution to international pacification and the abatement of tension—on to a track so bristling with obstacles and difficulties as that represented by the London Committee, while the League of Nations offered a speedy and straightforward method of ensuring the complete and immediate execution of the proposal?"

The Spanish proposal was supported by Mexico without qualification; by the United Kingdom, welcoming the decision as a step towards withdrawal of foreign combatants from both sides in Spain, but subject to its being made clear that the Non-Intervention Committee's plan would not be prejudiced (on which point Senor Azcarate, for Spain, was at once reassuring); by France; by Colombia; by Sweden. It was opposed by Portugal, Albania, Poland, and Hungary, with the representative of Ireland also joining in the hope that the withdrawal of foreign combatants would be carried out under the supervision of the Non-Intervention Committee. M. Litvinoff (Union of Soviet Socialist Republics), speaking on 29th September—an occasion otherwise of some historic importance on account of that day's meeting at Munich of the heads of four Powers dealing with Czechoslovakia—supported the Spanish request. It was, he contended, a request that could be granted without the least sacrifice by League members—"it could not even bring down upon them the wrath of the present dictators of Europe, before whom some members had become accustomed to tremble." By granting the request "members of the League would be doing a service not so much to Spain as to the League itself and to the cause of peace."

In the face of this evident absence of unanimity, the Sixth Committee proposed, and the Assembly agreed, to refer the Spanish proposal to the Council for consideration in the light of the discussions in the Sixth Committee.

And finally, anticipating my report on the One Hundred and Third Session of the Council, I add that on the 30th September the Council, acceding to the request of the Spanish Government, took the necessary steps to set up a Commission to verify the withdrawal of non-Spanish combatants from its territory.

#### SEVENTH COMMITTEE.

New Zealand Delegate: Mr. W. J. JORDAN. Substitute: Miss J. R. MCKENZIE.

#### INTERNATIONAL RELIEF UNION.

The report of the International Relief Union covering its activities during the past year was a subject added to the League's agenda after the Assembly was in session and at the express instance of a delegation. In view of the fact that it was under the auspices of the League that the convention of 1927 was concluded, that the League is responsible for audit of the Union's accounts, and, further, that its annual report is submitted to the Council and the Assembly, it was thought advisable by the Seventh Committee that in future the item should be placed on the Assembly's agenda every year. M. George (Switzerland), who is a member of the Executive Committee of the International Relief Union, was appointed Rapporteur for the question, and he was responsible for a draft report and resolution which were subsequently adopted by the Assembly (Document A. 61, 1938, XII).

The International Relief Union, as you are aware, was founded on the principle of international solidarity, the basis of the Covenant. It was based on the idea that when a State is the victim of a catastrophe too great to be met by its own resources it is the duty of other States to assist it. The convention of 1927 created machinery for international mutual assistance which could be set in motion at any time. Another duty of the Union is its preventive rôle—that of finding a method of limiting the destructive effects of great natural catastrophes. It has continued its studies regarding the application of the principle of insurance to the campaign against natural disasters, and a Committee of experts are shortly to meet to examine this problem more closely.

During the past year the Union was not called upon to provide relief necessitated by natural calamities.

Several delegates affirmed the usefulness of the International Relief Union, but the delegate of China said that from his own country's experience he could not wholly agree with what had been said about its usefulness. He felt that if the work of the Union were to be really effective it must be done rapidly; it depended on three fundamental questions—

- (i) In cases of calamity, should the afflicted country ask the Union for relief, or could the Union grant relief of its own accord?
- (ii) What exactly was meant by "calamity"? Were social upheavals, especially those directly or indirectly resulting from a war, included in the cases in which the Union could act? The assistance in such a case would be non-political. That question had not yet been answered by the Union. Opinions might vary on the meaning of the word "seriousness," and if agreement were reached about the cases in which the Union should intervene there was always a danger that the assistance might not be granted speedily enough to be of use.
- (iii) Would the Union be in a position to offer useful aid to countries stricken by a cataclysm whose consequence more than exhausted the monetary resources of the country?

The Chinese delegate considered that when a stricken country could meet its own difficulties the Union was of no use whatever. He was convinced of the theoretical utility of the institution and the excellence of the principle on which the Union was founded; it was in the application of that principle that he saw room for improvement.

The Rapporteur, in replying to the Chinese delegate, said that the questions raised would be dealt with by the Executive Committee and General Council of the Union. The problem of relieving flood victims in China was a controversial one. The Executive Committee were aware of the position, and it would be on the agenda of the Committee's next meeting in November.

The following resolution was adopted by the Assembly:—

"The Assembly—

"Having taken note of the report on the work of the Executive Committee of the International Relief Union for the period from 1st January to 31st December, 1937:

"Pays tribute once more to the lofty humanitarian conception on which the International Relief Union is founded;

"Welcomes the steps taken by the Executive Committee of the Union in connection with the preventive campaign against calamities;

"Renews the hope it expressed last year, and recommends the States concerned to consider the possibility of acceding to the convention concluded at Geneva on 12th July, 1927;

"And decides that the work of the International Relief Union shall be placed on the Assembly's agenda every year."

## EUROPEAN CONFERENCE ON RURAL LIFE.

This subject was considered jointly by the Second and Seventh Committees. The Conference is to meet in Geneva in July, 1939, and much preparatory work has been completed by a Committee set up for the purpose, the programme including—

- (1) To obtain the technical advice of certain international organizations or qualified experts on certain problems of common interest to the rural populations of all European countries:
- (2) To collect documentary material giving as vivid a picture as possible of the various forms of rural life in the different parts of Europe:
- (3) To organize between the European countries an exchange of information and ideas, in order to mobilize the experience of all for the benefit of all:
- (4) To make known the methods adopted in certain countries for the definite purpose of improving the standard of rural life, and the results achieved through such methods;
- (5) To ascertain what difficulties stand in the way of similar progress in other countries:
- (6) To consider whether, and, if so, to what extent and with what assistance, the methods employed in certain countries can be adapted to the special circumstances of other countries:
- (7) By discussion and example, to encourage the Governments and the general public in European countries to take a definite and continuous interest in all attempts to improve the conditions of life of rural populations:
- (8) To lay down certain guiding principles applicable, *mutatis mutandis*, to all the rural populations of Europe:
- (9) Finally, to ascertain how the individual efforts of different countries might be supported by appropriate international action.

The report of the Preparatory Committee is Document C. 161, M. 101, 1938, II, B.

At the outset of the discussion the Director of the Economic Relations Section made a general statement. The idea for the Conference, he said, was the outcome of work undertaken by the Health Organization. After the European Conference on Rural Hygiene of 1931, the Health Committee considered that an improvement in rural health was not conceivable without a parallel improvement in conditions of life. Health factors could not be separated from economic and social factors.

Delegates of the United Kingdom, France, Spain, Latvia, Hungary, and Denmark expressed their Governments' interest in the proposed Conference, the Spanish delegate suggesting that the Conference might usefully deal with the question of "reconstitution on a new technical basis of the regions devastated by war." She stated that from 1932 onwards agrarian reform had been gradually introduced into Spain, and laid stress in particular on the value of the efforts made for the creation of co-operatives and small holdings, and for the handing over of the land to those who actually cultivate it. This reform had been intensively pursued by the Republican Government. At the present time, however, owing to the rebellion in Spain, several millions of peasants had taken refuge in the districts of Valencia and Barcelona. The authorities had made great efforts to give them an opportunity of cultivating small areas, but the work of adjustment was difficult. She further expressed the hope that the Conference might take up the question of resettlement, when peace was restored, of the rural populations on their land. In this connection, she stated that in one of the richest districts of Spain—Castellon—the orange groves had been completely destroyed, and their restoration would take some twenty years.

The Joint Committees took note of the opinions expressed during the discussion, and these the Preparatory Committee for the Conference will take into account. On the proposals of the Spanish delegation, the Committee expressed the desire that a study be made at the meetings of technicians and experts to take place on the occasion of the European Conference on Rural Life of the most appropriate methods for restoring these regions as rapidly as possible.

The Assembly later adopted the following resolution of the Second and Seventh Committees:—

“The Assembly—

“Having been informed of the progress of the work undertaken for the European Conference on Rural Life which it is proposed to convene for July, 1939:

“Notes with satisfaction that its preparation in most European countries and by the technical organizations concerned is making good progress;

“Approves the direction given by the Preparatory Committee to the preliminary work and the basis of the aims of the Conference;

“Trusts that the Conference will be successful, and hopes that it may take place in international conditions calculated to guarantee the best results.”

(Document A. 56, 1938.)

## WORK OF THE HEALTH ORGANIZATION.

The Chairman of the Health Committee, who was also the delegate of France on the Seventh Committee, gave a general account of the spirit in which the work of the Organization was conceived and carried out, the action and methods of the Organization, and the forms of collaboration of the various countries. Its work was twofold. On the one hand, the permanent work, such as the Epidemiological Information Service, the Committee on Biological Standardization, and the Malaria Committee, as well as work in connection with international conventions such as the Opium Conventions. On the other hand, the Organization conducted inquiries into current questions such as nutrition, housing, rural hygiene and rural life, and physical training. To this was also added the present campaign against epidemics in China. Close relations on questions of health and social policy existed with the International Labour Office, the International Institute of Agriculture, and the Economic and Financial Organizations of the League. He felt that there was need for a wider dissemination of the results achieved by this Organization, and suggested that a bulletin covering its activities should be published.

The United Kingdom delegate supported the proposal for the creation of a technical information bulletin on the work of the Health Organization, as did also the delegates of India, Egypt, and China. The delegate of India suggested that States members should reissue the publication in their countries.

The Indian delegate outlined the progress that had been made in his country, and said that the 1937 Conference on Rural Hygiene in Java had been an event of first-class importance for Eastern countries. India had already taken steps to put into force the recommendations made by that Conference, and he described the work done by the authorities in the sphere of public health on the basis of the five main divisions of the Conference's report—health and medical services; teaching of medicine; rural reconstruction, and collaboration of the various organs concerned; sanitation and sanitary engineering; and measures for combating malaria, plague, tuberculosis, and leprosy.

The Egyptian delegate mentioned the creation of travelling health units in his country, whose essential tasks were to educate the general population, and especially children of school age, and to provide first aid. These units were preparing the way for local health services. Much had also been done in Egypt in combating malaria, and he submitted the following proposals:—

- (1) That typhus be placed on the agenda of the European Conference on Rural Life;
- (2) That the Health Committee should give further consideration to the resolution passed at the Bandoeng Conference concerning mass vaccination as a means of combating plague. Experience in Egypt had shown the futility of such action, and his country would like to be informed of the results achieved from the application of these recommendations;
- (3) That the High School for International Health Studies offered by the French Government would soon be opened.

The Chinese delegate was warm in his praise of the work undertaken in China by the Health Organization. A year ago the League of Nations sent three anti-epidemic missions, and he paid tribute to the efforts and devotion of the staff of these missions. The Health Section had also rendered a great service to the Chinese Government when the latter had asked for six million doses of anti-cholera vaccine to be sent, and within a month of their request the Health Organization had collected eight million doses. He asked that the anti-epidemic missions should continue their work for another year.

The Seventh Committee took note of the work accomplished by the Health Organization in the control of disease, the development of health, studies on housing and nutrition, &c., and submitted the following resolution, which was duly adopted by the Assembly (Document A. 58, 1938, III):—

“The Assembly—

“(1) Noting with satisfaction that the activities of the Health Organization are being carefully planned in order to assist national health administrations in their efforts to control disease and to improve the standard of health:

“Places on record its appreciation of the continuous and far-reaching activities of the Health Committee; and

“Approves the work accomplished since September, 1937.

“(2) Approves the conclusions contained in the report of the Seventh Committee, particularly as to the desirability of publishing a periodical giving the essential facts of the Health Organizations's activities;

“And refers the suggestions of a technical character contained in the Rapporteur's report to the Health Committee.”

## TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS.

The Seventh Committee had before it many documents dealing with this important and complex problem—*i.e.*, the report to the Council on the work of the Twenty-third Session of the Advisory Committee on Traffic in Opium and other Dangerous Drugs, the report to the Council concerning the preparatory work for a Conference to consider the possibility of limiting and controlling the cultivation of the opium-poppy and the production of raw opium, and controlling other raw materials for the manufacture of opium alkaloids; a statement of the estimated world requirements of dangerous drugs in 1938; and the Report to the Council by the Permanent Central Opium Board on statistics relating to the year 1936 and the work of the Board during 1937. These documents were before the Council at its One Hundred and Second Session and are dealt with in my report on that body.

During the discussion in the Seventh Committee the Chinese delegate again drew attention to the serious situation in the Far East. This was one of the main questions dealt with by the Advisory Committee at its session in June last, and the problem was recognized as a menace to the whole world. Whenever one point of the globe became a centre for illicit traffic, all countries were in danger of being invaded by the drugs, and so long as the position in the Far East showed no improvement no appreciable improvement was possible in other countries. He claimed that Japanese military Forces had taken advantage of their advance through Chinese territory to spread drug-addiction among the people of the occupied areas, with the object of weakening Chinese resistance and of yielding revenue to cover part of the costs of the invasion, and also to procure a livelihood for Japanese and Korean undesirables whom the Japanese authorities wished to keep out of Japan. He drew the attention of members to the remarks made by the United States delegate to the Advisory Committee—Document C. 249, M. 147, 1938, XI—in which he described the revolting state of affairs in China, and asserted the responsibility of the Japanese authorities for the systematic poisoning of the Chinese people. The political aspect of the problem must not be lost sight of, and he appealed to the Seventh Committee to give the matter the attention it deserved.

The delegates of the United Kingdom and Canada also endorsed the view that the situation in the Far East had grown worse, and they expressed the hope that all necessary steps would be taken to get an improvement in the position. The Canadian delegate said that the position was causing serious concern to Canada and the United States, and he submitted for the Committee's consideration a draft resolution which included the sending of an urgent appeal to the Japanese Government.

As a result of the discussion in the Seventh Committee the following resolution on the situation in the Far East was submitted to and adopted by the Assembly:—

“The Assembly—

“Having taken note of the communication from the Seventh Committee relating to the illicit traffic in dangerous drugs in the Far East, particularly in those areas of China under the control of the Japanese Forces, and noting that there has been no improvement in the situation during the past year, but rather that it has become worse:

“Associates itself with the action taken by the Council in pursuance of the resolutions adopted on this subject by the Advisory Committee at its Twenty-second and Twenty-third Sessions and with the appeals made therein to the Governments concerned.”

PREPARATORY WORK FOR A CONFERENCE TO EXAMINE THE POSSIBILITY OF LIMITING AND CONTROLLING THE CULTIVATION OF THE POPPY AND THE PRODUCTION OF RAW OPIUM.

Several delegates took part in a general discussion of this question in the Seventh Committee, which had before it the report and recommendations of the Advisory Committee. The latter body, through a Preparatory Committee, had examined the material at its disposal with a view to framing a convention on the limitation of cultivation of the opium-poppy. The objects of the proposed convention are (i) to suppress the abuse of narcotic drugs, and (ii) to supplement the Hague Convention of 1912, the Geneva Convention of 1925, and the Narcotics Limitation Convention of 1931. This plan is to be submitted to Governments for consideration.

From information available it was evident that there is urgent need for international control of production. There is a wide difference in the amount of raw opium required each year for the world's medical needs and the amount actually produced—300 tons, as against 2,300 tons, excluding Afghanistan, China, and Manchukuo. Measures have already been taken in some of the principal opium-growing countries to reduce their production, and State monopolies have been established with a view to introducing more strict control of production and of the disposal of the opium crop. Steps are being taken to replace opium by other crops in some countries.

As for consuming countries—countries which require opium for medical purposes—it was felt that the position was fairly simple. Under the scheme proposed by the Advisory Committee they would be asked to furnish estimates of their requirements in advance, which would be subject to examination by a supervisory body. The scheme



contemplated that they should guarantee to purchase up to the full amount of their estimates and accept restrictions as to the source of supply of the opium they required. Further, it was considered inevitable that some method of regulating the price of opium would have to be considered so as to ensure a fair return to producers.

The position from the point of view of producing countries is more difficult. There has been immense overproduction in the past and large stocks have accumulated. The problem to be solved is how the total of the world's requirements of opium could be shared equitably between the producing countries, and it was suggested that representatives of the principal producing-exporting countries meet in conference and endeavour to come to an agreement.

The delegate of Iran mentioned the differences of opinion which had come to light as a result of the discussions in the Advisory Committee, and he felt that the results achieved were not as satisfactory as they might have been in the campaign against narcotics. He suggested that an attempt be made to replace cultivation of the opium-poppy by other crops which could prosper in the Asiatic climate. The opium trade in his country had a strictly legal and regular character; there was no drug-factory in the country. Iran was prepared to co-operate with other States with a view to a limitation by common agreement.

The Chinese delegate said that his Government considered that the purpose of the future convention should be to supplement the Hague Convention, under which the signatory countries had undertaken gradually to suppress the use of prepared opium, and achieve the total abolition of opium for smoking and of the use of opium for non-medical purposes. Speaking of the proposed meeting of producing-exporting countries, he considered that such a Conference might be useful, but, from the League's point of view, this meeting should not be transformed into a cartel of producers for fixing the price of opium. Production in China had been greatly reduced, and it was expected that in 1940 or 1941 at the latest it would have been abolished at least in the territories under Chinese control.

The Seventh Committee expressed its satisfaction at the progress achieved in the preparatory work, and hoped that the Governments would lose no time in submitting their observations on the main principles put forward by the Opium Advisory Committee as a basis for a draft convention.

#### OPIUM CONVENTIONS.

The total number of sovereign States parties to the Hague Opium Convention of 1912 remains at sixty and the number of States parties to the Geneva Convention of 1925 at fifty-four. The number of States parties to the Limitation Convention of 1931 has increased from sixty-one to sixty-four as a result of its ratification by Latvia, Albania, and the Union of South Africa.

Only six Governments have as yet ratified the convention of 1936 for the repression of the illicit traffic in dangerous drugs, but it is expected from information available that ratification by seven other countries will be made at an early date.

The Seventh Committee expressed its satisfaction at the results achieved by the League of Nations in dealing with the problems of dangerous drugs by means of International Opium Conventions. During the last fifteen years much progress has been made, although it was generally agreed that there is still great room for improvement.

It was shown from the documents before the Committee the extent to which Governments are co-operating with the League. Most countries have now brought their national laws into conformity with the Opium Conventions and made the necessary adjustments in their administration; and the delegate of Iran described the new legislation which had just been brought into force in his country.

The report of the Seventh Committee was duly adopted by the Assembly, together with its conclusions and resolution (Document A. 66, 1938, XI).

#### INTELLECTUAL CO-OPERATION.

No particular comment is occasioned by the yearly report on the work of the Institute of Intellectual Co-operation or by the proceedings of the International Committee on Intellectual Co-operation, adequately covered by Document C. 253, M. 150, 1938, XII.

The closing of the International Educational Cinematographic Institute at Rome (an incident of Italy's withdrawal from the League) made it necessary to make other arrangements for executing the Convention for Facilitating the International Circulation of Films of an Educational Character. In particular, the certifying of such films for Customs duty purposes required attention. At the instance of the United Kingdom delegation this responsibility was transferred to the Institute of Intellectual Co-operation.

Ways and means of making better known the work of the League were discussed. Already some preliminary attention had been given to the possible use of the cinematographic film in this connection, and the Assembly in 1937 authorized a competition with a prize for the best scenario. Twenty-four authors responded, with twenty-six scenarios which were duly examined by an expert jury. The report, before us in 1938, appreciated the promise in the entries and confirmed that the film is a medium that should be used; but it also admitted the "failure of the competitive system" to achieve

here the desired result. The Seventh Committee recommended, and the Assembly approved, a small credit (7,500 Swiss francs) to enable the jury to be reconvened so that with its aid the Secretariat could prepare a programme "for the wider dissemination through the medium of the cinema of information about the League and its work." The intention is that the material elicited by this year's competition should thus be used to best advantage.

The possible extension of the League's broadcast services—at present extra-European countries are catered for more than Europe—is envisaged in a resolution drafted by the Seventh Committee and adopted by the Assembly reading:—

"The Assembly—

"Noting the suggestion that the League of Nations broadcast services, which are at present confined to oversea countries, might be extended to European countries as well:

"Requests the Secretary-General to consider under what conditions the short-wave Radio-Nations station might be supplemented by a long- and medium-wave station, and to ask for the expert opinion of the Communications and Transit Committee on the point;

"And asks the Secretary-General to submit a report on the whole of this matter in time for consideration at its 1939 session."

Finally, of some interest to New Zealand (and the reference to collaborators is, I am sure, amply warranted by recalling the calibre of those New-Zealanders who in my experience of three Assemblies have acted in that capacity—Dr. R. D. D. Milligan, Mr. John Mulgan, the Reverend A. H. Acheson, Professor F. L. W. Wood, and Mr. A. Martyn Finlay) is the following paragraph also drafted by the Seventh Committee and duly adopted by the Assembly:—

"The Committee also agreed that the Secretary-General be asked to submit to the next Assembly a report, including budgetary aspects, on the suggestion that League documents be distributed on a more liberal basis, and gratis, to responsible bodies (such as educational institutions and League of Nations unions) and to responsible persons (including persons who have been associated with League proceedings as technical collaborators or otherwise) by whom the League's work might be made better known."

It will, I think, be agreed that knowledge of the League's work can best be extended not by anything in the nature of propaganda, but by making the facts known; and to this end the services of competent persons and organizations in their respective countries, duly supplied with factual material, can be of the greatest value. This short reference to the Seventh Committee's proceedings in 1938 may perhaps pave the way for organizations such as the League of Nations Union, and other organizations and persons indicated, to consider how they might further assist in putting selected League documents to good use in New Zealand.

I hope, too, that at some future date it will be possible to arrange for exhibiting in New Zealand an admirable film recently completed to cover some phases of the League's health work. This was shown in Geneva in 1938: a good record of a non-spectacular but worthwhile side of the League's activities and, at the same time, notable as one example of improved technique in film production (Documents A. 57, 1938; A. 65, 1938, XII; and A. 67, 1938).

#### NUTRITION AND HOUSING.

The Second and Seventh Committees jointly considered these subjects and on lines that are sufficiently indicated by quoting the two resolutions which, on the Committee's recommendation, were adopted by the Assembly. These read:—

"I. The Assembly—

"(1) Notes with satisfaction the continued growth of public interest in the important problem of nutrition;

"(2) Expresses its approval of the development of the programme of work of the Health Organization in this field and, in particular, of the further extension of this work to cover the nutritional problems of extra European temperate and non-temperate zones;

"(3) Notes with satisfaction that the representatives of nineteen National Nutrition Committees have been invited to attend a meeting in October, 1938, for an exchange of views on matters of common interest, and trusts that Governments which have not already done so will give consideration to the setting-up of such Committees;

"(4) Authorizes the Council, in arranging for the annual meetings of representatives of National Nutrition Committees contemplated in the Assembly resolution of 2nd October, 1937, to confine such meetings, in cases where it appears appropriate to do so, to groups of countries whose nutrition problem is broadly similar in character, and empowers it, should occasion arise, to invite representatives of countries in which there exist public bodies which, while not national Nutrition Committees, perform similar functions.

“II. The Assembly—

“(1) Notes with approval the development of the work of the Health Organization in urban and rural housing;

“(2) Expresses the hope that, in the preparation of the special report on housing undertaken by the Economic and Financial Organization in virtue of the instructions given by its resolution of 2nd October, 1937, it will be possible to devote special attention to the financial aspects of town-planning;

“(3) Requests the Financial Committee to consider this report when it is completed, with a view to determining whether it would be useful to Governments if the study were extended to cover other aspects of housing policy;

“(4) Requests Governments to afford the Financial Organization of the League every assistance in connection with the study of this problem.”

(Document A. 59, 1938, III.)

When the Assembly met on the 29th September the international situation appeared to be very grave indeed. Although efforts towards the preservation of peace were not being relaxed, many in a position to judge felt that before the end of the week many European Powers might well be at war. Some members of the Assembly had already submitted a draft resolution showing the concern of the League, and this had been considered by the General Committee of the Assembly. At the beginning of the Assembly meeting the President proposed, in a few words, the adoption of the draft. There were no other speeches, and the resolution was passed unanimously. It read as follows:—

“Representatives of forty-nine States meeting as delegates to the Assembly of the League of Nations have watched with deep and growing anxiety the development of the present grave situation in Europe.

“The Assembly is convinced that the existing differences are capable of being solved by peaceful means. It knows that recourse to war, whatever be its outcome, is no guarantee of a just settlement, and that it must inevitably bring untold suffering to millions of individuals and imperil the whole structure of civilization in Europe.

“The Assembly therefore, voicing the prayer of the peoples of all countries, expresses the earnest hope that no Government will attempt to impose a settlement by force.

“The Assembly welcomes with great satisfaction the action taken by the President of the United States and fully associates itself with the spirit which inspired it.”

The Assembly was adjourned on Friday, 30th September, 1938.

I have the honour to be,

Sir,

Your obedient servant,

W. J. JORDAN,

High Commissioner.

The Right Honourable the Prime Minister of New Zealand,  
Wellington, New Zealand.

*Approximate Cost of Paper.*—Preparation not given; printing (469 copies), £35.

By Authority: E. V. PAUL, Government Printer, Wellington.—1939.

