

LEAGUE OF NATIONS

Communicated to
the Council.

C.534 1933.II.

Geneva, September 25th, 1933.

MONETARY AND ECONOMIC CONFERENCE.

REPORT TO THE COUNCIL BY HIS EXCELLENCY, M. PAUL HYMANS,
VICE-PRESIDENT OF THE MONETARY AND ECONOMIC CONFERENCE.

1. The President of the Monetary and Economic Conference, the Right Honourable J. Ramsay MacDonald, has asked me, as Vice-President of the said Conference, to submit to the Council the various reports which the Conference adopted before adjourning in London on July 27th last. These reports are contained in Document C.435.M.220.1933.II.

Through their delegations or through the daily comments of the world press, the Governments and the public of all countries have been accurately informed as to the work done in London.

The document which I have the honour to submit to the Council gives a further faithful and complete picture of the work done.

I shall accordingly confine myself to submitting certain observations of a general character, leaving it (in accordance with the usual procedure) to the German representative, in his capacity as ordinary Rapporteur to the Council on economic questions, to submit to the latter the considerations and proposals called for in order to give effect to the work of the Conference, particularly in connection with questions where collaboration on the part of certain technical organs of the League of Nations is involved.

* * *

2. You are aware that the Conference met on the basis of a Draft Annotated Agenda drawn up by the Preparatory Commission of Experts. It was opened on June 12th by His Majesty King George V,

with the Right Honourable J. Ramsay MacDonald in the President's chair, to which he had been appointed by the Council.

The President was further assisted by the Bureau of the Conference, which remains in charge of the action to be taken to give effect to the work of the Conference.

3. At the moment when the Conference opened, fourteen States had acceded, subject to different reservations, to the tariff truce which the Government of the United States of America had proposed for the duration of the Conference. Forty-seven States acceded subsequently, making a total of sixty-one States, representing some ninety per cent. of the world's commerce. I must, however, add that four States have since then denounced this agreement.

4. At the same time negotiations took place outside the Conference between the wheat importing countries and the wheat exporting countries. You are aware that, as a result of these conversations and at the request of the countries concerned, an International Wheat Conference has just met in London from August 21st to 25th and has reached an agreement, as to the scope of which certain observations will be made by the ordinary Rapporteur on economic questions.

5. I need not remind the Members of the Council of the conditions under which the Conference adjourned its labours. I cannot do better than quote the following passage from the Bureau's report :-

"A temporary understanding during the present period of uncertainty regarding exchange ratios was found to be an essential condition for the continuance of the discussion of the full programme of the Conference by all the delegations. In the absence of such an understanding at the moment, it was recognised as desirable to reconsider the programme of work with a view to selecting those questions on which discussions might most usefully proceed, and to deferring for the time being those which could not be solved until a greater degree of monetary stability had been secured."

As regards the subjects, the consideration of which has been adjourned, the reports of the competent Commissions and Sub-Commissions provide a useful foundation against the time when the discussions can be resumed.

It will be observed that, in spite of the limits imposed by the circumstances, both in connection with monetary and financial problems and in connection with problems of commercial policy, the discussions have gone a long way towards clearing the ground by affording an opportunity for a thorough exchange of views, the value of which will be apparent as soon as an adjustment of the different ideas prevailing in regard to certain matters can be effected.

In the case of certain problems, a thorough consideration of which has been possible, we have before us a series of suggestions or concrete proposals which will admit of the work being continued profitably.

6. The Conference authorised its Bureau to take any measures likely to promote the success of its work. The Bureau, in its turn, instructed an Executive Committee to take such measures, in the light of the development of the monetary and financial situation.

The President of the Economic Commission is authorised to decide upon the necessary steps for the application of proposals of an economic character, on which it is suggested that work should continue in the interval, a list of such proposals being attached in the form of an appendix to the Bureau's resolution. Several of these proposals make explicit provision for the collaboration of **certain technical organs of the League.**

As these are in great part questions which have already frequently been dealt with, in particular by the Economic Committee of the League of Nations, the task of making definite proposals on the subject will doubtless be entrusted to the usual Rapporteur on economic questions.