Expéditeur:  Capt. Walters
Date: Dec. 10

Sujet: Weekly Meeting of Secretary-General and Directors Minutes of 14th Meeting Dec. 10th

Subjects discussed:
1) Probable date of coming into force of the Treaty
2) The Adriatic Question
3) Economic Council at Rome
4) Economic questions relative to Austria, German customs duties

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Tout commentaire sera inscrit sur la feuille blanche à l'intérieur.
1. The Secretary-General said, as regards the coming into force of the Peace Treaty, that he had nothing to report beyond what was probably already known, viz. that owing to modifications made in the protocol presented to the German Government for signature, the Germans seemed to be likely to sign by the end of the week. M. Monnet, however, thought it would not be quite so soon.

As regards the First Meeting of the Council, the present proposal was that the President should be left a certain amount of latitude. It would be necessary to avoid holding it exactly at Christmas time, and therefore if the Germans signed this week, and the Treaty came into force immediately, it might be desirable to hold it on about the 20th December. If it came into force later, the First Meeting would have to be put off till later.

2. There was no change in the situation in America. No one seemed to know what was the exact meaning of the President’s refusal to refer the Treaty back to the Senate. It might mean that he intended to fight for the Treaty as it stood; or it might be that compromise negotiations were now going on between the Senate Leaders. Government circles both in London and in Paris were in favour of the acceptance if necessary of the Lodge reservations practically as they stood with omission of the preamble. This on account of the economic and financial situation, to which any solution without the help of the United States would be hardly practicable.

3. In the discussion of the Adriatic question, there is now a more favourable prospect of a settlement. There arose in this connexion /
connexion a question of whether the League could be considered as a personality or should be looked on as consisting — like a club — of its individual members and as unable, therefore, to exercise sovereignty. He personally, as also Dr. Van Hamel, hold the latter view.

If the League gave protection, that protection was given by its various members, and the League as such could not exercise sovereignty.

4. In reply to a question as to the meaning of Mr. Bonar Law's statement in the House of Commons reported in that morning's paper, viz. that the question which, if any, of the principal provisions of the Peace Treaty would be affected in the event of America not being a party to the League of Nations, could only be answered after careful investigation by legal experts, the Secretary-General said that, in his opinion, Mr. Bonar Law was referring to matters such as the constitution of commissions set up by the Treaty, and that his answer did not mean that the British Government was considering the question of abandoning the League.

5. Mr. Salter said he had attended the meetings of the Economic Council at Rome. One thing became clear, namely that that Council now had very little power for the reason that it had no money at its disposal. It was discussed whether it should continue or come to an end, and it was decided that it should continue till January so that there should be no break between it and any body the League might set up to take its place. It could not, however, do anything that important, and it was the unanimous view if and when the League did set up a successor, the Economic Council should drop out entirely, except for one of its subsidiary bodies, namely the Consultative Food Committee. This is an executive body through which Allied purchases of food are made, and most of those present agreed that this work ought to continue to be done entirely outside the League by a purely Allied body.

Of the special matters discussed, the most urgent, apart from that of the Italian coal situation, was the plight of Austria. The
The Economic Council reported that they could do nothing as long as they had no funds at their disposal. The Supreme Council regarded the Reparations Commission as responsible but the latter seemed to be vague as to its responsibility. The matter was now being discussed in Paris, and Dr. Renner was going there personally. While he (Mr. Salter) was in Paris, the Austrian Economic Delegate came to see him to find out whether the League could do anything to help them. He asked what Austria regarded as necessary to help towards a lasting solution of her extraordinarily difficult economic position, but to this the Delegate was frankly unable to reply. Her present need, of course was for food and raw materials. Her situation is appalling. Even on the rations which have been kept up this year over 60% of the children are suffering from diseases due to starvation. Those rations are now reduced, and there is every prospect of their being reduced still further.

After the meeting of the Economic Council, he had spent four or five days going thoroughly into the situation and organisation of the Institute of Agriculture. He was preparing a full report which he would circulate when complete.

6. He then visited Paris in order to try and find out how far there was in existence machinery for executing the economic parts of the Peace Treaties. For it was to be feared that odd jobs for which no one was responsible would devolve upon the League. Many problems were already arising out of the said economic provisions, as, for example, the question whether German customs duties, which by the Treaty are not to exceed those existing in 1914, could be levied at the pre-war value of the mark, or the present value. This was a most difficult question. He had been disturbed to find that there was no machinery to deal with such matters or to give advice to the Ambassadors' Conference which would certainly require it.

7. In a visit to the occupied territories of Germany, he had found both British and Americans were very anxious about one question, which they regarded as being of great importance for the future peace of Europe. This was the question of the introduction of black /
of black troops into a part of the occupied territory for which it was understood that arrangements are already being made.

8. The work prepared in the Economic and Finance Sections on questions of currency ought, he thought, to be published, and this should be done in two languages—i.e. by a French firm, and by some such firm as Macmillan’s, which was established both in Great Britain and in the United States. He would like to be able to get on with the printing etc. so that the work might be ready in January, and thought that, as it was purely objective in nature, there was little risk of the Council turning it down. The Secretary-General thought that authority for publication could be got at the First Meeting of the Council, and that it would be fairly safe to get the work into proof-form.

9. M. Comert had one point to mention with regard to the Brussels Conference. It was there decided that there should be a Union of League of Nations Associations with headquarters and a secretariat. He would like to find a national of a neutral country to be the guiding spirit of the Secretariat of this Union. Mr. Colban asked whether this work could not be combined with Dr. Lange’s position as Secretary of the Inter-Parliamentary Union which had its seat in Brussels. The Secretary-General thought that it would be very useful to combine the two, and Sir Herbert Amos expressed agreement with this, as Dr. Lange was a first-rate man and his Union worked on lines very similar to those proposed for the new organisation. Also he was personally very much in sympathy with the League.

10. M. Comert referred to M. Clemenceau’s visit to London and thought that it was untrue that he was coming here to discuss the League of Nations or the situation with regard to Germany. He would be discussing chiefly economic questions. The Secretary-General thought the same, but the question of the League might come in indirectly.