

Geneva, June 25th, 1937.

LEAGUE OF NATIONS

Committee for the Study of the Problem of Raw Materials

SECOND SESSION

SECOND INTERIM REPORT

I.

The Committee met for the second time on June 16th, and remained in session until June 25th, 1937. Its original membership has undergone certain changes.¹

During the greater part of its proceeding the Committee divided into two Sub-Committees, in accordance with the programme set out in the Preliminary Report of March 1937.² The First Sub-Committee was charged with the study of restrictions on the production and export of raw materials and the second charged with the study of difficulties of payment.

The two Sub-Committees were presided over by M. VAN GELDEREN and M. Max-Léo GÉRARD respectively. M. van Gelderen was elected a Vice-Chairman of the Committee.

II.

In response to a letter-questionnaire addressed to them individually, the members of the Committee transmitted to the Secretariat memoranda dealing with the chief elements of the problem which together provide a comprehensive survey of the present position.

Furthermore, in accordance with instructions received last March, the Secretariat had assembled the essential statistical data required to serve as a concrete and precise basis for the studies of the Committee. But, in the short time available, it was not found possible to complete the documentation and the Committee therefore had to postpone the full analysis of the statistics.

The First Sub-Committee has agreed upon a provisional draft report setting out its conclusions on the questions referred to it in regard to export restrictions, export duties, the exploitation of natural resources, international regulations schemes and monopolies.

The Second Sub-Committee agreed upon a provisional draft report analysing the difficulties of payment, whether they arise from internal policies of the importing countries or from restrictions on trade of all kinds, including exchange controls, clearings, high tariffs and preferences.

¹ In the interval between the two sessions, the Council appointed a new member, M. ANTOKOLETZ (Argentine). On the other hand, Sir Henry STRAKOSCH, member of the Financial Committee, has intimated that he does not wish to continue to serve as a member of the Raw Materials Committee.

In accordance with the decision taken at the first session, the Committee has been assisted by four experts from countries in whose case the obtaining of supplies of raw materials is hampered by transfer and payment difficulties: M. N. V. BADULESCO, Assistant Professor in the Faculty of Law at Bucharest, Under-Secretary at the Ministry for Foreign Affairs, Member of the Economic Committee of the League of Nations; His Excellency M. Nicolas MOMTCHIOFF, Bulgarian Minister, Permanent Delegate for Bulgaria at the League of Nations; His Excellency M. E. DE WINCKLER, former Minister, Budapest; M. BRAMSNAES, Director of the National Bank of Denmark; former Minister of Finance.

There were present at the meeting, in addition to the above-mentioned experts: M. Max-Léo GÉRARD (*Vice-Chairman*), M. D. ANTOKOLETZ, M. AUGÉ-LARIBÉ (substitute for M. Rist), M. FERNANDES, M. J. VAN GELDEREN, Mr. H. F. GRADY, M. I. HÖGBOM, Sir F. W. LEITH-ROSS, M. F. MAURETTE, M. J. C. MUNIZ, M. V. POSPIŠIL, Mr. N. A. ROBERTSON, M. G. ROBLES, M. A. ROSE and M. Y. SHUDO.

M. STUCKI (*Chairman*) and M. ROSENBLUM were unable to attend.

² See document C.182.M.128.1937.II.B.

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The two Sub-Committees had an exchange of views on possible recommendations and considered that the suggestions made required fuller study before a final report could be arrived at. It is hoped that this report may be submitted in time for discussion at the 1937 Assembly; the Committee therefore thought that a further meeting should take place on September 1st, 1937.

In the meantime, the Committee requested its Bureau, consisting of the Chairman of the Committee and the Chairmen of the two Sub-Committees:

(a) To revise and co-ordinate the provisional drafts, in consultation with the members specially interested, taking account of developments which may occur in the interval, so that a draft report may be submitted as a coherent whole at the next meeting of the Committee.

(b) To request certain of its members, if necessary in consultation with other technical experts, to examine before the next meeting, certain of the financial and economic suggestions put forward at the present meeting, with a view, more particularly, to advising how far and in what form such suggestions might prove practicable.

(c) To draw up, in particular on the basis of the statistical information supplied by the Secretariat, a brief and readily comprehensive survey of the facts of the situation in regard to the distribution and production of raw materials and in regard to the trade in raw materials, including a review of current developments in these various fields. The Committee invited the assistance of Professor Högbom in connection with this work.

(d) To give the Secretariat instructions regarding the compilation of an annex to the report, summarising the data supplied to the Committee by its members.
