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LEAGUE OF NATIONS

INTERNATIONAL COMMITTEE
ON INTELLECTUAL CO-OPERATION

GOVERNING BODY OF THE INTERNATIONAL INSTITUTE OF
INTELLECTUAL CO-OPERATION

REPORT ON THE WORK OF THE INTERNATIONAL
INSTITUTE OF INTELLECTUAL CO-OPERATION

Submitted by Dr. Krüss, on behalf of the Governing Body of the International Institute of
Intellectual Co-operation, to the Council of the League of Nations and to the
Government of the French Republic, and communicated to all the Members
of the League of Nations.

(Article 14 of the Organic Statute of the International Institute of Intellectual Co-operation.)

The Governing Body of the International Institute of Intellectual Co-operation held its seventh session at Geneva on July 25th and 29th, 1930, under the chairmanship of M. PAINLEVÉ.

The following were present: Mme. CURIE-SKŁODOWSKA, Mlle. BONNEVIE, Sir Jagadis BOSE, M. CASARES, M. DE CASTRO, M. CORNEJO, M. DESTRÉE, M. EINSTEIN, Mr. Vernon KELLOGG (replacing Mr. MILLIKAN), Mr. Gilbert MURRAY, M. DE REYNOLD, M. ROCCO, M. SUSTA, M. TANAKADATE, M. TITULESCO; as Rapporteur of the Committee of Directors, M. KRÜSS.

For the League of Nations Secretariat: M. DUFOUR-FERONCE, M. OPRESCU, M. VIVALDI.

For the International Institute of Intellectual Co-operation: M. LUCHAIRE, M. ZIMMERN.

The Governing Body dealt first with the question of the resignation of M. Luchaire, the Director of the Institute, which occurred during the proceedings relating to the reorganisation of intellectual co-operation. In accepting M. Luchaire's resignation, the Governing Body passed the following resolution:

“The Committee, having urged M. Julien Luchaire to withdraw his resignation, regretfully accepts his final decision to relinquish his appointment as Director of the Institute. It desires to thank him publicly for the valuable services he has rendered during the last eight years, first as an Expert, and then as Director of the Institute. Under the authority and on the initiative of the International Committee on Intellectual Co-operation, it was M. Julien Luchaire who founded the Institute, and ever since he entered upon his duties as Director in October 1925, his energy, devotion, loyalty and international spirit have never for a moment flagged. The International Committee on Intellectual Co-operation assures him of its high esteem and begs him to continue to lend it his assistance, which it regards as of the greatest value.

“Accordingly the Members of the International Committee on Intellectual Co-operation, sitting as the Governing Body, have adopted the following resolution:

“ ‘ M. Julien Luchaire is appointed *Director Emeritus* of the International Institute of Intellectual Co-operation as from January 1st, 1931. He is requested to continue to discharge the duties of active Director until that date.

“ ‘ From that date, M. Julien Luchaire will be one of the experts engaged in the enquiry into the present state of intellectual life. In that capacity, he will receive, for the year 1931, emoluments equal to his present salary.

“ ‘ M. Julien Luchaire is appointed a Member of the Permanent Committee for Arts and Letters.’ ”

The Governing Body next considered the question of the new Director of the Institute and selected for this office M. Henri Bonnet, whose appointment, dating from January 1st, 1931, will be for a period of seven years.

The Governing Body then took note of the report of the Committee of Directors. The latter has held four meetings since July 1929, one at Geneva and three at the Paris Institute. In view of the work of the Committee of Enquiry appointed by the League of Nations, the Committee of Directors has confined itself during the past year to the settlement of current business of the Institute.

As regards the question of creating a legal basis for the settlement of disputes between the ex-territorial Institute and its officials, the Committee of Directors proposes to insert a new Article XXIII in the Staff Regulations, to be worded as follows:

“ *Article XXIII.* — Any dispute regarding the interpretation and application of the provisions of these Regulations and in the contract conditions shall be settled by arbitration, to the exclusion of any other judicial procedure. The arbitral award shall be final and without appeal to any other jurisdiction. It shall refer also to the cost of the arbitration proceedings, which shall be determined by the award in accordance with a proportion fixed thereby.

“ The arbitration shall not be bound by any particular legislation or code, by any special rule regarding preliminary investigation or procedure; it shall be guided by equity and good faith. With the exception of the case provided for in the following paragraph, it shall be exercised by a single arbitrator, selected by common agreement between the Director of the International Institute and the official concerned.

“ If, within fifteen days from the date on which one of the parties has received the request for arbitration sent by registered letter, an agreement has not been reached regarding the appointment of a common arbitrator, each party shall nominate one arbitrator. The two arbitrators thus nominated shall select a third arbitrator, who will preside over the discussions of the Arbitration Court thus constituted. The Court will decide by a majority of votes.

“ If, within eight days from their first meeting, the two arbitrators have not been able to agree on the nomination of the umpire, the latter shall be appointed by the President of the Permanent Court of International Justice at the request of the more diligent party.”

When approving the report of the Committee of Directors, the Governing Body at the same time approved the foregoing article to be inserted in the Staff Regulations.

From the League Deputy Auditor's report on the financial management of the Institute during the previous financial year, it appears that the regular income of the Institute, which was estimated in the budget estimates for 1929 at 2,896,000 francs, actually amounted to 3,306,000 francs. This increase is explained largely by the fact that six new countries—Belgium, Brazil, Egypt, Roumania, Venezuela, Yugoslavia—have made annual grants to the Institute, amounting in all to 275,000 francs. Further, the 1929 budget includes under income the sum of 217,000 francs, consisting of a series of grants for specific purposes from various interested sources. To this must be added 279,000 francs, representing the surplus for 1928, so that the total income for 1929 was 3,802,000 francs.

The Institute's expenditure under the budget estimate for 1929 was 2,896,000 francs. The actual expenditure was 3,538,000 francs, leaving a surplus of 264,000 francs. Of this surplus, however, 178,000 francs come under the special account for specific work. The real surplus from the regular 1929 budget thus amounts to only 86,000 francs, as compared with the surplus of 279,000 francs from the 1928 budget. The working of the Institute in its present form thus involved a higher expenditure than is balanced by its regular income.

The Auditor's report, which states that the Institute's accountancy requires no comment, was approved and the obligations of the Governing Body and of the Director of the Institute were declared to be discharged.

From the report of the Director of the Institute, it appears that, during the year 1930, the Institute was obliged to economise very considerably, mainly owing to the fact that, under the terms of the resolution passed by the Governing Body in 1929, a working capital fund was to be set aside up to 10 per cent of the total budget. This working capital fund will amount by the end of the current year to 221,000 francs, to which will have to be added a sum of 79,000 francs from the 1931 budget, amounting to approximately 3,000,000 francs. These measures of economy chiefly affected the publications of the Institute.

The Governing Body was unable to frame any resolution concerning the 1931 budget, as the position in regard to expenditure must depend on the execution of the plans for the reorganisation of the Institute decided upon by the Committee on Intellectual Co-operation. The Committee entrusted the preparation of the plan for this reorganisation to the new Executive Committee which, as a Directors' Committee, will at the same time take over the duties of the former Committee of Directors, just as the International Committee on Intellectual Co-operation forms itself into a Governing Body for the Institute. This Governing Body has, moreover, asked the new Directors' Committee to frame the 1931 budget. The Committee has also been asked to prepare, in agreement with the new Director, a scheme for the new composition of the staff of the Institute in accordance with the plan of reorganisation which is finally agreed upon. All these decisions are of great importance, and it is for the Council of the League to say whether effect should not be given to them until they have been approved by the Council.

In conclusion, it should be mentioned that the Staff of the Institute, owing to the above-mentioned special circumstances, has had to work under unusually difficult conditions. The personal part taken by individuals in the Institute's work is deserving, therefore, of special recognition.

(Signed) Dr. H. A. KRÜSS,
Rapporteur.