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[Communicated to the Assembly,
the Council and the Members
of the League.]

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LEAGUE OF NATIONS

INTERNATIONAL RELIEF UNION

**REPORT ON THE ACTIVITIES OF THE EXECUTIVE
COMMITTEE FROM JANUARY 1st TO DECEMBER 31st, 1938**

*(Communicated to Members of the International Relief Union, the Assembly and
the Council of the League of Nations.)*

In conformity with Article 10 of the Statutes of the International Relief Union, the Executive Committee has to submit to States Members of the Union a report on its activities in the past year, and communicate it to the Secretary-General of the League of Nations, in order that it may be brought to the knowledge of the Council and the Assembly.

1. During 1938, the Executive Committee held two sessions, one in Paris on April 12th and 13th, the other at Geneva on December 12th.

2. The year 1938 was marked by a particularly serious natural disaster which affected the territory of a State Member of the International Relief Union—namely, the flooding of the Yellow River in China. A detailed report on the consequences of this catastrophe for the inhabitants of several provinces of China having been communicated to the Union by the International Red Cross Committee (which had itself received it from its delegate in China, Dr. Calame), the Executive Committee decided at its December session to get into touch with the Chinese and Japanese Governments with regard to the possibility of eventual action on its part on behalf of the said inhabitants. It adopted in this connection the following resolution:

“ The Executive Committee,

“ Having received from the International Red Cross Committee a report by the latter’s representative in China—Dr. Calame—which gives striking details regarding the poverty and neglect of the inhabitants of several provinces of China;

“ Considering that intervention by the International Relief Union on behalf of these unfortunate inhabitants ravaged by famine and disease would be in accordance with the mission devolving on it in virtue of the Convention of July 12th, 1937;

“ Considering that, in view of the hostilities which are going on in Chinese territory, the Union can only act in a spirit of strict neutrality, and that it is advisable to get into touch with the Chinese Government and the Japanese Government with regard to the possibility of eventual action on its part;

“ Considering that such action could not in the present circumstances be undertaken without the collaboration of the International Red Cross Committee:

“ Decides, subject to the replies of the above Governments:

“ (1) To appeal to the generosity of States Members of the Union for the purpose of collecting as rapidly as possible the necessary funds for relieving the hardships suffered by the victims of the disaster;

“ (2) To bring this appeal to the notice of non-member States in case they may wish to associate themselves with whatever generous action Member States may take;

“ (3) To arrange with the International Red Cross Committee so that its delegation in China may collaborate with the International Relief Union in distributing funds among the populations in need of relief.”

The above resolution was communicated to the representatives in Switzerland of the Chinese and Japanese Governments. Some time later, the Chinese Government expressed to the Executive Committee of the Union its keen appreciation of the relief proposed, but was of opinion that such action should be subject to the approval of the Chinese Government alone. The Japanese Government, for its part, stated that a committee had been specially appointed to re-establish, with the active collaboration of the Japanese authorities on the spot, normal living conditions for the population affected by the Yellow River floods and that, consequently, there seemed to be no need for assistance from abroad. The Executive Committee regretted that, in such circumstances, it was unable to give practical help to the victims of the floods.

3. Although it did not occur in 1938, but at the beginning of 1939, the earthquake which devastated six provinces of Chile on January 24th last should be mentioned here as a disaster to which the Union devoted its attention. This particular case was hardly a case for an appeal to States Members of the Union for relief action on behalf of the victims of the earthquake, as Chile was not a party to the Convention of July 12th, 1937. The President of the Executive Committee was anxious, however, to show his sympathy to a country which had suffered such a grievous misfortune and, after consulting his colleagues, he authorised the Secretary-General of the Union—who had first had numerous consultations with the Red Cross and the Minister of Chile in Berne—to go on a study mission to the devastated regions. This intervention might have ultimately taken the form of the despatch of material assistance, if the Government of Chile had felt itself able to consider acceding in the near future to the Convention of July 12th, 1927.

4. The Convention of July 12th, 1927, entrusts to the Union, in addition to the organisation of actual relief, the task of encouraging “the study of preventive measures against disasters”. Previous reports have already mentioned the establishment in a number of countries, on the Union’s initiative, of “National Committees for the Study of Disasters” and the organisation in Paris in 1937 of a first international conference for protection against natural disasters which was held under the auspices of the Union. During 1938, the Executive Committee of the Union took a further step in this direction by unanimously approving at its thirteenth session a proposal by one of its members—M. Camille Gorgé—to the effect that an international research and co-ordination centre dealing with natural disasters should be established at the Union’s headquarters. This new service, in which scientists will collaborate, will give a fresh impulse to the action which the Union has already taken for scientifically combating natural disasters, and this in two ways:

(1) By co-ordinating the activities of the national or international associations engaged in investigating a particular natural disaster;

(2) By acting as an independent research centre for disasters which no international organisation has yet been asked to investigate.

As will be clear from this brief description of its tasks, the proposed new Research Centre will fill a gap by centralising information which has hitherto been dispersed. It will at the same time be careful not to duplicate organisations already existing, but will ask them rather to collaborate in helping to spread a knowledge of the results of their work.¹

As will be seen from a perusal of last year’s report, energetic steps have been taken to investigate the establishment of a research and co-ordination centre.

5. The General Council, at its meeting in December 1937, instructed the Executive Committee to continue its studies of the question of the application of insurance to disasters.

It will be recollected that the Council had received an initial report from M. H. Lanz-Stauffer, Director of the Inter-cantonal Reinsurance Union, Berne, the Executive Committee’s insurance expert, who considered the position of the Union in three aspects—viz:

“ (1) As the body insuring the risk of first aid to victims of disasters;

“ (2) As the body insured with a third party against the same risk;

“ (3) As a propaganda agent for the application and development of insurance against disasters. ”

¹ A comprehensive study of the creation of the Research Centre was submitted to the fifth International Congress for Life-saving and First Aid to the Injured, held at Zurich and St. Moritz in July 1939, and will be reproduced in the July/August 1939 number of the *Review for the Study of Disasters*.

This Congress, after taking cognisance of the study (which will also be published in the July-August 1939 number of the *Review*), adopted the following resolution:

“ The fifth International Congress for Life-saving and First Aid to the Injured, meeting at Zurich and St. Moritz from July 23rd to 28th, 1939;

“ After taking cognisance of the oral and written report submitted on the establishment by the International Relief Union of an international research and co-ordination centre for natural disasters;

“ Realising the advantages of such a centre in promoting the scientific study of disasters and protecting humanity against natural scourges:

“ Trusts that the International Relief Union will succeed, with the assistance of the major international associations concerned, in establishing an *international research and co-ordination centre for natural calamities*.”

M. Lanz-Stauffer was asked to supplement this interesting report by further studies which have appeared in the *Review for the Study of Disasters*.¹ These documents were to form the basis of the discussions of a committee of experts which it was proposed to convene in October 1938 in Paris. Unfortunately, the difficulties arising out of the international situation, and the death of two experts, prevented this conference being held. The Committee then got into touch with the Rome International Institute for the Unification of Private Law in order, in conjunction with this institution, to continue the study of the legal and technical aspects of the question and eventually arrange for the proposed meeting of experts.

The Rome Institute was glad to give its help, and instructed Professor Baldi to draw up a new study on the basis of the material already collected. On May 29th, 1939, the Governing Body of the Rome Institute fully approved the temporary arrangement concluded between the Institute and the Union, as the following resolution shows:

“ The Governing Body,

“ Having been asked by the International Relief Union to study, from the legal point of view and in conjunction with the Union, the possibility and eventually the ways and means of effecting insurance against major disasters;

“ Having taken cognisance of the research work and studies already carried out to this end by the International Relief Union, and deeply appreciating the latter's efforts to furnish relief in case of disaster;

“ Having noted the report and questionnaire drawn up by the Institute to serve as a basis for discussion by a committee of experts:

“ Resolves:

“ That the Institute shall continue, in conjunction with the International Relief Union, the work begun and, in particular, shall set up a committee of experts to study the systems of insurance suitable for major disasters.”

A collaboration, which we hope will be successful, has thus been initiated between the two organisations in a matter of immense importance for the campaign against natural disasters.

6. The sixteenth International Red Cross Conference met in London from June 20th to 24th, 1938. The Executive Committee of the Union submitted a report by its President on its activities and was specially represented by one of its members—M. Gorgé. On the latter's representations, both to the Council of Governors of the League and to the plenary meeting of the general Red Cross Conference, the latter adopted the following resolution:

“ The sixteenth International Red Cross Conference,

“ Having taken cognisance of the report presented by the International Relief Union;

“ Recommends that the international Red Cross organisations should:

“ (1) Encourage national Red Cross societies to study the organisation and aims of the International Relief Union, and prepare themselves carefully to extend the free co-operation provided for in the statutory documents of the Union on the part of the Red Cross societies of countries adhering to the Union;

“ (2) Study the allocation of duties and responsibilities between the International Relief Union on the one hand, and the Red Cross organisations on the other, with a view to arriving at a rational application of the stipulations of Article 15 of the Statutes of the International Relief Union (paragraph 1) in time of disaster calling for the intervention of the Union;

“ Reiterates the hope, expressed at its preceding meeting in Tokyo in 1934, that the Governments and national societies of countries adhering to the Union will draw up plans on a national scale with a view to the co-ordination of their efforts in the event of disaster;

“ Considers that the relations between the International Relief Union and national Red Cross societies for the purposes of collaboration should be conducted at all times through the intermediary of the international Red Cross organisations, and more especially of the League of Red Cross Societies.”

Following the adoption of this resolution, than which there could be no clearer evidence of the desire for co-operation existing between the International Relief Union and the Red Cross, M. de Rougé, Secretary-General of the League of Red Cross Societies, in agreement with the Executive Committee of the Union, asked the national Red Cross societies to state exactly what assistance they could give the Union on the occasion of natural disasters. Several interesting replies have already been received by the League to this enquiry, which is still proceeding. From them it is already clear that most of the national Red Cross societies are fully in favour of practical collaboration with the International Relief Union. The question now is how this collaboration can be made effective. This problem will be the subject of further joint examination with the International Red Cross Committee and the League of Red Cross Societies and also the representatives of national Red Cross societies.

¹ Cf. H. LANZ-STAUFFER: “ L'Assurance contre les Calamités ”, in the *Review*, No. 4, pages 1-22, and “ L'Assurance contre les Dommages causés par les Forces de la Nature en Suisse ”, in the *Review*, No. 5, pages 67-88.

Shortly before the London Conference, the Executive Committee of the Union felt it should participate in another manifestation organised by the Red Cross—namely, the first International Technical Conference on the Organisation and Operation of Relief Stations, which was held at Tallinn from June 2nd to 5th. The Union was represented at this Conference by one of its members—M. Walter Hartmann—who submitted an interesting report on the meeting to the last session of the Union's Executive Committee.

7. With the idea of making the Organisation and aims of the International Relief Union better known and complying with the obligation laid upon it by Article 2, paragraph 2, of the Convention of July 12th, 1927, the Executive Committee arranged for the publication in 1938 of two important works—viz., a *Manual of the International Relief Union*, which, in addition to the official texts concerning the Union, contains information as to its working and the organisations which have to collaborate with it, and a pamphlet written by M. Camille Gorgé, member of the Executive Committee, entitled *The International Relief Union, its Origin, Aims, Means and Future*, which gives the public a very comprehensive description of the International Relief Union and its work, and is an eloquent confirmation of the need for the campaign which the Union has initiated. This pamphlet, which has been published in French, German, English and Spanish, has been widely distributed by the Executive Committee.

8. The financial difficulties referred to in previous reports have still not been solved and continue to hamper the execution of the Union's various schemes, the latter's resources bearing no relation to the work it has to do. As the President of the Executive Committee recently remarked, it would be necessary, in order to remedy this situation, to revert to the original idea of the International Relief Union and realise that the campaign against natural scourges can only be successful if the organisation responsible for it has a reliable and permanent financial basis.

It is a matter of regret now that the 1927 Diplomatic Conference did not make requisite provision for giving effect to the aims of the Union. The establishment of a fund financed by small but regular contributions from States is the only means of enabling the Union to cope effectively with the gigantic programme of relief — in some part at any rate — for large-scale natural calamities. The harm, however, is not irreparable. Governments could remedy the matter by amending the statutory position of the Union. The question should at any rate be considered, and that at a very early date. This will be a task for the next General Council of the Union.

As it cannot meet administrative expenditure purely from the Working Capital Fund and as it cannot agree to abandon, for purely financial reasons, schemes of capital importance for the future of the Union and the discharge of its obligations to its members, the Executive Committee decided in December 1938 (on the strength of a resolution of the General Council, which had already authorised it to allocate to the Working Capital Fund part of the profit shown in the balance-sheet for the financial year 1937) to transfer from the reserve fund an amount sufficient to make good the budgetary deficit (see financial documents appended). Naturally, this step, which will have to be approved by the General Council, is only a temporary solution of the problem: the final solution rests with the States Members of the Union.

Appendix.

ACCOUNTS FOR THE PAST FINANCIAL YEAR AND FINANCIAL DOCUMENTS

I. BUDGET FOR 1938

<i>Expenditure.</i>	Swiss francs	<i>Income.</i>	Swiss francs
Expenses of meeting of the twelfth session of the Executive Committee	2,500.—	Income	18,200.—
Expenses of the permanent central service:			
(a) Postage, telephones, telegrams, etc.	2,500.—		
(b) Honorarium to Legal Adviser	2,400.—		
(c) Honorarium to Secretary	3,600.—		
(d) Possible rent	2,000.—		
(e) Study journeys	4,000.—		
(f) Publicity	1,200.—		
	15,700.—		
Bank charges	700.—		
Grant to the review, <i>Material for the Study of Disasters</i>	5,000.—		
Expenses of audit	300.—		
	24,200.—		
		Estimated balance for preceding year	6,000.—
Total	24,200.—	Total	24,200.—

II. INITIAL FUND AT DECEMBER 31ST, 1938

<i>Contributions due.</i>	Swiss francs	<i>Contributions paid.</i>	Swiss francs
Albania	700.—	Albania	700.—
Belgium	12,600.—	Belgium	12,600.—
United Kingdom	73,500.—	United Kingdom	73,500.—
Bulgaria	3,500.—	Bulgaria	3,500.—
China	29,400.—	China	29,400.—
Cuba	6,300.—	Cuba	6,300.—
Czecho-Slovakia	20,300.—	Czecho-Slovakia	20,300.—
Danzig (Free City of)	700.—	Danzig (Free City of)	700.—
Ecuador	700.—	Egypt	5,600.—
Egypt	5,600.—	Finland	7,000.—
Finland	7,000.—	France	55,300.—
France	55,300.—	Germany	55,300.—
Germany	55,300.—	Greece	4,900.—
Greece	4,900.—	Hungary	5,600.—
Hungary	5,600.—	India	39,200.—
India	39,200.—	Iran	3,500.—
Iran	3,500.—	Iraq	2,100.—
Iraq	2,100.—	Italy	42,000.—
Italy	42,000.—	Luxemburg	700.—
Luxemburg	700.—	Monaco	700.—
Monaco	700.—	New Zealand	7,000.—
New Zealand	7,000.—	Poland	22,400.—
Poland	22,400.—	Roumania	15,400.—
Roumania	15,400.—	San Marino	700.—
San Marino	700.—	Sudan	1,400.—
Sudan	1,400.—	Switzerland	11,900.—
Switzerland	11,900.—	Turkey	7,000.—
Turkey	7,000.—	Venezuela	3,500.—
Venezuela	3,500.—	Yugoslavia	14,000.—
Yugoslavia	14,000.—		
		Total	452,200.—
Total	452,900.—	Balance due	700.—
		Total	452,900.—

III. BUDGET FOR 1939

<i>Expenditure.</i>	Swiss francs	<i>Income.</i>	Swiss francs
Expenses of meeting of the Executive Committee and of the General Council	2,350.—	Income from securities	18,800.—
Journeys on behalf of the Union	3,000.—	Income earned by the <i>Review</i> :	
Expenses of the permanent central service:		(a) Subscriptions	600.—
(a) Office expenses, postage, telephones, telegrams, etc.	1,500.—	(b) Advertisements	400.—
(b) Printing, pamphlets, documents, etc.	1,000.—		<hr/> 1,000.—
(c) Upkeep of premises and furniture	1,000.—	Contribution by the Order of Malta	230.—
(d) Salaries of secretariat	20,400.—	Transferred from the Reserve Fund	20,000.—
(e) Press service	800.—		
(f) Publicity	2,000.—		
(g) Library	350.—		
	<hr/> 27,050.—		
Bank charges	200.—		
<i>Review for the Study of Disasters</i>	7,000.—		
Expenses of audit	300.—		
Unforeseen	130.—		
	<hr/> Total		<hr/> Total
	40,030.—		40,030.—

IV. RETURN OF SECURITIES AS AT DECEMBER 31ST, 1938

Nominal value	Description	Deposited at	Rate	Real value
	<i>I. Securities deposited with the Banque de Paris et des Pays-Bas :</i>			Swiss francs
120,000 Swiss francs	4% Swiss Cantonal Bank debentures, 1935, 10th series	Geneva	106¼%	127,500
60,000 Swiss francs	4% debentures, Banque des Lettres de Gage d'Etabl. suisses de Crédit hyp., 1933, 11th series	Geneva	105¼%	63,150
74,000 Swiss francs	3% Federal Railway Stock, 1938	Geneva	97.75%	72,335
10,350 French francs	4½% French <i>Rente</i> , 1937 (230,000 francs capital)	Geneva	157.35%	42,340
60,000 Swiss francs	3½% Town of Geneva Stock, 1937, 3rd	Geneva	100%	60,000
£850	3½% Indian Loan Stock	Geneva	89⅜%	15,650
25,000 Swiss francs	4% International Standard Electric Corp., 1938	Geneva	93½%	23,375
Total:				404,350
	<i>II. Securities deposited at Lloyds Bank :</i>			
50,000 Swiss francs	4% Federal Stock, 1933	Geneva	107.10%	53,550
£3,000	3½% War Loan Stock	Geneva	98%	60,565
Total:				114,115
Grand total:				518,465¹

¹ The difference between the valuation placed on the securities in this statement and that given in the balance-sheet as at December 31st, 1938, annexed to the Auditor's report is due to the fact that the former is based on the current Stock Exchange quotation and the second on the purchase price.

V. AUDIT OF THE ACCOUNTS FOR THE 1938 FINANCIAL PERIOD

Report by M. U. A. J. Brunskog.

I have examined in detail the accounts of the International Relief Union for the 1938 financial year.

The receipts and expenditure for the year 1938 and the balance at the end of the year are shown in the tables appended to this report.

With regard to Table A, it should be observed that the Executive Committee transferred 25,000 Swiss francs from the reserve to the Working Capital Fund, for the purpose of covering the deficit for the year 1938, amounting to 4,223.84 Swiss francs, and the expected budget deficit for 1939, estimated at 20,000 Swiss francs.

The claims shown in Table B, amounting to 700 Swiss francs, represent the contribution due by the Government of Ecuador.

Lastly, it should be mentioned that, subject to the approval of the General Council, the Executive Committee has made a reduction of 2,800 Swiss francs on the Chinese Government's contribution to the initial fund of the Union, thus bringing it down to 29,400 francs.

(Signed) UNO BRUNSKOG,

Auditor of the League of Nations.

Stockholm, June 30th, 1939.

Table A. — Working Capital Fund.

<i>Expenditure.</i>	Swiss francs	<i>Income.</i>	Swiss francs
Expenses of meeting of the twelfth and thirteenth sessions of the Executive Committee	2,456.80	Balance of the financial year 1937	5,100.13
Permanent central service:		Income	16,153.65
(a) Postage, telephones, telegrams	1,842.40	Gift from the Swiss Government	1,000.—
(a') Printing	2,724.09	Gift from Mme. Montefiore: Lire 2,000.—	453.65
(b) Honorarium to Legal Adviser	2,400.—	Subscription paid by the Order of Malta for 1936, 1937 and 1938: Lire 3,000.—	690.—
(c) Premises (adaptation, installation, purchase of furniture)	2,664.95	Subscriptions in arrears to <i>Material and subscriptions to Review for the Study of Disasters</i>	526.20
(d) Journeys	1,795.25		23,923.63
(e) Salaries	4,900.—	Transfer from Reserve Fund	25,000.—
(f) Publicity	3,184.20		
	19,510.89		
Bank charges	254.25		
<i>Review for the Study of Disasters</i>	5,925.53		
	28,147.47		
Balance as at December 31st, 1938	20,776.16		
Total	48,923.63		

Table B. — Balance-sheet as at December 31st, 1938.

<i>Assets.</i>	Swiss francs	<i>Liabilities.</i>	Swiss francs
Banks	715.01	Initial Fund	452,900.—
Securities	490,376.40	Working Capital Fund	20,776.16
Debt owing	700.—	Reserve	18,115.25
Total	491,791.41	Total	491,791.41

