

should decide separately whether it shall take any part in that action. The Council feels bound to express its clear opinion that any reservation of this kind would undermine the basis of the League of Nations and would be incompatible with membership of the League. It seems to the Council impossible that a Member of the League, and of the Council, should, in the event of operations undertaken against a covenant-breaking State, retain a status which would exempt its nationals from the general obligations imposed by the Covenant. The Council need hardly point out that other countries whose military forces have also been limited by the provisions of the existing treaties have, on entering the League, accepted the obligations of the Covenant without reservation.

"The Council trusts that these observations may be of use in elucidating the attitude of its Members with regard to the questions raised by the German Government.

"The general conditions of entry of new Members are contained in Article I of the Covenant, which leaves the decision to the Assembly which has on repeated occasions declared itself in favour of the universality of the League. Only by active co-operation as a Member can a country have its due influence in the decisions of the League — decisions which cannot fail to be of far-reaching importance.

"In conclusion, the Council wishes to express to Germany its sincere wish to see her associated in its labours, and thus play in the organisation of peace, a part corresponding to her position in the world."

1481. Free City of Danzig. Danzig Municipal Loan.

M. Sahm, President of the Senate of the Free City of Danzig, M. Strasburger, representative of Poland, and Mr. MacDonnell, High Commissioner of the League of Nations at Danzig, came to the Council table.

M. HYMANS read his report (Annex 760) and submitted the following resolutions:

"I. Subject to the formal verification by the High Commissioner that the conditions of the loan are in accordance with the status of the Free City the Council, on the recommendation of the Financial Committee, authorises the issue, under the auspices of the League, of the proposed Municipality of Danzig Seven Per Cent Mortgage Loan of 1925 of £1,500,000 (nominal), which they consider to be essentially of a constructive character in that it is to be devoted to sound economic development, which is in the interest of Danzig. This authorisation is conditional upon the Harbour Board definitely accepting the advance offered from the principal loan for the purpose of harbour works. If it does not thus accept it, the Council authorises the loan to be issued under the auspices of the League if the total amount (nominal) is reduced to a sum not exceeding £1,250,000, the conditions being otherwise the same.

"The Council is glad to note that all the authorities concerned are in agreement with the scheme."

"II. The Council agrees to undertake the responsibilities (including that of appointing the Trustee) which it is requested to assume in the agreement for the loan, made on February 19th, 1925, between the Municipality of Danzig and the British Overseas Bank, Ltd., and Messrs. Helbert, Wagg & Co., Ltd. To this effect the Council agrees to the provisions annexed (Annex 760 a).

"The Trustee shall make annually to the Council a report on his activities. This report will be communicated to the High Commissioner of the League."

"III. The Municipality of Danzig shall in each year during the continuance of the loan pay to the Trustee for the time being or his representative(s), under Articles 7, 8, 11 and 18, a sum at the rate of £105 per annum (or such other rate as the Municipality of Danzig, with the consent of the Council, may agree with the Trustee), by equal half-yearly payments, on the first day of September and the first day of March in every year, in addition to the salary or fees which the Trustee may consider it necessary to pay to any persons to represent or assist him and to all travelling and other costs, charges and expenses which the Trustee or his representative(s) may incur in relation to his trust."

"IV On the recommendation of the Financial Committee, the Council appoints as Trustee for the loan M. C. E. Ter Meulen, the President of the Financial Committee."

The report and the resolutions were adopted.

M. SAHM, President of the Senate of the Free City of Danzig, said he wished to thank the Council, on behalf of the Municipality of Danzig, for the decision which it had just taken. This was the first time that the Municipality had entered into relations with the Council, although questions interesting the Free City had frequently been examined by the Council. He had no doubt that, thanks to the support of the League of Nations, the municipal loan would have the same success as all the loans which had been issued under its auspices. The old Hanseatic city, which had behind it a history of a thousand years, and which for many centuries had been the commercial centre of all the peoples of the great cities of the Baltic, would be in a position to restore its fortunes.

He would like, on behalf of the Municipality to thank the Financial Committee of the League of Nations, which, owing to the thorough study of the question by its members and to their great competence, had been able to find a successful solution of the problem with which the Council was dealing, and he would like to include in this tribute the Secretariat of the League of Nations, which had dealt so energetically with the question.

The PRESIDENT said that he desired, as the representative of Great Britain, to express the pleasure it had given the Council to see this happy collaboration between the different authorities concerned and to associate himself with the hope expressed by the representative of Belgium that this might indeed be a good augury for their future relations.

As the President who had been in the chair at a meeting of the Council during which difficulties and differences of opinion between Poland and the Free City of Danzig had occupied much of the time at the Council table, and still more of the time of some of its members, he would venture to say in the name of the Council, that he hoped this collaboration would continue and that Poland and the Free City of Danzig, in the interests of both, would manage for the future to settle between themselves, by friendly arrangement, many of those disputes which hitherto had been brought to the Council table for decision.

M. Sahm, M. Strasburger and Mr. MacDonnell withdrew.

1482. Work of the Malaria Commission. Communication by M. Quiñones de León.

M. QUIÑONES DE LEÓN said that the question of malaria was at present the subject of investigations organised by the Health Section of the League of Nations. He had been instructed by his Government to inform the Council that, during the forthcoming visit of the Malaria Commission, the Government of His Majesty the King of Spain would be happy to extend to the Commission a most cordial welcome.

The PRESIDENT thanked the Spanish representative for this kind offer and declared the thirty-third session of the Council to be at an end.
