

markets should see that the investing public was not tempted to lend for purposes that were inconsistent with such principles. A second point which was equally emphasized was that if creditor countries were asked to restore credit for productive purposes it was first necessary to liquidate losses arising from credit inflation and to exercise the spirit of inflation itself. A third point was that great care should be taken that the production of additional goods with the borrowed money would not cause a greater slump in prices than has actually occurred.

These considerations, the British delegation pointed out, apply to emergency measures that might be concerted in the immediate future. But need for removing the causes of the recent financial crisis and preventing its early recurrence is fundamental in character. In this connection, the question of the gold standard was of primary importance and it would have to be dealt with by a Conference with very wide instructions. The Gold Delegation of the Financial Committee should accordingly present its final report with its practical conclusions as soon as possible, and the enquiry into the present depression conducted by the Financial Section should be continued and directed to that end.

The Second Committee approved the proposal that the study of the course and phases of the economic depression should be continued, but the idea of calling a conference for the purpose of bringing about a redistribution of the world's supply of monetary gold was opposed by the French delegation and omitted, on its recommendation, from the report of the Committee to the Assembly.

Lastly, the Committee briefly referred to the immense value of the work of research, classification and analysis of financial and economic facts which has been built up in these last ten years by the Secretariat of the League of Nations and of which the valuable study just circulated on "The Course and Phases of the World Economic Depression" is the latest example.

Communications and Transit

The Second Committee took note of the work undertaken by the Organization for Communications and Transit since the last Assembly and in particular of the success achieved by the conference for the unification of buoyage and lighting of coasts, the conference for the unification of river law and the conference on road traffic.

The conference for the unification of buoyage adopted an agreement concerning maritime signals, an agreement concerning manned lightships not on their stations, and a number of recommendations on buoyage regulations. On buoyage, the Conference could not draw up a convention. Nevertheless progress was made in the preparatory work, and, in the Second Committee of the Assembly, the British delegates announced that their Government were now preparing fresh proposals which would promote a solution as universal as possible of the question.

The conference for the unification of river law adopted a convention concerning collisions in inland navigation; a convention on the registration of inland-navigation vessels and on rights *in rem* over such vessels; and a convention on the administrative measures to attest nationality of vessels employed in inland navigation. The first two conventions in particular were signed by representatives of the majority of the Governments concerned.

In regard to river navigation, the Transit Organization has also been able to undertake the study of social questions, particularly of questions relating to conditions of employment. The Second Committee in its report to the Assembly expressed the hope that the studies on which the experts are now engaged will enable concrete proposals to be drawn up on this subject.